





**DABUR IS SWORN TO ITS MOTTO OF  
BEING DEDICATED TO HEALTH & WELL-BEING  
OF *EVERY HOUSEHOLD.***



Towards this end, Health is the common thread across Dabur's entire portfolio. And this is not just with its range of health care products like Chyawanprash and Ayurvedic medicines. Dabur's range of fruit juices offer health & nutrition. Its personal care products give consumers healthy beauty that's not just skin deep but beauty from within. Dabur's oral care products also deliver on the health promise by giving consumers healthier teeth & gums.





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# Corporate Information

## BOARD OF DIRECTORS

Dr. Anand C. Burman  
Chairman

Mr. Amit Burman  
Vice Chairman

Mr. Mohit Burman  
Director

Mr. Saket Burman  
Director

Mr. P. D. Narang  
Director

Mr. Sunil Duggal  
Director

Mr. P. N. Vijay  
Director

Mr. R. C. Bhargava  
Director

Dr. S. Narayan  
Director

Dr. Ajay Dua  
Director

Mr. Sanjay Kumar Bhattacharyya  
Director

Ms. Falguni Sanjay Nayar  
Director

## VP (FINANCE) & COMPANY SECRETARY

Mr. A. K. Jain

## AUDITORS

M/s G. Basu & Co.  
Chartered Accountants

## INTERNAL AUDITORS

Price Waterhouse & Co. LLP

## BANKERS

Punjab National Bank  
Standard Chartered Bank  
The Hongkong & Shanghai Banking Corporation Ltd.  
The Royal Bank of Scotland  
Citibank N.A.  
HDFC Bank Ltd.  
Bank of Tokyo Mitsubishi UFJ, Ltd.  
Bank of Nova Scotia  
IDBI Bank Ltd.

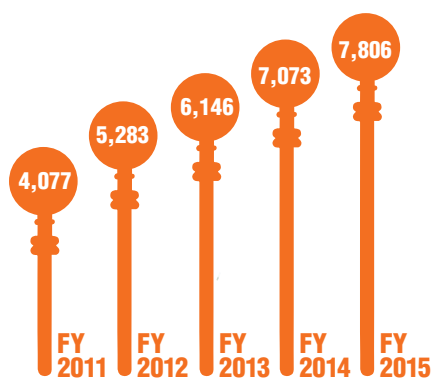
## CORPORATE OFFICE

Dabur India Limited  
CIN: L24230DL1975PLC007908  
Dabur Corporate Office, Kaushambi,  
Sahibabad, Ghaziabad-201010 (U.P.), India  
Tel.: 0120-39412525, 3982000  
Fax: 0120-4374935  
Website: [www.dabur.com](http://www.dabur.com)  
Email: [corpcomm@dabur.com](mailto:corpcomm@dabur.com)  
Email for investors: [investors@dabur.com](mailto:investors@dabur.com)

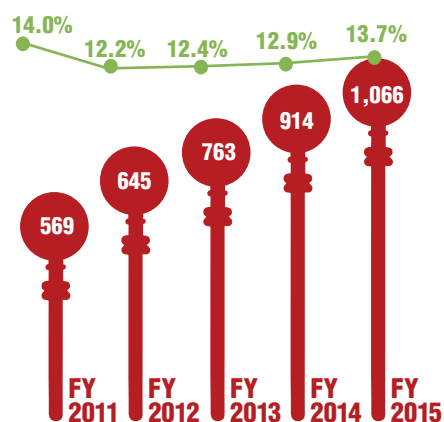
## REGISTERED OFFICE

8/3, Asaf Ali Road,  
New Delhi-110002, India  
Tel.: 011-23253488

# Financial Highlights

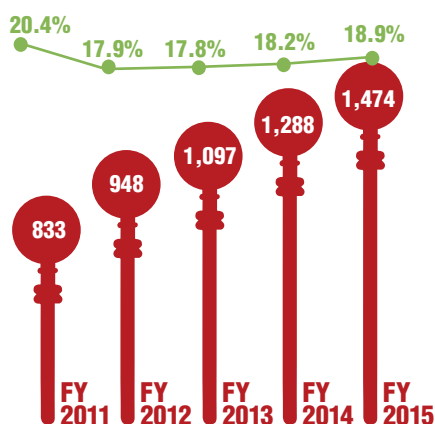


**SALES**



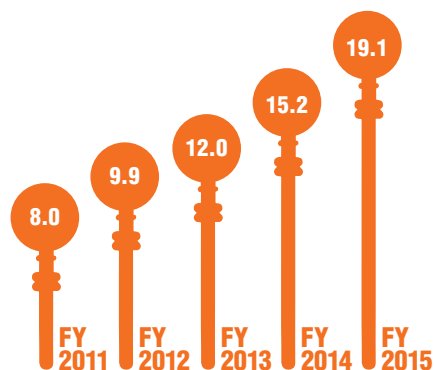
**PROFIT AFTER TAX (PAT)**

■ PAT ■ PAT margin (%)

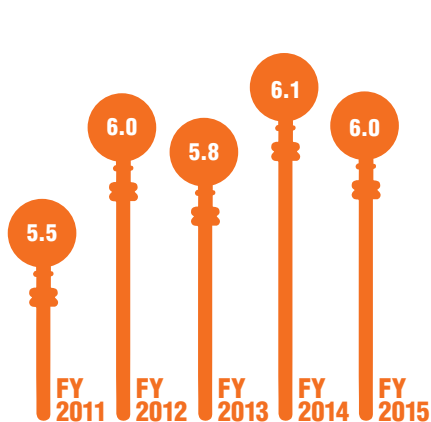


**EBITDA**

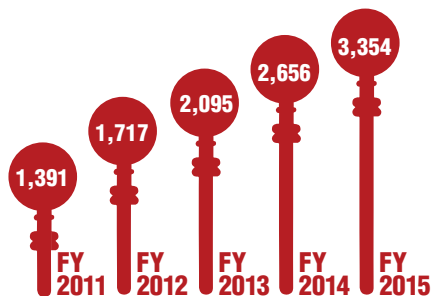
■ EBITDA ■ EBITDA margin (%)



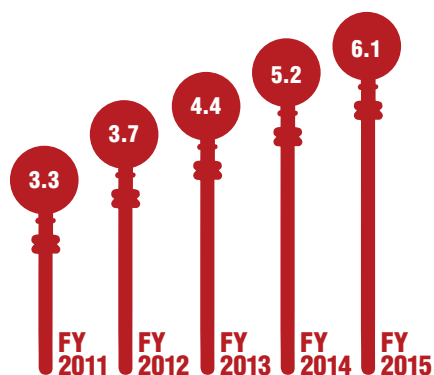
**BOOK VALUE PER SHARE**



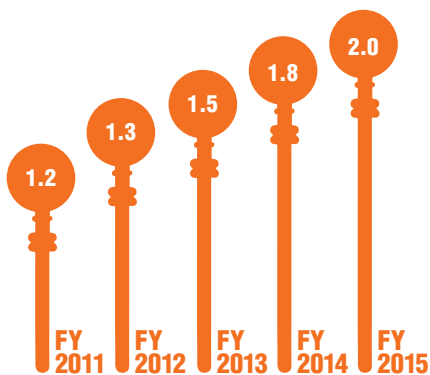
### NET FIXED ASSET TURNOVER<sup>^</sup>



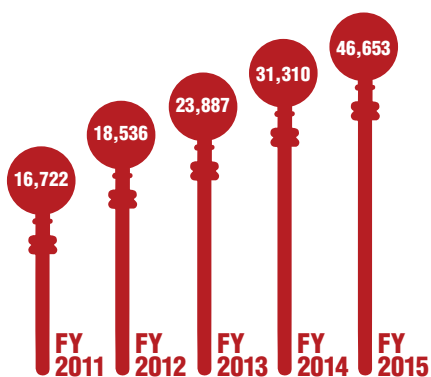
### SHAREHOLDERS' FUNDS



### EARNINGS PER SHARE



### DIVIDEND PER SHARE



### MARKET CAPITALIZATION

<sup>^</sup>NET FIXED ASSETS EXCLUDING GOODWILL

DABUR'S  
NET  
PROFIT  
CROSSES  
₹ 1,000  
CRORE  
MARK



Vatika globally is a  
₹ **1,000** Crore brand





Brand Réal sales cross  
₹ 1,000 Crore

Amla sales  
globally  
reach  
₹ 1,000  
Crore mark



# OUR MASTER BRANDS



As the world's largest Ayurveda and natural products maker, Dabur has a portfolio of over 381 trusted products spread across 21 categories and over 1,000 SKUs. A home-grown consumer products company, Dabur is an R&D-driven organization with a track record in the industry of 130 years. Dabur's FMCG portfolio includes five flagship brands with distinct brand identities.





**DABUR AS THE MASTER BRAND FOR  
NATURAL HEALTHCARE PRODUCTS**



**SHAMPOO**

**VATIKA FOR PREMIUM PERSONAL CARE**



**HAJMOLA FOR DIGESTIVES**

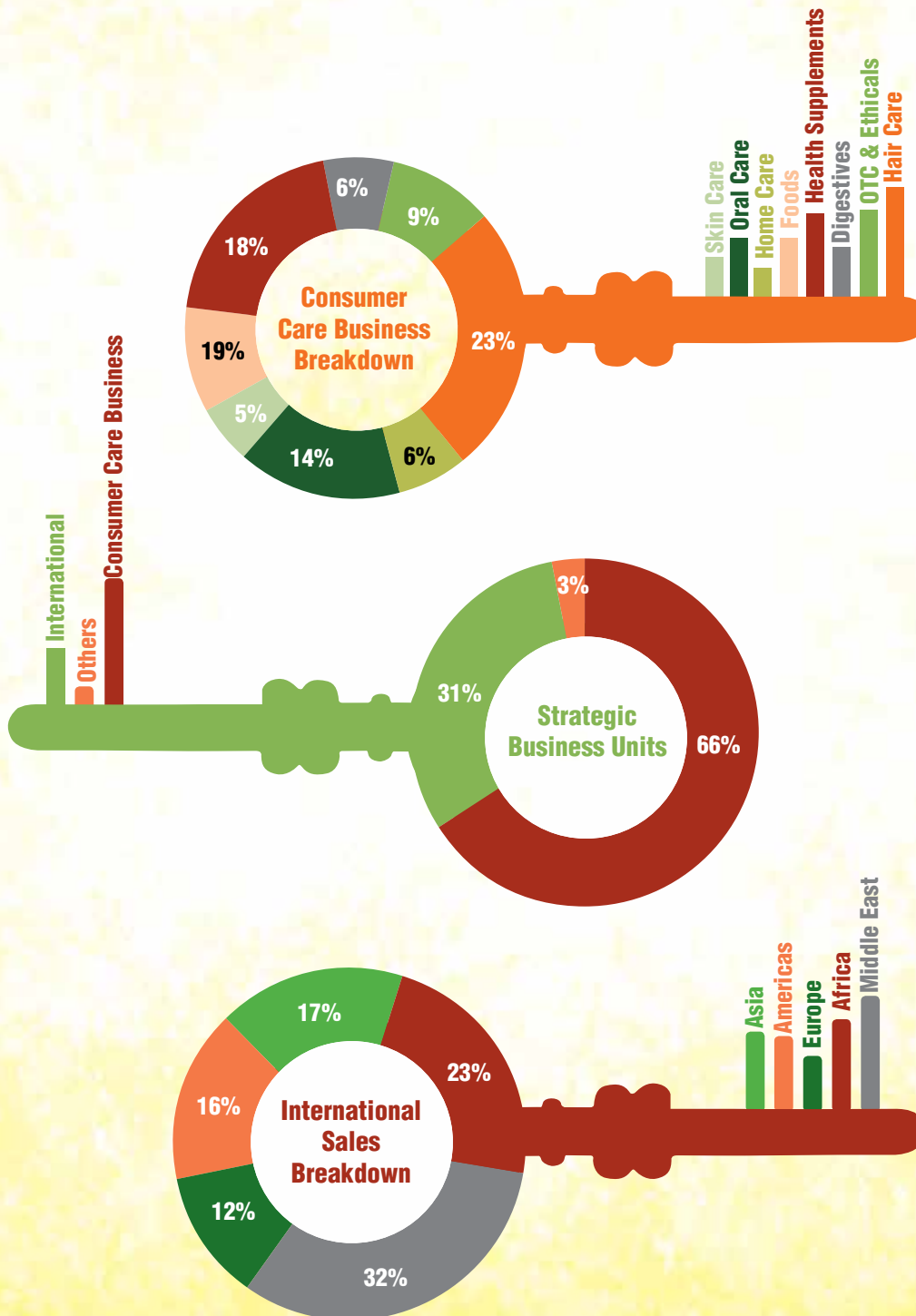


**RÉAL FOR FRUIT JUICES  
AND BEVERAGES**



**FEM FOR FAIRNESS BLEACHES  
AND SKIN CARE PRODUCTS**

# Strategic Business Units





# 10 Year Highlights

in ₹ Crores (except per share data)

## FINANCIAL RESULTS

	FY06#	FY07^	FY08	FY09	FY10	FY11^^	FY12	FY13	FY14	FY15
Net Sales	1,700	2,043	2,361	2,805	3,391	4,077	5,283	6,146	7,073	7,806
Other Income	13	26	34	47	48	59	80	132	153	179
EBITDA	300	376	443	517	667	833	948	1097	1288	1474
EBITDA Margins (%)	17.6%	18.4%	18.8%	18.4%	19.7%	20.4%	17.9%	17.8%	18.2%	18.9%
Profit Before Tax (PBT)	257	319	384	445	601	708	791	953	1136	1319
Taxes	30	39	52	54	100	139	146	183	219	251
Tax Rate (%)	12%	12%	14%	12%	17%	20%	19%	19%	19%	19%
Profit After Tax (PAT)	214	282	333	391	501	569	645	763	914	1066
PAT Margins (%)	12.6%	13.8%	14.1%	13.9%	14.8%	14.0%	12.2%	12.4%	12.9%	13.7%

## FINANCIAL POSITION

Net Fixed Assets (incl. Goodwill)	512	379	465	559	677	1,531	1,668	1,674	1,789	1,927
Current Assets, Loans & Advances	471	640	774	951	1106	1,949	2,315	2,689	3,056	2,731
Current Liabilities & Provisions	436	452	732	805	920	1,458	1,384	1,414	1,887	1,942

Share Capital	57	86	86	87	87	174	174	174	174	176
Reserves & Surplus	440	393	531	732	848	1,217	1,543	1,921	2,482	3,178
Shareholders Funds	497	480	618	819	935	1,391	1,717	2,095	2,656	3,354
Loan Funds	121	160	99	230	179	1,051	1,069	1,151	708	734

## EQUITY SHARE DATA

Earnings Per Share	3.7	3.3	3.9	4.5	5.8	3.3	3.7	4.4	5.2	6.1
Dividend Per Share	1.8	1.4	1.5	1.8	2.0	1.2	1.3	1.5	1.8	2.0
Book Value per Share (BVPS)	8.7	5.6	7.2	9.5	10.8	8.0	9.9	12.0	15.2	19.1
No of Shares (In Crs)	57.3	86.3	86.4	86.5	86.9	174.1	174.2	174.3	174.4	175.7
Share Price (unadjusted)	124	95	110	99	159	96	106	137	180	266
Market Cap	7,102	8,194	9,487	8,538	13,782	16,722	18,536	23,887	31,310	46,653



# BONUS ISSUE OF 1:1 DURING THE YEAR

^ BONUS ISSUE OF 1:2 DURING THE YEAR

^^ BONUS ISSUE OF 1:1 DURING THE YEAR

SHARE PRICE AND MARKET CAPITALISATION AS ON END OF FISCAL  
FY12 ONWARDS, FINANCIALS AS PER REVISED SCHEDULE VI

# People & Planet Performance

Brand Dabur evokes the feeling of 'Trust' in the minds of our consumers. Dabur has always stood for products that offer holistic health & well-being to its consumers. Dabur is committed to being a responsible company and making a positive contribution to Society and the Environment.

With our sustainable and environment-friendly procurement & manufacturing processes, we are striving to change the very fabric of our lives -- by improving the livelihood of communities around our manufacturing units and embracing more sustainable lifestyles.



**1,141**

the number of acres under cultivation for rare medicinal herbs in India



**1,674**

the number of farmers/beneficiaries of our agronomical initiatives in India



**13**

the number of states covered under our agronomical initiatives



# 9,13,750

the number of school kids benefiting from our health care initiatives



# 192

the number of rural kids gaining education at our non-formal education centres



# 2,028

the number of beneficiary families of our self-help group initiatives



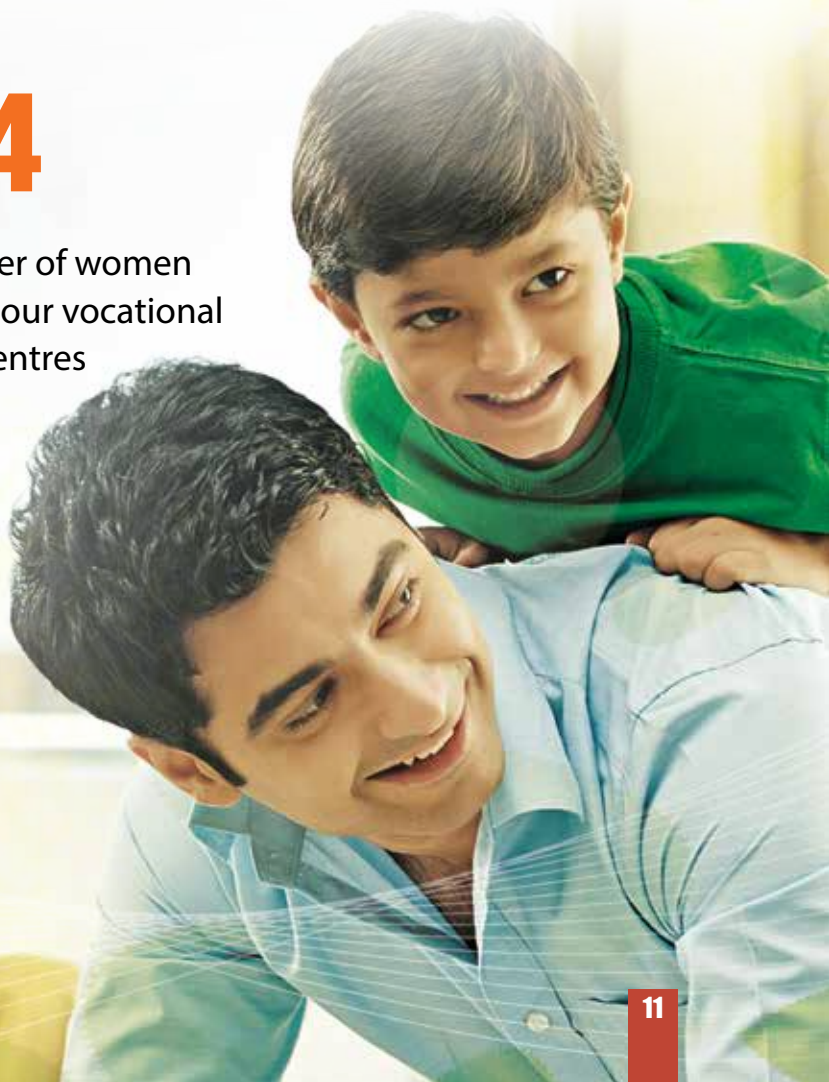
# 232

the number of women gaining education at our adult education centres



# 544

the number of women trained at our vocational training centres





# Chairman's Letter



Three of our brands – Vatika, Réal and Amla – crossed the ₹ 1,000-Crore sales mark globally.

Dear Shareholders and Partners in Growth,

It gives me great pleasure to write to you at the end of another exciting year in our journey. The year 2014-15, which marked the beginning of our fourth Vision Plan, saw Dabur surpassing many new landmarks along the way.

We have made some impressive achievements during the year, most notably:

- Your Company ended the 2014-15 fiscal with a Net Profit in excess of Rs 1,000 Crore
- Three of our brands – Vatika, Réal and Amla – crossed the Rs 1,000-Crore sales mark globally.

Our approach to creating value and achieving profitable growth has clearly delivered results. Your Company achieved Net Sales of Rs 7,806.4 Crores in fiscal 2014-15 with a growth of 10.7%. Net Profit for the year increased to Rs 1,065.8 Crores, up 16.6% over the previous year.

What was most encouraging was that this growth was achieved despite difficult external environment across many of our markets, with unprecedented geopolitical challenges, currency volatility and sluggish demand. While the headwinds somewhat abated in India and the

domestic market started showing signs of stability, the ground revival in businesses was slow as consumer demand did not show signs of any significant revival.

Despite the turbulent external environment, Dabur's sound strategy and motivated employees helped us report good growth momentum across our key categories and geographies. Both our Domestic Consumer Goods Business and International Consumer Goods Business reported a steady volume driven growth during the year as our brands reinforced their strong position across categories and markets.

Our investments in brands, distribution network, new products and consumer connect activities continued building momentum for future growth. In this letter, I will briefly describe what we have done, and will continue to do, to not just take on the increased competition in the marketplace but also position ourselves for leadership and growth in the months and years ahead.

Innovation is a core philosophy at Dabur. This year, your Company embarked on a new journey to make itself future ready, both with its products and its communication. We introduced several exciting new products across geographies, which have been very well

received by our consumers. The new launches cover the entire spectrum, from hair care to skin care and health supplements to digestives. To renew and reconnect our brands to the larger purpose of serving society, the year 2014-15 saw us launch two new initiatives – '700 Se 7 Kadam' and 'Brave and Beautiful'. The '700 Se 7 Kadam' campaign is aimed at creating awareness about hygiene issues in rural India while the 'Brave and Beautiful' campaign sought to reach out and honour the brave women who are fighting cancer. Details of our new product introductions and social initiatives have been presented in detail in the Management Discussion & Analysis section of this report. Both of these campaigns are available to watch on YouTube.

Your company also continued to invest in improving its distribution footprint across urban and rural markets. During the year, your Company piloted a new initiative aimed at leveraging the potential of Top 130 towns which contribute to 50% of





To renew and reconnect our brands to the larger purpose of serving society, the year 2014-15 saw us launch two new initiatives – '700 Se 7 Kadam' and 'Brave and Beautiful'.

urban consumption. This initiative is in line with our renewed focus on urban India, which we believe will drive the revival in the Fast Moving Consumer Goods sector going forward. While doing so, we have not lost sight of the growth potential that the hinterland offers. As a part of Project Double, Dabur has increased its rural coverage from 14,000 villages to around 44,000 villages over the last 3 years. We are now entering the next phase of expansion with this initiative and will expand our rural footprint to over 60,000 high potential villages over the next 2-3 years.

Our International business overall reported a steady growth this year, though some of the geographies faced pressure mainly due to geopolitical disturbances. New initiatives and course correction measures have been put in place in the overseas business to put it back on the high growth track.

Building community trust through responsible and sustainable management of our business is an indispensable part of the Dabur DNA. At Dabur, we are committed to our motto of being dedicated to the Health

and Well-Being of every household and have been making every effort to help people live healthier and happier lives. A host of initiatives were put in place to reduce our environmental impact and help improve the quality of life of the local communities where we operate. Details of these initiatives have been presented in the Business Responsibility Report section of this report.

It gives me great pride to inform you that this year the Institute of Company Secretaries of India (ICSI) has named Dabur India Ltd as one of the Best Governed Companies of India. Dabur was presented the Certificate of Recognition at the 14th ICSI National Awards for Excellence in Corporate Governance. We believe that strong governance and transparent reporting are critical to the long-term creation of value. Your company also bagged three Manufacturing Excellence Awards during the year, besides recognition for its community development initiatives.

Let me take this opportunity to thank you all, our investors and shareholders for your confidence in us, and our employees for

committing their talent and tenacity to our success. It is your trust and commitment that enables our progress, and encourages us to strive for excellence. We look forward to continuing along our successful path together with you.

Yours Sincerely,  
Dr. Anand C. Burman  
Chairman  
Dabur India Ltd.



# MANAGEMENT DISCUSSION & ANALYSIS

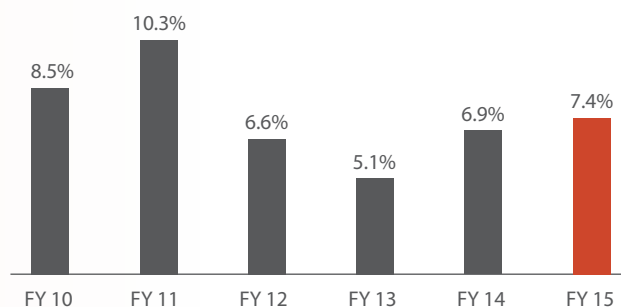
The CSO data for **FY2014-15** also indicates signs of revival with **GDP growth** forecast for FY2014-15 **improving** to **7.4%**.

The dark clouds seemed to have finally lifted and the Indian Economy appeared in a brighter spot towards the close of the 2014-15 fiscal. From almost staring at a macro-economic crisis at the beginning of the fiscal year, aggravated by double-digit Inflation, severe dip in investor confidence and a weak Rupee, the tide changed with the emergence of political stability at the Centre that brought back the bulls into the stock markets, hinting the emergence of stability. The general mood too turned upbeat as economic reforms got a push.

According to an update of its World Economic Outlook by International Monetary Fund (IMF), India is set to become the world's fastest-growing major economy ahead of China, in the next couple of years. India is expected to grow at 7.5% in 2015 and 2016 as per recent updates issued by IMF.

The CSO data for FY2014-15 also indicates signs of revival with GDP growth forecast for FY2014-15 improving to 7.4%. (Refer Chart 1)

**Chart 1: Real GDP Growth Rate**

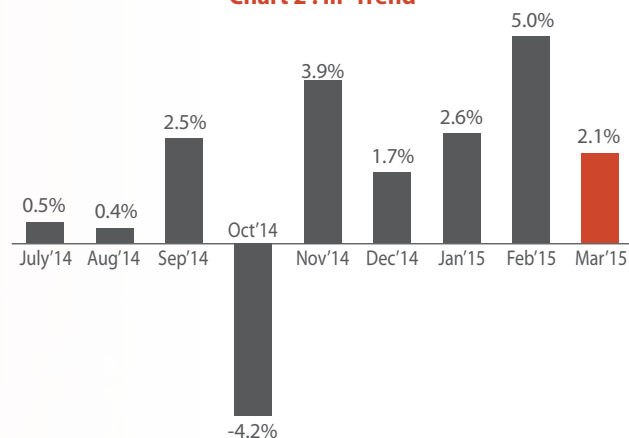


At current prices. FY13-15 GDP data represented as: New GDP series

Source: CSO, RBI, Ministry of Finance, Citi Research estimates

The Index of Industrial Production (IIP) which had slipped into negative territory during the year is indicating a revival over the past few months (Refer Chart 2) touching a high of 5% during February 2015.

**Chart 2 : IIP Trend**

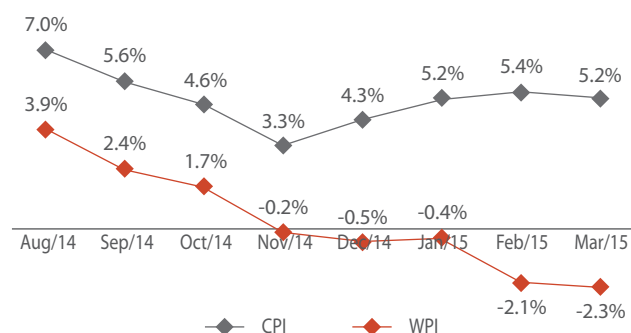


Source: CSO Estimates, MOSPI

The recent decline in crude prices has been favorable for India which imports almost 80% of its domestic oil needs. This has led to reduced imports, curtailed inflationary pressures and helped the government's finances by reducing its subsidy bill.

India's consumer inflation, which had been stubbornly high in the double digits between 2010 and 2013, has come down to about 5% currently, in part due to the RBI's tight monetary policy and sharp decline in commodity prices. From November 2014 onwards the WPI has started to show deflationary trends. (Refer Chart 3). Cooling of inflation is generally a positive indicator for consumption and demand and has helped reduce pressure on margins across industry.

**Chart 3 : CPI and WPI Inflation trend**



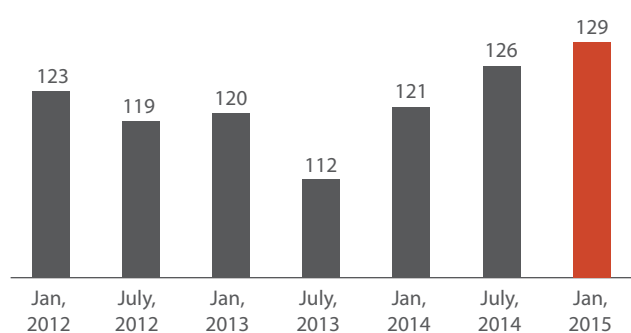
Source: Office of the Econ Advisor; Citi Research

While these indicators are positive for the industry, on the ground revival in businesses is still slow and taking more time than expected.

### FMCG Sector

According to The Nielsen Global Survey of Consumer Confidence and Spending Intentions, India was at the top spot in consumer confidence among 60 countries at 129 in the fourth quarter of 2014, up from 126 in the third quarter and an average of 120 from 2009 until 2014. This was also near its all time high of 131 in the fourth quarter of 2010 (Refer Chart 4).

**Chart 4 : Consumer Confidence Index - India**

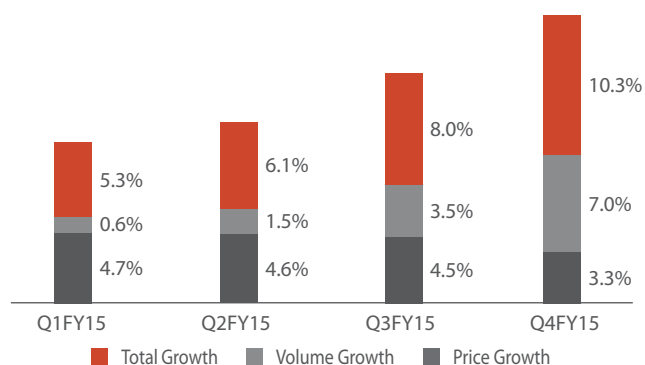


Source : The Nielsen Company

Despite a marked buoyancy in consumer confidence as reported by Nielsen, it did not translate into increased consumption across sectors, including the Fast Moving Consumer Goods (FMCG) industry. The sector reported muted growth for most part of the year with some key segments even reporting de-growth, blamed largely on the sense of uncertainty prevailing among consumers during the past few years.

If fiscal 2013-14 was considered a tough year for Indian consumer sector, it only worsened in 2014-15. Though the emerging trends did indicate that the growth deceleration has bottomed out, it was still too early to detect any signs of a recovery. According to The Nielsen Company, FMCG sector growth rates slipped further to low single digits around the middle of fiscal 2014-15. With growth rates beginning to inch up marginally towards the end of the fiscal, the sector is expected to stage a recovery in the coming quarters (Refer Chart 5).

**Chart 5 : FMCG Industry Growth**



Source: AC Nielsen

A revival in consumer demand is expected to happen in the near to medium term and is likely to be driven by a combination of the below mentioned factors:

- Disposable household income revival due to sustained low inflation, and gradual rise in job creation over the next 12-24 months
- Revival in discretionary consumer demand due to translation of positive sentiment around economic growth into retail consumer spends
- Growing demand for e-commerce for purchase of goods and services due to convenience factor and increasing number of internet users
- Growth of Modern Trade and enhanced brand visibility and availability
- Increasing demand for premium products in urban markets
- Increasing penetration and rising consumption among rural consumers

- (g) Evolving consumer lifestyle and greater awareness of brands leading to conversion from unorganized to organized

Recent initiatives such as proposed implementation of GST should work for the benefit of organized sector by developing a common Indian market and reducing the cascading effect on the cost of goods and services. In addition the Swachh Bharat campaign is likely to lead to greater demand for health and hygiene related products. Continuity of MNREGA, newer schemes to boost rural farm yields, investment in infrastructure, and creation of National Agricultural mission to ensure better prices for both farmers and consumers, all these initiatives are expected to help the rural growth story improve. This coupled with direct transfer of subsidy into beneficiaries' bank accounts, will have a favorable impact on disposable incomes and boost FMCG growth in rural areas.

The long-term government agenda of investing in infrastructure as well as building smart cities should be favourable for FMCG sector. Overall the FMCG sector is expected to gain momentum with increasing economic activity, rise in income levels, favorable demographics, increase in working population and lower inflation cycle.

While the long term prospects remain intact, the FMCG industry is also changing fast with technological advancement, changes in consumption patterns, emergence of newer channels such as e-commerce and increasing salience of organized retail. E-commerce for instance is growing very fast and offers immense opportunities. The emergence of local intra-city online vendors who operate within a few kilometers distance and have low cost operating models is posing new challenges to retailers as well as manufacturers. In addition digital / web based marketing and communication is becoming an important channel to connect with younger consumers. In fact the emergence of the new age consumers who are extremely demanding, discerning and not shy of spending is throwing up a whole lot of challenges as well as opportunities which need to be recognized and factored into plans and strategies to be future ready.

### DABUR PERFORMANCE OVERVIEW

Dabur India Ltd braved the macro headwinds and overall slowdown in market to deliver a steady growth in Sales and Profit during 2014-15 financial year. Reaping the benefits of its distribution enhancement initiatives and strong investment behind its brand, Dabur reported good growth momentum across its key categories and geographies with both the Domestic FMCG business and the International Business reporting a steady volume driven growth despite the challenging external environment.

Dabur India Ltd braved the macro headwinds and overall slowdown in market to deliver a **steady growth in Sales and Profit** during 2014-15.

The year also saw Dabur embark on a new journey to make itself future ready, both with its products as also its communication. India is getting younger and statistics reveal that the average age at which a consumer enters a category has come down dramatically. Youth are increasingly influencing the household in brand purchase decisions. As a company, Dabur has always been well connected to its consumers. Keeping pace with this changing consumer landscape, we are not just tailoring our products but also our brand campaigns to appeal to younger audience.

On the product front, Dabur began the year with the extension of its popular brand Hajmola into the confectionery space with the launch of Hajmola Chuzkara, a first-of-its-kind semi-liquid candy. The year also saw re-launch of its flagship hair care brand Dabur Amla Hair Oil in a more contemporary and trendy flip top pack. The Company launched its iconic health supplement brand Chyawanprash in a first ever chocolate flavor to expand its usage among children. The new product launches in India included wearable mosquito repellent products like wristbands and patches under the brand Odomos, besides introduction of Odomos in a roll-on format, a non-sticky coconut hair oil - Dabur Anmol Coconut Hair Oil with Jasmine and a new Ayurvedic therapeutic hair oil Dabur Keratex. In addition, a range of new Ayurvedic medicines aimed at treating lifestyle conditions like liver problems, kidney stones, hypertension & prostate enlargement were also launched during the year.

The pace of new launches was kept up in our International Business as well with the introduction of new products such as Miswak Gold Toothpaste, Dabur Herbal Sensitive Toothpaste, Miswak Mouthwash, Dermoviva Facial Cleansers and Scrubs, Vatika Dermoviva Soaps, Fem Halawa and ORS Monoi Oil range.

While the new products sought to appeal to youth, even the campaigns were tailored to speak their language. Today's youth are more socially aware and want to participate in bringing about a change in the society. So, product campaigns have to be about touching an emotional chord with the audience and helping them find the heroes in themselves. Our recent campaigns have reflected this. With Vatika's new



Brave & Beautiful campaign, the protagonist's story of coming out stronger after losing all her hair to cancer, delivers this message aptly. Similarly, the '700 Se 7 Kadam' campaign on Sanifresh talks about protecting the dignity of women in India by bringing toilets closer to their homes.

These new campaigns, both of which were first released in the digital space, have been very well received. The Brave and Beautiful campaign, for instance, received over 3 million views within just a month of its online launch and has become one of the most talked about campaigns in recent times. It has also become the single most awarded campaign at the Goafest 2015, winning the Grand Prix along with seven other trophies. Meanwhile, the Sanifresh campaign was chosen as one of the 10 Best Campaigns of the Year, by World Consulting & Research Corporation (WCRC). Our digital initiatives have also won praise from tech industry leaders like Google, which prepared a special case study on Dabur.

We continued to reach out to our consumers through a variety of on-ground initiatives that not only gave them an opportunity to experience Dabur products, but also generated a huge buzz and positive word for the brands. Our mass awareness campaigns (Immune India, Oral Hygiene camps, Health Camps etc.), informative sessions and other promotional events have resulted in sustained improvement in customer relationships.

Riding on these initiatives, Dabur drove demand and generated volume-led growth even though the environment remained challenging. The highlights of Dabur India Ltd's performance during fiscal 2014-15 on a consolidated basis are:

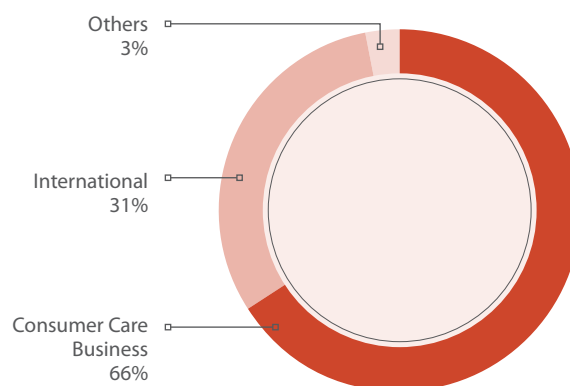
- Net Sales grew by 10.7% to ₹ 7806.4 crores in fiscal 2014-15 from ₹ 7,054.1 crores in fiscal 2013-14
- Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) increased by 14.5% to ₹ 1474.5 crores in fiscal 2014-15 from ₹ 1,287.9 crores in fiscal 2013-14
- Profit After Tax (PAT) increased to ₹ 1065.8 crores in 2014-15, up 16.6% from ₹ 913.9 crores in 2013-14
- Diluted Earnings Per Share (EPS) increased to ₹ 6.03 in 2014-15 from ₹ 5.21 in 2013-14

## STRATEGIC BUSINESS UNITS

Our business structure today stands as below:

- Consumer Care Business incorporating the Health Care, Home & Personal Care (HPC) and Foods verticals accounts for 66% of consolidated sales
- International Business includes Dabur's organic overseas business as well as the acquired entities of Hobi Group and Namaste Laboratories LLC. This vertical now accounts for 31% of Dabur's consolidated sales (Refer Chart 6)

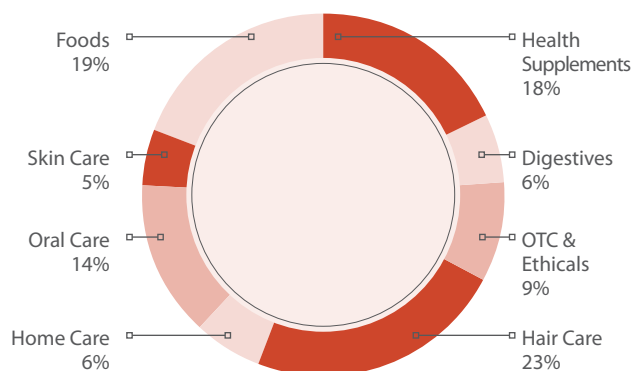
**Chart 6 : SBU Wise Sales Breakdown**



## CONSUMER CARE BUSINESS

The Consumer Care Business at Dabur, also referred to as the India FMCG business, includes Health Care (comprising Health Supplements, Digestives OTC and Ethicals), Home and Personal Care (comprising Hair Care, Oral Care, Skin Care and Home Care) and Foods. The business achieved growth of 12.5% during 2014-15. Chart 7 provides category wise breakdown of Consumer Care Business.

**Chart 7 : Category Wise Sales Of Consumer Care Business**



## HEALTH CARE

India is seeing fast emergence of lifestyle diseases such as obesity, diabetes, depression, high cholesterol, hypertension and chronic backaches. A survey by Metropolis Healthcare pointed out that more than half of the men in major cities like Delhi, Mumbai, Ahmedabad and Chennai suffer from diabetes with over 40% being in the 20-40 years age group. The survey further found that over 23% men in the same age group had a growing rate of high cholesterol. While it's more prevalent in urban India today, rural India is also seeing an increase in occurrence of non-communicable lifestyle related diseases. In a country where half its population is under the age of 25

and the average age is expected to reach 29 by 2022, the growing incidence of lifestyle diseases among the younger population is alarming.

Given this rise in lifestyle diseases, matters of health are capturing prime space in the consumer's mind. Individuals have become more aware of the fact that such lifestyle diseases, even the ones related to heart health, are not just diseases of the elderly and they are now a lot more determined to go a long way in combating such illnesses.

With a legacy and experience of 130 years, brand Dabur evokes trust in the minds of our consumers and is well placed to cater to the consumers' increasing demand for holistic health and well-being. Health Care is a key pillar of growth for Dabur, and we have been rolling out a slew of new initiatives aimed at further deepening our commitment towards the health & well-being of every household.

During the year 2014-15, we have strengthened our digital initiatives towards health care, targeting the growing number of consumers who are seeking answers to their health-related queries online. Through our health portal [www.liveveda.com](http://www.liveveda.com) and the Ayurvedic wellness centre in Delhi, we have been addressing health queries and also offering diagnosis & treatment to consumers, free of cost. Dabur has built a network of doctors and experts who regularly interact with consumers/patients, addressing their health care needs and offering health solutions.

Dabur has a highly experienced R&D team and access to the centuries old knowledge of Ayurveda, the benefits of which are being validated with science, to develop efficacious products that are contemporary and in ready-to-use formats offering our consumers holistic health and well-being. Thanks to these initiatives, Dabur has once again been named the Most Trusted Leader in the Ayurveda Healthcare category in the Brand Trust Report 2014, released by Trust Research Advisory.

Dabur's Health Care vertical comprises Health Supplements, Digestives, OTC and Ayurvedic Ethical Products. This vertical contributed 34% to Consumer Care sales during 2014-15.

### Health Supplements

Dabur's Health Supplements portfolio which accounts for 18% of Consumer care comprises three key brands - Dabur Chyawanprash, Dabur Honey and Dabur Glucose. The fiscal 2014-15 saw Dabur roll out a series of new communication campaigns and consumer activations, both on-ground and in the virtual world, which helped this category end the year with a strong 14% growth.

Dabur Chyawanprash, our flagship health supplement, is also among the biggest brands in the fast growing

consumer healthcare market. This brand, based on an over 5,000-year-old formulation, has always been the first choice of consumers when it comes to protecting children from infections and illnesses with the onset of winter. Dabur Chyawanprash has established its relevance as an immunity specialist and it continued to take the advocacy route to spread the message of building immunity.

Rising disposable incomes, coupled with the onset of lifestyle-related diseases and growing awareness about health care are key factors contributing to the demand for Dabur Chyawanprash. Today's fast-paced and highly competitive lifestyle, increasing pollution levels, epidemics, unhygienic food & water are all taking a toll on our health. There's a growing awareness now that a strong immune system provides protection from a host of diseases and recurring ailments. This is especially true for children since their immune system is still developing and hence they can be more vulnerable to infections. In this backdrop, Dabur Chyawanprash, as one of the leading health care brands in the country, has taken up the responsibility to drive awareness on the need for increasing immunity especially amongst children.

We have identified key opinion leaders and joined hands with doctors from reputed health care providers to spread the word about immunity as a foundation of health and well being. These initiatives, coupled with our campaign featuring cine star Madhuri Dixit, helped Dabur Chyawanprash bag the India Health & Wellness Award in the Healthcare Branding Campaign of the Year category.

As part of our commitment to safeguard the health of the future generation, Dabur Chyawanprash conducted its mega health awareness initiative 'Dabur Chyawanprash Immune India School Challenge 2014', for the third year in a row. Under this initiative, Dabur Chyawanprash, together with Max Healthcare, conducts health awareness camps across schools in Delhi, Uttar Pradesh, Bihar, Jharkhand, Maharashtra and Madhya Pradesh, educating children on the need to build a stronger immune system to fight against changing season, common bacteria and viruses. This year, we reached out to over 400,000 kids across 2,500 schools and conducted immunity sessions and health check-ups for students and teachers.

The Top 25 schools and the 30 Immuno-champs selected through the on ground & digital medium will be recognized at the grand Finale of Dabur Chyawanprash Immune India School Challenge to be held in Delhi.

Riding on these initiatives, Dabur Chyawanprash braved the unfavourable season, particularly the late onset of winter, and

**Health Care** is a key pillar of growth for Dabur, and we have been rolling out a slew of new initiatives aimed at further deepening our **commitment** towards the health & well-being of every household.

performed well across the entire Chyawanprash portfolio, including its flavoured and sugar-free variants. The year saw Dabur expand the flavoured variant portfolio with the introduction of a new Chocolate-flavoured Chyawanprash. Dabur Chyawanprash Chocolate offers the same goodness of Chyawanprash in a tasty chocolate flavour that would appeal to children. In fact flavours and variants launched in the last couple of years have gained scale and now contribute about 10% to Chyawanprash portfolio.

The premium health supplement Ratnaprash was rolled out nationally and has been very well received. During the year, your Company signed Bollywood actor Anil Kapoor as the brand ambassador for Dabur Ratnaprash, and a new TVC was unveiled with the tagline: 'Feel the Power of Youth'. The new campaign communicates the message that Dabur Ratnaprash helps rebuild your strength, stamina, vigour, vitality and energy that's drained by the stress of day-to-day living.

Given the growing incidence of obesity and other lifestyle diseases in the country, consumers are increasingly seeking convenient solutions and food products to manage their health and remain fit. Honey has been traditionally known for its numerous health benefits. A spoonful of honey, when taken with lemon and warm water early in the morning, on an empty stomach, is known to be a traditional recipe for weight loss.

Dabur has been focusing on this consumer need and has been positioning Dabur Honey as a weight management expert. Special commercials were created during the year to spread this message. We have developed a brand portal, [www.daburhoney.com](http://www.daburhoney.com) to propagate the benefits of Honey and its role in overall health and fitness. Through this portal, we have been sharing information on staying fit and even helping consumers develop a tailor-made fitness diet plan for themselves. This microsite also gave consumers an option to chat with a dietician online to discuss the diet plans.

As the market leader, your Company has taken the ownership of growing this category through a variety of other initiatives aimed at increasing its usage, which included doing cross

promotions at Modern Trade outlets with adjacent categories like green tea and breakfast cereals. Riding on these initiatives, the brand grew well across regions, SKUs and channels.

During the 2014-15 fiscal, the purity and quality of Dabur Honey got an independent certification when it was ranked as the best honey in the country, by Consumer Voice Magazine (a Ministry of Consumer Affairs publication). The results were declared in the January 2015 issue of Consumer Voice magazine after an independent and detailed comparative product testing of 10 honey brands in the market. Dabur Honey was ranked first and also achieved full score on the Hydroxymethylfurfural, or HMF, parameter, which is often used as an indicator for the quality of honey. The test results further stated that no traces of any antibiotics were found in Dabur Honey.

The other major brand in this category, Dabur Glucose reported good growth during the year, thanks to a favorable season. Dabur Glucose, riding on its differentiated proposition of offering 'cooling energy', reported a strong double-digit growth and closed the year with gain in market share.

Powder glucose consumption cuts across socio-economic classes but is largely a non-differentiated product, and Dabur has been working towards creating differentiation in the market with newer variants, flavours and packaging. These initiatives have garnered a good response and helped us grow our share of the powdered Glucose market.

### Digestives

The Digestives franchise comprising mainly of Hajmola and Pudina Hara grew by 11.5% this year. Sales for the Digestives Category accounted for 6.2% of the Consumer Care Business.

The Hajmola franchise performed well during fiscal 2014-15 with extension of the brand into the semi-liquid candy format, Hajmola Chuzkara and introduction of a new flavour - Hajmola Chatpat. The Anardana flavor which was launched last year has become one of the key variants in the portfolio. During the year 2014-15, Dabur Hajmola also undertook some mega consumer connect initiatives aimed at reaching out to its target audience and also increasing trials through large scale sampling.

Dabur Hajmola organised a mega comedy talent hunt with Hajmola Chatpata No.1, which saw an overwhelming response with over 5,000 people participating. Auditions for this talent hunt was organised across 80 towns in Uttar Pradesh and 40 in Bihar to identify the best in stand-up comedy. The winner of this talent hunt got a chance to make an acting debut in a hit television comedy caper 'Ajab Gajab Ghar Jamai'.

This activity also helped us reach out to over one lakh consumers on ground who sampled Hajmola. The Hajmola

Chatpata Number 1 activation bagged the Silver in the Small Budget on-ground Promotion of the Year category at the WOW awards.

The other key brand in this category, Pudín Hara, however, had a muted year. During the fiscal, Dabur initiated a unique branding and sampling initiative at the Nauchandi Mela, which is one of the key congregations in rural India. The brand set up India's biggest umbrella at the mela and undertook the largest-ever sampling exercise for Pudín Hara Lemon Fizz during the course of one month. This initiative gave consumers an opportunity to experience the cooling benefits of Dabur Pudín Hara Lemon Fizz which gained momentum and share of the fizzy antacids category.

### OTC & Ayurvedic Ethicals

Dabur's OTC & Ethicals portfolio, comprising products like Dabur Lal Tail, Honitus, Janam Ghunti, Dashmularishta, Ashokarishta and other Ayurvedic medicines contributed to 9.2% of the Consumer Care Business and ended the year 2014-15 with 7.3% growth. India is home to the largest number of children in the world, significantly larger than the number in China. According to independent estimates, India has about 20% of the world's 0-4 years' child population, making it one of the largest emerging market for baby care products. What's even more interesting is the fact that a number of modern nuclear households are increasing embracing traditional values that have been passed down through generations and age-old natural ingredients & products when it comes to caring for their children.

The recent years have seen a spurt in demand for baby care products, driven by rising incomes, growth in nuclear families and general rise in awareness levels among parents. Internet is also emerging as an information seeking and popular shopping channel especially amongst working parents who look for convenient source of information and shopping alternatives due to lack of time.

Dabur's flagship brand in the Baby Care category, Dabur Lal Tail today controls a third of the baby massage oil market. Our campaigns continued to propagate the benefits of Dabur Lal Tail and also address some of the queries raised by consumers. Specially targeted TVCs were made to convey the benefits of key ingredients in the product. This helped Dabur Lal Tail end the year with good growth and an uptick in market share.

As part of a consumer-connect initiative, the product was also sampled with over 50,000 mothers through 1,600 maternity clinics across India. This has led to an increased awareness of the benefits delivered by the brand among urban consumers leading to good demand from metros and tier 1 cities.

Dabur's flagship brand in the Baby Care category, **Dabur Lal Tail today controls a third of the baby massage oil market.**

Dabur is now expanding its Baby care portfolio with the launch of a new range of products which have natural oils and are free of chemicals under the brand 'Dabur Baby'. The first to be launched in this range is Dabur Baby Massage Oil with Olive & Almond. The product is free of paraffin and parabens making it completely safe and wholesome for babies.

In fiscal 2014-15 special visibility drive was conducted across chemist and retail outlets for Dabur's key Women Healthcare brands like Dashmularishta and Ashokarishta. In addition, health camps and special drives were conducted to build greater awareness about these brands. Our communication also sought to extend their usage and relevance beyond the post-natal period and established them as excellent products for overall rejuvenation.

Self-medication, besides being convenient, is also seen as the most inexpensive form of health care with visits to doctors being reserved for major ailments only. In such a scenario, the role of the chemist has become highly important as consumers tend to seek his advice for minor elements like cold, headache, fever, pain etc rather than going to a doctor. Keeping this in view Dabur had initiated Project Core last year aiming at increasing availability of our healthcare range as well as improving the connect with chemists. As a result of this initiative, coverage of chemists under Project Core increased from 49,186 to 87,047 and total chemist reach went up from 1.72 lac chemists to 2.12 lac chemists. This is helping the Company increase advocacy of its products and also build the foundation for expansion of its healthcare portfolio through new product initiatives.

In the Cough & Cold category, Honitus continued to perform well driven by sampling initiatives through clinics, trade fairs and consumer promo packs. The proposition of effective cough relief with no drowsiness worked well for the brand and helped the brand gain market share during the year. The brand format was extended to include the refurbished Dabur Madhuvaani brand under the Honitus umbrella. Madhuvaani



is an Ayurvedic cough remedy having honey and a number of traditional herbs which help address chronic cough and sore throat.

As part of its efforts to reach out to kids, Dabur Honitus also rolled out two unique programmes. Under the first initiative, Dabur Honitus roped in school kids from across the country to create special TV commercials for the brand. Around 30,000 kids from 523 schools across the country participated in this initiative and they were asked to create a television commercial for Dabur Honitus with children as the target audience. These commercials, specially created and edited by school children, were unveiled on the occasion of Children's Day.

In a separate initiative, Dabur Honitus joined hands with a private FM radio channel and launched a nation-wide hunt to identify child radio-jockeys. This activity not only gave kids a platform to discover their hidden talent and showcase their skills but also gave parents the unique opportunity to actively participate in encouraging them in their endeavour to win the title. While winners from across 45 cities earned the opportunity to co-host the evening show in their respective cities, the grand-finale winner got an opportunity to showcase his skills on-air.

Ayurveda is the core philosophy of Dabur's business and the Company has been promoting and marketing a wide range of ethical healthcare products based upon this age-old system. These products are formulated with natural plant extracts and ingredients which have been known for ages for their health benefits. The entire Ethical & Classical umbrella range, which was re-launched a year ago, was promoted aggressively through focused activities at Dabur Ayurvedic Centres, in addition to special Health Camps and Vaid (Ayurvedic doctors) meets throughout the year. In addition to giving the Ayurvedic medicines a modern, contemporary look-and-feel, the new packing also helps in bringing about uniform visibility to consumers.

Dabur put in place a series of initiatives to educate people about the product range and to propagate messages on the Ayurvedic way of life to manage health and diseases. Moving forward on its commitment towards the health & well-being of every household, Dabur also announced the expansion of its Ayurvedic medicines range with the launch of a number of new products aimed at treating lifestyle conditions like liver problems, kidney stones, hypertension & prostate enlargement. These new initiatives were unveiled at the 6th World Ayurveda Congress held at Delhi where Dabur was the prime sponsor.

In addition, a large number of doctor meets were organized. The Company arranged for doctors and students from medical colleges to visit our R&D facilities to understand the science behind producing our range of ethical and classical medicines. An inter-college quiz contest was organized on Ayurveda - Ayurved Samvad - which sought to enhance knowledge and increase learning opportunities for students from various Ayurvedic colleges. Over 700 students from different Ayurveda colleges across India participated in the qualifier rounds to represent their college at the Grand Finale of Ayurved Samvad Inter-College Quiz Contest.

Over 200 Health Camps were organized across the country during 2014-15, which helped us reach out to more than 2 lac individuals.

## Home and Personal Care

In the past few years, beauty and grooming has become an important consideration among men and women and this has given a significant boost to India's personal care industry, especially the hair care market. India is a unique market on account of its diversity in age, income, and urban-rural demographics. Given its demographic advantage, young adults, between the age group of 20 and 35 years, are increasingly driving consumer and lifestyle trends in the marketplace. A growing proportion of working women, aspirations of using premium brands, growing awareness of specialized products, fast growth of ecommerce and modern retail are all driving the consumption in Indian personal care segment. The personal care category for Dabur, which now comprises Oral Care, Hair Care, Skin Care and Home Care, accounts for nearly 48% of the total Consumer Care Business.

## ORAL CARE

In the recent years India's oral care market has been growing well riding on increasing disposable incomes, incline in the population demography and rising oral hygiene awareness both in urban and rural areas. However, this pace of growth slackened for the industry in the 2014-15 fiscal. But Dabur's Oral Care business, with its differentiated positioning, has outperformed the industry and ended the year with strong double-digit growth.

Dabur's Oral Care portfolio, which comprises the two key product categories - toothpaste and toothpowder - accounts for 13.7% of the Consumer Care Business.

Dabur's toothpaste portfolio grew by 14% during the fiscal despite heightened competitive intensity and entry of newer brands. Dabur's toothpaste brands put together now have a significant share in the Toothpaste category.

Dabur Red Toothpaste, with its strongly differentiated positioning of an Ayurvedic oral care expert, continued to be the key growth driver for Dabur and registered strong gains in market share. The brand crossed the ₹ 300-crore turnover mark during the year, becoming one of our fastest brands to achieve this landmark. Dabur Red Toothpaste has, in fact, been the fastest growing toothpaste brand in the country during 2014-15.

Dabur's premium toothpaste brand Meswak also recorded strong gains. During the year, a host of new initiatives were launched to drive trials for the brand. A mega exchange offer, the biggest-ever by the brand, was launched that helped it win a whole new set of consumers. Also, the brand was introduced in the institutional space in a 10gm pack and distributed to consumers through a special 'Delight Box' through [www.daburcentalcare.com](http://www.daburcentalcare.com), which also helped generate trials for the brand.

The third brand in the portfolio, Dabur Babool was relaunched this year in an all-new avatar, Dabur Babool Clove Power, which packs the benefit of two powerful oral care ingredients - Babul 'Acacia Arabica' extracts and Clove Oil. Dabur Babool Clove Power combines the two potent natural ingredients in a unique formulation that not only gives cooler and refreshing breath but also helps relieve gum and toothache.

In addition to sustained media activity on the brands, Dabur rolled out a series of school contact programmes to increase oral hygiene awareness and providing information on oral health to school children in Uttar Pradesh, Madhya Pradesh and Maharashtra. Many people, particularly kids, from poorer sections of the society are unable to receive the required dental care in our society. This initiative was conceived as a means to disseminate knowledge about common oral diseases and the importance of oral health care. Dental camps were organized, targeting over 2 millions kids, which sought to improve the dental hygiene levels among school kids in India and educate them about best dental care practices. This initiative covered the entire spectrum of schools, from the most modern urban ones to the local rural schools.

Dabur's toothpowder offering Dabur Lal Dant Manjan also reported steady demand. Riding on rural activation programmes that sought to convert non-dentifrice users to toothpowder, Dabur Lal Dant Manjan emerged as the No.1 player gaining significant market share in the toothpowder market.

## HAIR CARE

Dabur's Hair Care portfolio comprises Hair Oils and Shampoos and contributes to 22.8% of Consumer Care business. This segment posted 10.3% growth in FY15.

## Hair Oils

Hair oiling has been a part of the Indian tradition for generations. Hair oils have always been perceived to provide benefits of nourishment, strengthening the hair, faster and better growth and reducing the problem of falling hair. In addition to nourishment, hair oils also offer cosmetic benefits in terms of aiding hair styling.

The recent years have seen a marked shift in consumer tastes and preferences. Our increasingly fast-paced lives and the lack of time has resulted in a drop in the frequency of hair oiling with the trusted 'massage' routine now relegated to weekends in most homes, particularly among the new generation. Also, the value added hair oil market is now fast emerging as a growing category due to specificity of benefits being offered by these products.

Dabur, with its portfolio of trusted natural hair care solutions, has been addressing the needs of the Indian consumers for years, and also catering to the emerging demands with the launch of an array of new products that would cater to changing requirements and trends. Riding on these initiatives, Dabur maintained its market share in the hair oil market in 2014-15 despite the overall category witnessing a decline. The year also saw Dabur roll out focused advertising campaigns for specific geographies.

Our biggest and oldest brand in the hair oil category Dabur Amla Hair Oil was re-launched during the year in a contemporary avatar with a sleek and consumer-friendly flip-top packing. The new identity modernized this over 75-year-old brand, making it more youthful and relevant, in consonance with today's lifestyle. A new campaign was launched where the brand connects itself with the consumer at an emotional level by highlighting the strength of relationships with the ritual of oiling your hair. The campaign has been very well received.

Dabur's other key brands in the category – Vatika Enriched Coconut Hair Oil and Dabur Almond Hair Oil – also performed well. Your company is now moving ahead with geography focused marketing strategy for each of its hair oils brands. Vatika Enriched Coconut Hair Oil with Hibiscus which was launched last year recorded good growth and has gained scale in South Indian market.

In a bid to cater to the growing demand for styling hair products, Dabur launched 'Dabur Anmol Coconut Hair Oil with Jasmine', a non-sticky coconut hair oil which is a unique blend of coconut, almond and jasmine. The product has garnered a good response in its focus markets.

Our presence in the hair oil market was further strengthened with the launch of an Ayurvedic therapeutic hair oil, Dabur

Dabur's shampoo range under the brand Vatika continued to perform well in fiscal 2014-15 driven by the herbal proposition and a **highly successful marketing campaign, Brave and Beautiful.**

Keratex. Dabur Keratex Oil is made from specially selected Ayurvedic herbs that not only help control hair fall and dandruff, but also provide scalp nourishment.

Going forward, your Company plans to continue to expand its hair oils portfolio with addition of specialized products to cater to the emerging hair care needs of its consumers.

### Shampoos

Dabur's shampoo range under the brand Vatika continued to perform well in fiscal 2014-15 driven by the herbal proposition and a highly successful marketing campaign, Brave and Beautiful. The shampoo business for Dabur ended the year with strong double-digit volume led growth.

It's not often that a hair care brand chooses to take the social path when endorsing its proposition to the people at large. In a gesture that aims to salute the undying spirit of fighters from cancer, Dabur Vatika launched an emotional ad campaign for this natural hair care brand. Titled #BraveandBeautiful, the campaign takes a peek into the life of a cancer survivor and the many odds that the person is faced with during this trying phase of their journey. This campaign generated over 3 million views on youtube within a month of its launch, becoming one of the most successful digital campaigns ever.

The brand took this forward with the launch of an on-ground initiative, which invited the brave & beautiful women who have defeated cancer to share their stories with the brand. Their stories were put together in the form of a Coffee Table Book to inspire millions of others who are fighting this dreaded disease today. A select few such stories are also being filmed as an advertising campaign and will be aired shortly.

Dabur Vatika also developed a special product range - Dabur Vatika B&B Shampoo and hair oil -- which is completely chemical free and is clinically proven to be mild on sensitive scalp. This range was distributed to the cancer survivors.

### SKIN CARE

Skin care market in India has been witnessing good growth across age groups. Looking good is now no longer reserved for special occasions but is emerging as a daily necessity. While the youth are spurred by greater awareness, the middle aged and older population is seeking products to meet their need to look younger and delay the onset of ageing.

Dabur's Skin care business comprises three key brands -- Fem (for fairness bleaches and hair removing creams), OxyLife (Bleaches and facial kits) and Gulabari (for Rose-based Skin Care products). This segment accounts for 5.1% of the Consumer Care Business. This category reported 8.3% growth during the year despite a fire incidence in the third quarter which led to damage to skin care manufacturing plant at Baddi and resulted in some loss of sale. Alternate manufacturing lines were set up which stabilized the production of skin care products in the fourth quarter.

A number of innovative consumer activations were rolled out during the year, which helped spread awareness about Dabur's beauty brands and also build a long-term emotional connection between the brands and the customers. Fem Fairness Naturals launched a mega model hunt, Fem Miss North India Princess 2014 that sought to discover the most beautiful and fresh new face of North India. This model hunt was conducted across colleges and institutes in North India with on-ground activations. The brand also continued its occasion-based communications, targeting the wedding season, Diwali and Karwa Chauth, among others. All these initiatives were very well received by consumers.

The other beauty brand in Dabur's portfolio, OxyLife, also continued to report good growth, particularly from the salon channels. The facial kit range, targeting the salon channels, is being expanded with the launch of two new products in the first quarter of 2015-16 fiscal. Gulabari, which is a range of skin care products based on rose extract, performed well driven by a new campaign targeted at youth. Gulabari portfolio currently has rose water, cold cream and lotions and now it is being extended with the launch of rose-based facial cleansers.

### HOME CARE

Dabur's Home Care portfolio, which includes Air Fresheners, Mosquito Repellents and Toilet Cleaners, continued to perform well and ended the year with 13.2% growth. The portfolio contributed 6.1% to Consumer Care Business. This was driven by new launches, focused media activity and various consumer-connect initiatives.

Growing urbanization, rise in number of dual income households coupled with increasing awareness about hygiene

among households, has led to the strong growth of home care products category. This has fuelled demand for products such as air fresheners and hard surface cleaners, as consumers are increasingly seeking a healthier environment inside their homes. While urban India has been largely driving this demand, even rural households are now increasingly switching to branded products, thanks mainly to rising awareness levels led by deepening media penetration and an increase in disposable incomes in rural India.

Odonil, Dabur's leading home and air freshener brand, continued to be a key growth driver for this category. With the launch of new formats like One-Touch Sprays and sustained media campaigns that highlighted the benefits of air freshener products, Odonil has now established itself as a complete air freshening expert with a variety of air care solutions.

The mosquito repellent brand Odomos also performed well during the fiscal 2014-15. We have initiated a new campaign, positioning Odomos as the expert for protection against Dengue causing mosquitoes. This will be coupled with a new school contact initiative, where we will be reaching out to students and educating them on prevention from mosquito-borne diseases, particularly Dengue.

The year 2014-15 saw the expansion of the Odomos range with the launch of several modern formats. Odomos marked its foray into the wearable mosquito repellent products market with the launch of Odomos wristbands and patches. The brand has also entered into an agreement with Pogo under which Odomos uses the image of Pogo's most loved character Chhota Bheem to adorn the wristband and mosquito repellent patches. The products are both water resistant and contain 100% natural Citronellal active, which repels mosquitoes. Another addition to the range was the Odomos roll-on format which has been introduced recently.

The toilet cleaner brand Sanifresh performed well during the year, driven by a series of social initiatives and the launch of its mega drive '700 Se 7 Kadam'. Under this new initiative, Re 1 from every pack of Sanifresh sold will be collected and utilised to build toilets for women in rural India. This initiative would cover both rural households and schools as lack of hygienic sanitation facilities in schools is a major need for girl students. Sanifresh is committed to improve the sanitation facilities for girls at schools as a responsible corporate citizen of the country.

In addition, Sanifresh has been working towards providing clean and germ-free public toilets across the country through a series of awareness building campaigns and special cleanliness drives across Sulabh public toilets in Delhi and

Uttar Pradesh. The brand has also adopted public toilets in key marketplaces in Lucknow and Delhi. Similar cleanliness drives were also undertaken across government schools in the National Capital Region.

## FOODS

Dabur's Food business accounts for 18.5% of Consumer Care Business. Growth in the economy, coupled with a strong desire among consumers to maintain a healthy lifestyle and growing awareness of natural ingredients and their benefits, is driving demand for functional foods and beverages in the country. Consumers are seeking wholesome and convenient solutions that provide the required nutrition. This is providing a fillip to the packaged fruit-based beverage and juice business where Dabur is the dominant player with its brands Réal and Réal Activ. Dabur, which has the largest range in the industry, has been introducing newer variants and occasion-led offerings to meet the consumer's needs.

Dabur's Foods business had another fruitful year with strong growth of 20.2%. Réal fruit juices crossed the ₹ 1,000-crore turnover mark (including its sales in overseas markets), becoming the youngest brand in Dabur to achieve this landmark.

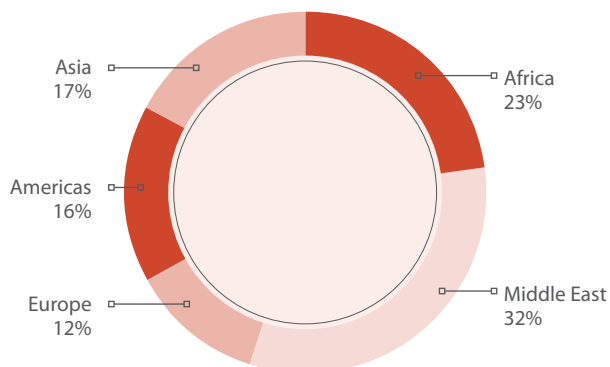
The year began with the launch of 100% natural Tender Coconut Water under the Réal Activ brand. Réal Activ Tender Coconut Water is rich in minerals, totally pure and 100% natural with no added sugar or preservatives. Dabur also continued to invest behind its food brands with special campaigns and a host of consumer initiatives, including participation in popular trade and food fairs to reach out to a large number of consumers for sampling the new variants. Réal's special occasion gift packs, offered around festivals like Rakhi, Diwali, Baisakhi, Lohri, Eid and Christmas have become very popular among consumers.

During the festive season, covering Rakhi and Diwali, Réal continued its 'Dil Se Dua' campaign to fight malnutrition among underprivileged children. Dabur encouraged people to sign on a pledge to support the kids and against each signature, Dabur committed to give one pack of Réal fruit beverage to a needy kid. Under this 'Dil Se Dua' initiative, Real also honoured the unsung heroes like policemen, traffic cops, nurses and municipality workers, who help keep the city safe & healthy with their selfless work.

## INTERNATIONAL BUSINESS

Dabur's International Business contributes to about a third of consolidated sales with revenues coming from Middle East, Africa, South Asia, Europe and Americas. Country-wise break up of sales is provided in Chart 8.



**Chart 8 : International Sales Breakdown**

The International Business recorded sales of ₹ 2,422.6 crore during fiscal 2014-15 growing by 7.6% over previous year. Adverse currency movements and disturbances in a few geographies led to lower growth as compared to last couple of years. Almost 70% of Dabur's overseas business has been built with own brands in an organic manner. This business comprises a large range of hair, skin and oral care products which cater to the local population as they have been created keeping in mind local tastes and preferences. The business follows a localised supply chain strategy whereby own manufacture facilities have been set up in each of our key markets such as UAE, Egypt, Nigeria, Turkey, Tunisia, Nepal, Bangladesh and Sri Lanka.

An overview of performance of each of the regions during fiscal 2014-15 is presented below.

### Middle East

Middle East constitutes 32% of the total International business. Of this UAE, KSA, Kuwait and Oman are the largest markets for our products. Our product portfolio is almost entirely in personal care with hair care being the largest segment. We provide a large range of hair care products such as hair oils, hair creams, hair gels, shampoos, conditioners, nourishment products such as Hamam Zaith and serums. An extensive range of skin care products under the brands Fem and Dermoviva have been added in the last few years which has received a good response from consumers. The oral care portfolio comprises Dabur Herbal Toothpastes, Miswak toothpaste and a number of extensions and variants. Middle East region recorded strong double digit growth in 2014-15 with improvement in market share. In Saudi Arabia which is one of our important markets in this region, Dabur is the largest hair oil and hair cream company with 65.2% share in hair oils and 32.9% in hair cream category. Dabur entered the shampoos category two years ago and has built a niche position on the herbal platform in this highly competitive segment. Dabur's share in shampoo

category reflected an uptick as Vatika Shampoo range continued to perform well. In UAE, Dabur's hair oil category performed well with market share improving by over 300 bps to reach 27.4%. Market share in hair creams improved to 33.9% with our brand Vatika retaining leadership position in the category.

The brand Vatika continued to innovate in the hair care space by launching localized offerings specific to the region and increased its natural ingredient brand equity. The brand has performed well on the back of a host of successful launches last year which have grown well this year. This year Vatika extended its range of Enriched Hair Oil and hair creams into Argan and Black Seed Alpha ingredient range and also featured the launch of Argan Hamam Zaith. The entry of Vatika into Hair colors did well further expanding the formats offered in the form of 10 minutes hair color kits. The brand also launched innovative localized variants in markets like Pakistan such as Vatika Enriched Hair Oil Sarson, Vatika Reetha Shikakai, Henna, Egg, Black seed and Argan shampoos.

The company has launched a range of mass priced products under the brand Amla. The brand aggressively innovated this year to reinvent its existing offerings and extend its equity in other hair care formats as well. This year's highlight was the relaunch of Amla hair cream in a new and innovative pack with benefits in line with its recently launched shampoos and conditioners. A new range of Hamam Zaiths were launched under the brand. Recognizing the universal appeal of the brand in the region Amla also developed a specific hair care offering for the younger target audience with the launch of 'Amla For Kids Hair Oil'. The existing portfolio of oils and serums under the Amla brand also performed well.

The DermoViva portfolio of skincare products posted good growth in 2014-15, with revitalization of the brand driven by launch of a host of new formats. The key categories of Lotions, Soaps, Hand washes and Skin creams were re-launched with better packaging and new formulations extensively pre tested by the targeted consumers. Face care category, into which Dermoviva debuted last year, has performed exceptionally with a high consumer traction and interest in the range of cleanser toners, face washes and face scrubs.

The skin care brand 'FEM' has performed quite well in 2014-15. After a successful packaging design overhaul, FEM Hair Removal Creams have been a strong growth pillar for the brand. Building on the innovative offerings that have been the hallmark of the brand, this year marked the launch of an in-shower hair removal cream. Fem also extended its base range of hair removal creams with the launch of Gold Fem hair

removing cream with actual gold particles. A new indigenous format called FEM Halawa was launched in the depilatory segment.

## Africa

Africa is an important region for Dabur comprising 23% of total international business. Key markets within Africa are Egypt, Nigeria, South Africa and Kenya. The company has been focusing on deepening its market presence in Africa by establishing its own brands as well as building the specialised hair care offerings under the brand ORS which was acquired a few years ago as part of acquisition of Namaste Laboratories LLC.

Egypt is one of the largest overseas markets for Dabur contributing to 12% of international business sales. In spite of geo political disturbances in the region the business delivered strong double digit growth and the company maintained its No. 1 position in hair creams and hair oils. Our market share in hair creams improved by 300 bps to 36% and in hair oils the share moved up to 65.7%. This year marked the launch of extensions in the categories of Hair Cream, Shampoos and Hamam Zaith under the Vatika Brand and a unique variant of Vatika Oil was developed and launched specifically for the Egyptian market.

In Nigeria the company has undertaken a distribution restructuring exercise switching from an outsourced distribution model to own indigenous last mile distribution system. This resulted in some impact on sales although the company's market share in oral care remained stable at around 6%. During the year, Dabur Herbal Toothpaste brand underwent a packaging change and a new clove variant was introduced.

The North African belt comprising markets such as Algeria, Morocco, Yemen, Syria and Tunisia were impacted by geo political disturbances as well as currency volatility. However our brands Miswak and Dabur Herbal Toothpaste performed well and consolidated their market shares. Dabur Herbal Toothpaste entered the specialized category with the launch of Sensitive, Anti ageing and Smokers' toothpaste. In addition Miswak brand expanded its portfolio with launch of a range of Alcohol free Mouthwashes as well a premium version of the iconic Miswak toothpaste in the form of Miswak Gold.

Namaste Laboratories LLC provides a wide portfolio of hair care products specially designed and created for African consumers. The portfolio is marketed under brand ORS which enjoys a premium positioning in African markets. This brand is a key pillar of our expansion strategy in Africa. During 2014-15 the focus has been on building the manufacturing, distribution

and promoters (consumer education) infrastructure in Africa. A unit has been set up at our plant at Ras-al-Khaimah to serve as a manufacturing base for servicing the Middle East and African markets and this is currently manufacturing top 8 SKUs of ORS range of products.

Distribution infrastructure for Namaste was expanded during the year to countries such as Ivory Coast, Madagascar, Reunion, Gabon, Congo, Rwanda, Morocco, Saudi Arabia, Oman, Iraq, Bahrain and Qatar. A network of educators and brand ambassadors has been set up in Nigeria, Kenya, Uganda, Ethiopia, South Africa.

## South Asia (ex India)

Dabur's key markets in this region are Nepal, Bangladesh, Pakistan and Sri Lanka. The region contributes 17% to International Business sales.

The Nepal business recorded good growth during 2014-15. The Key brand in the portfolio Real Fruit Juices achieved a major landmark in FY 15 by crossing INR 100 crores in turnover. The year saw a number of new launches, the most notable being Hajmola Lapsi –a local innovation. The year saw a sharp focus on enhancing business processes & systems. Initiatives were taken to strengthen the distribution network and penetrate deeper into rural areas in order to increase availability of our product range.

Bangladesh performed well despite political disturbances in the country. The newly set up green field plant at Dhamrai on the outskirts of Dhaka commenced production during the year. The plant has facilities to manufacture range of Hair Oils, Shampoos, Toothpastes, Dabur Honey and Odonil. Odonil and Red Tooth Paste were introduced into the market and received a good response.

Dabur has set up sales and marketing operations in Sri Lanka post the commissioning of its fruit juice facility near Colombo. The company is selling fruit juices in the local market under the Real brand besides other products such as Honey, Sanifresh, Odonil, Hair Oils and Shampoos.

Pakistan witnessed renewed momentum and reported strong growth. Our key brands in this market such as Hajmola, Dabur Amla Hair Oil and Vatika are quite popular and received good offtakes.

## Americas

Americas contribute to 16% of International Business. Dabur's major presence in America is through the hair care portfolio of Namaste Laboratories which caters to people of African origin residing in the US. The business has a wide range of products such as relaxers, straighteners, nourishment, styling and

cleansing products under the brand ORS. During fiscal 2014-15 the business was under some pressure due to distribution restructuring, pricing alignment among various markets and under performance of the relaxers category. The relaxers category witnessed a slow down as consumer preferences were shifting towards a more natural curly look rather than straightening. However, this shift has been countered by the Company by launching new products such as Curls Unleashed range to address the changing consumer trends.

An innovative product called ORS Edge Control Hair Gel Stick was introduced this fiscal. This is the first of its kind innovation in this category that smoothenes and holds down relaxed and natural hair edges while adding shine and moisture without hardening the hair.

Another important innovation this year has been the Monoi Oil range. Monoi is an exotic, fragrant Tahitian coconut oil which has been used for hair care for ages. ORS Monoi Oil features healthy Omega 3 and 6, plus antioxidants to protect hair from breakage, leaving hair strong, long and beautiful. The products introduced under this range are :

- ORS Monoi Oil Anti Breakage Oil Fusion – a unique blend of Monoi oil, olive oil and passion fruit oil for healthy hair and scalp
- ORS Monoi Oil Anti Breakage Edge Control – Edge control gel with moisture and shine
- ORS Monoi Oil Leave-in Conditioning Creme – conditioner which helps reduce protein loss for stronger hair.
- ORS Monoi Oil Luminating Spray – Sheen spray for glossy hair with body

Namaste also launched the innovative Shealicious Range during 2014-15. Products under this range allow the consumers to prepare their own conditioning mix, with a combination of cream base and oil. The range includes Shealicious Scalp Relief, Moisture Lock, Shine Booster, Leave in Conditioner and Shampoo.

The products introduced last year under Curls Unleashed and HAIRepair™ performed well during the year. With these initiatives and streamlined distribution the company is poised for good growth.

Dabur also caters to the ethnic Indian channels in the USA supplying the range of Dabur brands which are popular among the South Asian / Indian community. The business witnessed strong growth driven by distribution and range expansion. Shampoos, Hair Serums and Hair masks introduced under the Vatika brand received a good response.

Dabur also exports private label oral care products to USA which includes Toothpastes, Mouthwash and Denture Adhesives. Several new advanced Oral Care formulations were developed and launched across Toothpastes, Denture Adhesives and Mouthwash.

### Europe (Including Turkey)

Europe contributes 12% of Dabur's International Business. Dabur's Turkey business, Hobi Kozmetik, continued on a good growth trajectory. In spite of political uncertainty and slowing economic growth (GDP growth registered as 2.5% in 2014, slowest in 10 years), the Hobi business delivered strong double digit growth. Leveraging Hobi's strong domestic distribution, Fem which was launched last year made a good impact in the depilatory market garnering 5% market share. Spurred by this success, Dabur's leading hair care brand 'Vatika' is now poised for launch with a differentiated "natural ingredient story" in Turkey. The flagship Hobby range of hair styling products continues to be the market leader in the hair styling category in Turkey and also has a good presence in neighboring markets and MENA region.

Dabur's business in UK comprising Indian products and Namaste range registered double digit growth driven by distribution expansion and targeted marketing initiatives.

### SALES & DISTRIBUTION

The FMCG industry in India is rapidly changing and getting more complex. Dabur's sales system has been refining the go to market strategies to sharpen the competitive edge, strengthening the field sales capability and keeping abreast with developments in technology.

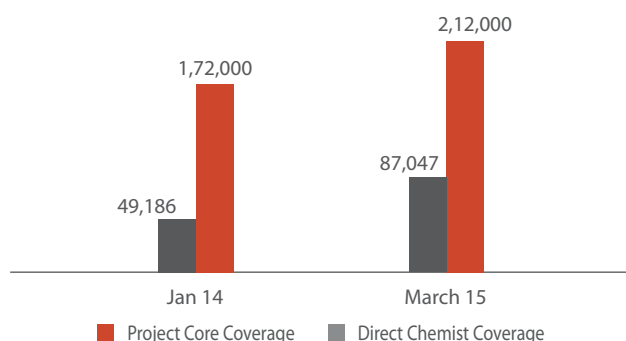
Your Company embarked on a variety of initiatives during 2014-15. Project CORE completed the full year of roll out, giving dividends through enhanced reach of chemist outlets and greater thrust on OTC categories. A new initiative, Project 50/50 was launched during the year to enhance the field efficiencies & leverage the potential of Top 130 towns which contribute to 50% of urban consumption. Through 'Project Double' Dabur continued to increase the rural footprint. In organized retail, the focus was on developing greater collaboration with customers to gain market share & grow ahead of category trends. Dabur commenced E- Commerce business with all key players across both marketplaces and E Grocers. Dabur places enormous focus on the quality of Information systems & Sales Processes to enable the sales team centre their energies on the core activity of selling. Substantial investments have been made on Information technology in Sales at Dabur last fiscal year to enhance field efficiencies.

### Project CORE – Chemist Outlets and Range Expansion

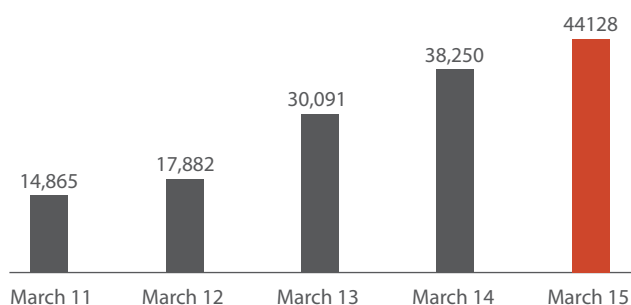
Project 'CORE' was rolled out to extend the reach in Chemist outlets across top 140 towns and enhance the thrust on OTC range of products. The task was to enhance chemist coverage per lac population and increase the range availability. Dedicated field resources called 'Healthcare associates' were deployed to service chemists in the top urban markets. They have been provided with hand held devices and other enabling tools which were integrated to the overall technology platform of sales @ Dabur.

During 2014-15 the direct reach in chemist channel went up from 1.72 lacs to 2.12 lacs with outlets covered under Project Core going up from 49,186 to 87,047 in top 140 towns in the country. The coverage expansion initiatives were supplemented with focused investments on brand visibility and loyalty programs for the chemist channel. This has led to a significant increase in the distribution of our OTC range with efficiencies improving significantly.

**Chart 9 : Project Core – Chemist Coverage**



**Chart 10 : Project Double – Direct Village Coverage**



### Project 50/50: Dedicated channel focused teams to enhance efficiencies

The Top 130 towns in urban India account for 45% of the urban population and 50% of the urban consumption. To leverage the potential of these towns, Dabur initiated an approach to

enhance quality of market interface & improve distribution efficiencies through dedicated channel focused sales teams.

While chemist channel focus was achieved through dedicated Healthcare associates deployed as part of project CORE, under Project 50/50 the grocery channel teams have been segregated to focus on wholesale & retail separately. The task in retail is to increase the distribution reach and increase penetration at SKU level. In wholesale trade, the objective is to increase depth of priority SKUs in the context of competitive intensity and enhance the levels of engagement.

Project 50/50 has been piloted during the year in top 130 towns and the initiative is generating an improved performance in terms of retail efficiencies such as billing frequency, pipeline inventory, offtake and channel hygiene. In addition the product range in wholesale is reflecting a good increase.

This initiative is in line with renewed focus on urban markets as we believe that the revival in FMCG sector will be led by urban markets as urban sector is expected to be at the forefront of development and growth.

### The Rural Strategy - Project Double

The thrust on rural markets through 'Project Double' continued, improving rural reach to 44128 villages. During 2014-15, we have sharpened our focus on high potential rural markets. The strategy to significantly expand distribution reach, customize trade promotions and provide focused servicing through a dedicated sales team has resulted in rural reach more than doubling since the commencement of 'Project Double' (Refer Chart 10). In fact, there is encouraging demand from the hinterland even for products like Real fruit juices and FEM bleaches, Odonil air freshner, etc., the products considered as quite urban centric. The expansion into rural hinterland will continue as we believe that the rural markets hold immense potential going forward as well.

### Leveraging Information Technology – Project 'DISHA'

In last few years IT in sales @ Dabur has taken a big leap in terms of the range of enablers. All the IT initiatives in Sales @ Dabur are anchored under 'Project DISHA' and are aimed to achieve three key objectives:

- For the customers, enhance the ease of doing business with Dabur
- Improve the quality & impact of field sales effort
- Convert data into actionable information for action

The Stockist transaction software 'Drishti' has standardized the business processes, the IT enabled 'Order capture system' enables seamless interface with supply chain, the web based



claims submission system 'Nivesh' has enhanced the ease of doing business, releasing time for field force to focus on market work. Hand held devices provide real time, detailed information on purchase trends of outlets and prompts & assists salesmen to customize their sales effort. These handhelds are enabled with 'Sales Analytics' to enable field resources with actionable information relevant to the outlet.

Dabur has provided high end analytics and data visualization tools to the Sales managers to help assimilate business trends and enabling real time interventions. This enables 'On the go - live data visualization' granular to geography and brand / SKU level. This has enhanced the ability to gather market insights and initiate actions.

### Organized Retail & E commerce

Organised retail has come to play an important role in the retail landscape of this country and contributes close to 9-10% of the FMCG industry. The key players have also sharply defined their strategy for the market with the choice of formats & business models. Organised retail penetration is increasing with footprint extending to even smaller markets. The channel is also developing specialty formats catering to specific needs of the shoppers.

Dabur has reconfigured its approach to organized retail with thrust on greater collaboration with key customers. This involved developing a key account management structure at the corporate level to improve engagement levels and organizing the field sales structure accordingly. The sales organization was aligned to specific accounts with the scope being guided by the customer's network structure. Identifying growth opportunities relevant to each customer and developing joint business plans with key customers was done with the large players.

Investments were made in augmenting the quality of merchandising effort to improve in-store execution capability. To enable dynamic tracking and measurement of the impact, handheld devices and relevant technology were provided to the teams. The overall service levels to organized retail was significantly improved during the year and the Dabur supply chain was awarded the 'Best supplier award' for the year from one of the largest customers in Organised retail. These initiatives resulted in the Modern trade team at Dabur delivering consistent growths upwards of 20% through the year.

Emergence of E-Commerce as an important new channel is one of the major developments of this year. Dabur has put in place a dedicated E Commerce team to tap this opportunity. Our products have already been listed with all key players such as Amazon, Snapdeal, Flipkart, Ebay, Big

Basket etc. With a large number of internet savvy consumers willing to shop groceries online we expect this channel to gain salience and scale going forward.

### RETAIL BUSINESS - NEWU

Dabur operates its specialised beauty retail business under the brand 'NewU'. This business is operated under Dabur's wholly-owned subsidiary H&B Stores Ltd. The NewU stores merchandise a wide range of beauty care products and are mainly located at premium locations. These stores offer a unique blend of domestic and international brands covering a vast variety of colour cosmetics, fragrances, skin care, personal care and beauty and fashion accessories.

At the end of fiscal 2014-15, NewU's retail footprint stood at 62 stores across 27 cities. During the fiscal 2014-15, the company successfully launched its franchisee model and added 7 franchisee stores.

The business witnessed sales growth of 27% during the year as nearly all stores reported a good increase in sales with an enhanced and streamlined product range. A number of new international beauty brands were introduced through the NewU store network during the year. NewU continued its focus on bringing high quality products at reasonable price under its own brand names "Newu" and "Zensual". NEWU has launched Zensual Kool Kajal, Herbal kajal, Body Lotion, Body Washes, SPF based Body lotion & Face wash. We increased NewU nail enamel range by launching new contemporary shades during the year. During the year Newu continued its effort to have exclusive international brands at its stores.

NewU also extended its market share by way of Ecommerce and has presence across all major market platforms and launched its own Ecommerce website Newu.in which generated an excellent response from consumers.

### OPERATIONS

Dabur has been continually striving for higher and better levels of quality not just in its products, but also in its operations, without losing sight of its commitment towards the environment and communities where it operates. We have been developing products to suit the ever-changing needs and aspirations of our consumers. While we may follow a uniform brand architecture, but the products under these diverse brands are tailor-made to suit the needs and aspirations of our consumers in each geography where we operate.

In addition to developing new products, each of these locations also regularly undertake initiatives towards packaging innovation, quality improvement and improving safety awareness of its employees. Safety and Caring for the Environment are non-negotiable of our business. Details

of our various environment and employee safety-related initiatives have been provided in the Business Responsibility Report section.

### Domestic Manufacturing

Dabur today has manufacturing plants at 12 locations in India - Baddi (Himachal Pradesh), Pantnagar (Uttaranchal), Sahibabad (Uttar Pradesh), Alwar and Newai (Rajasthan), Katni and Pithampur (Madhya Pradesh), Narendrapur (West Bengal), Silvassa (Dadra and Nagar Haveli), Nasik (Maharashtra), Siliguri (West Bengal) and Jammu (J&K).

Nearly 90% of our products are manufactured at Company-owned units while the balanced are produced at third party facilities.

During the year under review, Dabur undertook a variety of energy conservation measures across all its domestic manufacturing units, which were aimed at reducing our steam and electricity consumption. All these initiatives were managed under an Energy Management Programme, christened Vidyut. We achieved this reduction despite a steady increase in production to meet the growing demand for our products.

Our initiatives were recognized by various industry bodies and Dabur received a number of operational excellence awards during the year 2014-15. This year, three of our manufacturing locations – namely Baddi, Rudrapur and Sahibabad -- were awarded the Silver Greentech Safety award in the FMCG sector. Dabur's Baddi greenfield bagged the Platinum Category Award for Lean Manufacturing, the first Lean Award for Dabur India Ltd, in recognition of the exemplary operations and lean manufacturing systems deployed by the company.

### International Business Manufacturing

During the year, capacity of the Ras al Khaimah (RAK) Plant at UAE was enhanced from 42,000 MT to 44,500 MT per annum. Manufacturing and packing facilities were set up for Fem hair removal creams and Namaste products. New Packing lines for Creams & Hair Oils were installed and commissioned and facilities for Hair Oils, Hair Serums, Herbolene and Hair Removal Cream were made operational. Infrastructure was expanded in RAK during the year by increasing warehouse space.

In Egypt, the manufacturing capacity has been enhanced from 26,000 MT to 27,000 MT by process optimization. New packing lines for Hamam Zaith Cream has been commissioned. Warehouse racking capacity was also enhanced by 33%. Egypt Plant has started exporting products to countries like Kenya, Palestine, Morocco.

In Turkey, the Hobi Kozmetik Factory has been assessed and

certified as meeting the requirements of Good Manufacturing Practices in accordance with ISO 22716:2007.

### HUMAN RESOURCES

The Dabur family of over 6,000 employees across the globe is our most valuable asset and the foundation of our success. Our employees are both an important stakeholder group and key players in our business. With their skills and achievements, the Company is driving a culture of innovation, sustained growth and profitability for Dabur. We are committed to creating a transparent organisation that helps our employees hone their skills and enable them to deliver superior performance. Dabur believes in fostering equal employment opportunities, where individuals are selected and treated on the basis of their job-relevant merits and abilities and are given equal opportunities within the organisation.

During fiscal 2014-15, Dabur worked towards accelerating employee career development in several ways, besides creating an environment where people feel valued and included. We continued our progress in all key areas of human resources management in fiscal 2014-15, reinforcing our reputation as an employer of choice through numerous initiatives and programmes both for attracting new talent as also to retain the best talent. During the year, we focused on various strategic learning programmes, employee engagement and health management initiatives to aid overall professional and personal development of our employees.

We have also been hosting Town Hall meetings, offering our employees a forum for interaction with the CEO and the top management at Dabur. The purpose of this meeting is to share with the employees the overall business perspective and other key information of common interest, and give them an opportunity to ask questions and seek clarifications from the management on various matters. Information on routine matters is shared with the employees through the Dabur Intranet.

Dabur further adds value to its employee engagement initiatives through result-driven training and career development initiatives. Our training initiatives were recognized by the world renowned ASTD, in May 2014 for Excellence in Practice, for our sales training programme SPORT. This orientation programme for sales force, SPORT (Solution Selling, Pro-activeness, Objectivity, Relationship & Trust), trains the field staff in selling skills and also educates them about the sales behavior expected from the frontline staff while making a sales call in the field.

Dabur has also renewed its focus on the millennial generation, both in urban and rural geographies. In an industry first, Dabur has initiated a programme to empower its young managers and involve them in key decision making exercises involving new media, product development & new launches. Dabur has created a Youth Committee (Y-COM), composed of the youngest members of the marketing team, which connects the rest of the marketing team with the latest fads and emerging tastes of Gen-Y and Gen-Z. They go to colleges, call the college students to the Dabur headquarters for informal chats among other things to forge a direct link with the new generation. The insights and learnings are then used in developing go-to-market strategies for specific brands and products.

Dabur initiated a new vocational training programme to improve the employability of local youth from the hinterland. This programme, christened Swavalamban, seeks to provide local youth from villages free technical training and skill development in three key areas of Sales, Merchandising and Promotion. Being run in association with the Rural Development and Self-Employment Training Institute (RUDSETI), this initiative will also seek to provide guaranteed employment to these youth, post completing their training.

We have been placing a strong emphasis on identifying and developing tomorrow's leaders. Dabur's talent management strategy is focused on creating an in-house talent pool of well equipped potential business leaders of tomorrow. Our Career Development Centre (CDC) has been specifically instituted for providing career development and advancement opportunities for our employees. We also have a robust nine-month cross-departmental training programme for Management Trainees (MT), called Young Manager's Development Programme (YMDP). In his/her first year with the organisation, the MT undergoes this comprehensive induction and training programme that covers cross-functional training with exposure to various markets and channels.

To ensure that the organization work climate is engaging and motivating, we have partnered with a leading global HR consulting firm, and two years ago, our Top 50 leaders went through a leadership development process called LEAD (Leadership Excellence Achievement at Dabur). It included 360-degree feedback on their Leadership Style, Work Climate, Leadership Competency etc. The leaders who improved their feedback significantly over 18 months were rewarded. The year 2014-15 saw the next set of 50 Leaders being enrolled for this programme. We have institutionalized a rewards and recognition programme to honour employees for their outstanding achievements. Through this programme,

**We continued to invest behind our brands strongly** as this fiscal year witnessed launch of many new products as well as a ramp up of the existing portfolio.

'Applause', we motivate our employees to innovate and improve their performance by providing immediate recognition to their efforts beyond normal monetary rewards.

Dabur continues to maintain its record on industrial relations without any interruption in work. As on March 31, 2015, the Company had 6,434 employees on its rolls across the globe.

#### FINANCIAL REVIEW (ON A CONSOLIDATED BASIS)

During fiscal 2014-15, your Company recorded consolidated sales of ₹ 7806.4 crore growing by 10.7%. The Domestic FMCG Business reported growth of 12.5% on the back of good volumes across categories and markets.

The business witnessed a benign cost environment in the second half of the year due to a steep correction in crude oil prices and also reduced inflation in the agri basket. This led to an improvement in the gross margins primarily in the second half of the fiscal year 2014-15. Material cost as a percentage of sales went down from 48.2% in FY2013-14 to 47.7% in FY2014-15.

We continued to invest behind our brands strongly as this fiscal year witnessed launch of many new products as well as a ramp up of the existing portfolio. This was reflected in the sustained Advertisement & Publicity expenditure at 14.4% of sales in fiscal 2014-15 as compared to 14.2% in fiscal 2013-14.

Consequently, our EBITDA margins improved to 18.9% as compared to 18.3% in fiscal 2013-14. The Effective Tax Rate on a consolidated basis remained stable at 19% in FY2014-15 and Profit after Tax (PAT) grew by 16.6% to ₹ 1065.8 crores in fiscal 2014-15. Chart 11 provides a summary of the consolidated income statement.

DIL (Consolidated) P&L - in ₹ Crores	FY 2014-15	FY 2013-14	YoY (%)
<b>Net Sales</b>	<b>7,806.4</b>	<b>7,054.1</b>	<b>10.7%</b>
Other Operating Income	20.8	21.2	-1.9%
Material Cost	3720.1	3400.0	9.4%
% of Sales	47.7%	48.2%	
Employee Expense	689.6	607.7	13.5%
% of Sales	8.8%	8.6%	
Advertising & Publicity	1124.4	999.7	12.5%
% of Sales	14.4%	14.2%	
Other Expenses	976.8	908.1	7.6%
% of Sales	12.5%	12.9%	
Other Non Operating Income	158.1	128.1	23.4%
<b>EBITDA</b>	<b>1,474.4</b>	<b>1,287.9</b>	<b>14.5%</b>
% of Sales	18.9%	18.3%	
Finance Costs	40.1	54.2	-25.9%
Depreciation	115.0	97.5	17.9%
<b>Profit Before Tax (PBT)</b>	<b>1319.4</b>	<b>1136.2</b>	<b>16.1%</b>
Tax Expenses	250.9	219.1	14.5%
<b>PAT (Before extraordinary item)</b>	<b>1068.5</b>	<b>917.2</b>	<b>16.5%</b>
% of Sales	13.7%	13.0%	
Extraordinary Item	0.0	-0.7	
<b>PAT (After extraordinary Items)</b>	<b>1068.5</b>	<b>916.4</b>	<b>16.6%</b>
<b>Minority Interest - Profit/(Loss)</b>	<b>2.6</b>	<b>2.5</b>	
<b>PAT (After Extra ordinary item &amp; Minority Interest)</b>	<b>1065.8</b>	<b>913.9</b>	<b>16.6%</b>
% of Sales	13.7%	13.0%	
<b>Diluted EPS (₹)</b>	<b>6.03</b>	<b>5.21</b>	<b>15.9%</b>

### Chart 12: Working Capital Overview

As Days of Sales	FY 2013-14	FY 2014-15
Trade Receivables	35	33
Inventories	50	46
Trade Payables	57	51
Working Capital	13	15

Note: In the above figure, Working Capital = Current Assets (excl. Cash and Current Investments) less Current Liabilities (excl. Short Term Borrowings and Current Portion of Long Term Debt)

Working capital employed in the business remained stable with some reduction in Inventories and Receivables days. Trade Payables went down slightly leading to overall net working capital increasing marginally during the year. The fixed asset turnover ratio remained stable at 6 times. Return on Invested Capital (ROIC) increased to 45.2% in FY15 compared to 43.6% in FY14.

### Chart 13: Fixed Asset Turnover

Ratio	FY14	FY15
Fixed Asset Turnover	6.1x	6.0x

Note: Fixed Assets above excl. Goodwill

### Chart 14: Return Ratios

Ratio	FY14	FY15
ROIC	43.6%	45.2%
ROE	34.4%	31.8%

The business generated Cash flow from Operations of ₹ 1047.2 crore. Of this ₹ 267 crore was used for meeting the Capex requirements. The Net cash available with the company as on 31st March 2015 was ₹ 1129.4 crore and the total debt amounted to ₹ 957.3 crore.

### Chart 15: Debt and Cash Position

in ₹ Crores	Mar-14	Mar-15
Debt	951.1	957.3
Cash & Cash Equiv.	1,629.5	2086.7
<b>Net Cash</b>	<b>678.4</b>	<b>1129.4</b>

The total dividend for fiscal 2014-15 has been 200% of par value. This, including tax on dividends translates into a payout ratio of 53% of Standalone PAT and 39% of Consolidated PAT. Overall the financial position of the company remained strong with the networth of the company increasing to ₹ 3354 crs as compared to ₹ 2656 crore in the previous fiscal.

### Opportunities and Threats

The opportunities in the Indian FMCG market are huge as consumption levels in India are much lower than any of the other emerging markets. With rising income levels, increasing workforce, changes in lifestyle and cultural patterns and younger consumers starting to consume FMCG products, the markets are slated to grow at a steady pace for the next decade. Dabur is capturing these opportunities through continuous evolution of its product range to cater to youth as well as older population, deepening its distribution network and reach, creating awareness about its products through judicious use of media and other consumer connect activities and leveraging new age channels such as E commerce and digital media.

A delayed pick up in macro economic indicators, emergence of inflationary conditions, volatility in currency and unfavourable weather patterns are some of the threats to the company's prospects.



The total dividend for fiscal 2014-15 has been **200%** of par value. This, including tax on dividends translates into a payout ratio of **53% of Standalone PAT** and 39% of Consolidated PAT.

### Outlook

Going forward, the Company expects a steady pick up in the FMCG categories helped by an improvement in GDP growth, rise in employment and increase in disposable incomes. The business environment is rapidly changing while getting more complex. Indian consumers are value sensitive, but also demonstrate the inclination to trading up. Landscape changing technologies, rise of organized retail, and emerging E Commerce platforms are changing the overall environment. Dabur plans to continue to tap the opportunities in its segments by launching innovative products and use technology to generate efficiencies across its business.

### Internal Control Systems

The Company has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorised, recorded and reported correctly. The Company's internal control system comprises audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks from Price Waterhouse & Co. LLP the Internal Auditors and various transaction auditors. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

To further strengthen the internal control process, the Company

has developed a very comprehensive legal compliance manual called 'e-nForce', which drills down from the CEO to the executive level person who is responsible for compliance. This process is fully automated and generates alerts for proper and timely compliance.

To read the report of the Audit Committee on internal control and adequacy, refer to the section on Corporate Governance of the Annual Report.

### Risk Management

Business risks exist for any enterprise having national and international exposure. Dabur also faces some such risks, the key ones being a longer than anticipated delay in economic revival, unfavourable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look alikes and any unexpected changes in regulatory framework. To ensure our long-term corporate success, it is therefore essential that risks be effectively identified, analysed and then mitigated by means of appropriate control measures. We have a comprehensive risk management system in place, which enables us to recognise and analyse risks early and to take the appropriate action.

This system is implemented as an integral part of our business processes across the entire Dabur operations and includes recording, monitoring, and controlling internal enterprise business risks and addressing them through informed and objective strategies.

### Cautionary Statement

Statements in this Management Discussion and Analysis describing the Dabur's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the FMCG industry, rise in input costs, exchange rate fluctuations and significant changes in political and economic environment, environment standards, tax laws, litigation and labour relations.

# Report on Corporate Governance

Corporate Governance is the system by which corporate entities are directed and controlled. It provides the structure through which the company's objectives are set, and provides the means of attaining those objectives including monitoring of performance. It is the application of best management practices, compliance of law, adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders. The essence of good Corporate Governance includes, *inter-alia*, transparency of corporate structures and operations, the accountability of managers and the Board to shareholders, and corporate responsibility towards stakeholders.

Dabur beholds Corporate Governance measures as an integral part of business strategy which adds to considerable internal and external values and contributes to the business growth in ethical perspective. Besides complying with the prescribed corporate practices as per Clause 49 of the Listing Agreement in terms of revised dispensation, the Company has voluntarily adopted various practices of governance conforming to highest ethical and responsible standard of business, globally benchmarked.

During the FY 2014-15, the Institute of Company Secretaries of India (ICSI), in its ceremony for National award for excellence in Corporate Governance, certified Dabur India Ltd. as one of the "Best Governed Companies" of India.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports Dabur's compliance of Clause 49 of Listing Agreement highlighting its additional initiatives in line with international best practices.

## CORPORATE GOVERNANCE PHILOSOPHY

Dabur's philosophy is to view Corporate Governance principles in true letter and genuine spirit rather than mere compliances of norms. Corporate Governance has been considered as a business strategy as this adds considerable value to the company both internally and externally. The Corporate Governance principles implemented by Dabur seeks to protect, recognize and facilitate shareholders rights and ensure timely and accurate disclosure to them. Ideal governance practices have rewarded the Company with improved share valuations, stakeholder's confidence, improved market capitalization, high credit ratings and various awards for brands, stocks, environmental protection, etc. These have helped Dabur to pay uninterrupted dividends to its shareholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. Its initiatives towards adhering to highest standards of governance include self governance, professionalization of the Board, fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance code requirements of SEBI. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

## BOARD OF DIRECTORS

### Composition of the Board

As on March 31, 2015, Dabur's Board consists of 12 members. Besides the Chairman, a Non-Executive Promoter Director, the Board comprises of two Executive Directors, three Non-Executive Promoter Directors and six Non-Executive Independent Directors (including Mrs. Falguni Sanjay Nayar, a Woman Director, appointed as an Additional Director during the year). The composition of the Board as on March 31, 2015 is in conformity with Clause 49 of the Listing Agreement enjoining specified combination of Executive and Non-Executive Directors, with not less than 50 percent of the Board comprising of Non-Executive Directors and at least one-half comprising of Independent Directors for a Board chaired by Non-Executive Promoter Director, as shown in the table below:

Category	No. of Directors	% to total no. of Directors
Executive Directors	2	17%
Non-Executive Independent Directors (including Woman Director)	6	50%
Other Non-Executive Directors	4	33%
<b>Total</b>	<b>12</b>	<b>100%</b>

### Number of Board Meetings

Minimum four prescheduled Board meetings are held every year. Additional meetings are held to address specific needs of

the Company. In case of any exigency/emergency, resolutions are passed by circulation. During the financial year 2014-15 the Board of Directors met five times on- 29/04/2014, 28/07/2014, 15/09/2014, 3/11/2014 and 30/01/2015. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Clause 49 of the Listing Agreement.

### Directors' Attendance Record and their other Directorships/ Committee Memberships

As mandated by Clause 49, none of the Director is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is a Director. Relevant details of the Board as on March 31, 2015 are given below:

Name of the Director	Category #	Attendance Particulars			No. of other Directorships and Committee Memberships/Chairmanships held*		
		No. of Board Meetings	Last AGM held on 22.07.2014		Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Anand C Burman (Dr.)	Chairman/PD/ NED	5	5	Yes	5	-	-
Amit Burman	Vice Chairman/ PD / NED	5	4	Yes	6	5	-
Mohit Burman	PD/NED	5	4	Yes	3	2	-
Saket Burman	PD/NED	5	5	Yes	-	-	-
P D Narang	ED	5	5	Yes	3	2	-
Sunil Duggal	ED	5	5	Yes	1	-	-
P N Vijay	ID	5	5	Yes	2	1	-
R C Bhargava	ID	5	4	No	7	3	4
S Narayan (Dr.)	ID	5	5	Yes	5	1	-
Ajay Dua (Dr.)	ID	5	4	No	2	1	-
Sanjay Kumar Bhattacharyya	ID	5	5	Yes	4	4	2
Albert Wiseman Paterson <sup>A</sup>	ID	2	-	No	-	-	-
Falguni Sanjay Nayar <sup>B</sup>	ID	4	3	NA	3	3	-

#PD – Promoter Director; NED – Non-Executive Director; ID – Non-Executive Independent Director; ED – Executive Director

\*1. Excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

2. Only two Committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered.

A. Mr. Albert Wiseman Paterson resigned from the office of Director of the Company with effect from 08.09.2014.

B. Mrs. Falguni Sanjay Nayar was appointed as an Additional Director on the Board of the Company with effect from 28.07.2014.

Details of other Board Directorships are separately mentioned in Annexure 1 to this report.

None of the other Non-Executive Directors hold any shares in the Company.

### Limit on the number of Directorships

In compliance with Clause 49 of the Listing Agreement, the Directors on the Board of the Company does not serve as Independent Directors in more than 7 Listed Companies or in case he/she is serving as a Whole Time Director in any Listed Company, does not hold such position in more than 3 Listed Companies.

### Shareholding of Non-Executive Directors

Dr. Anand C Burman, Non-Executive Promoter Director is holding 660000 equity shares of Re.1/- each in the Company.

### Independent Directors

As mandated by Clause 49, the Independent Directors on Dabur's Board:

- Are persons of integrity and possess relevant expertise and experience;
- Are not a Promoter of the company or its holding, subsidiary or associate company;
  - Are not related to Promoters or Directors in the company, its holding, subsidiary or associate company;

- c. Apart from receiving Director's Remuneration, have no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- d. None of their relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. Neither themselves nor any of their relatives —
  - i. hold or have held the position of a Key Managerial Personnel or are or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed;
  - ii. are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed, of —
    - A. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the company or its holding, subsidiary or associate company; or
    - B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - iii. hold together with their relatives two percent or more of the total voting power of the company; or
  - iv. is a Chief Executive or Director, by whatever name called, of any Non-Profit Organisation that receives twenty-five percent or more of its receipts from the company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
  - v. is a material supplier, service provider or customer or a lessor or lessee of the company;
- f. is not less than 21 years of age.

### Maximum tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company (except Mrs. Falguni Sanjay Nayar) is for a term of 5 consecutive years from the date of last AGM held on 22.7.2014 upto the conclusion of AGM to be held in the calendar year 2019.

The tenure of Mrs. Falguni Sanjay Nayar, whose appointment is being proposed for approval of shareholders in the ensuing AGM, if appointed, shall be retrospectively from the commencement of her appointment as an Additional Director of the Company i.e. 28.07.2014 upto the conclusion of AGM to be held in the calendar year 2019 or 27.07.2019, whichever is earlier.

### Formal Letter of appointment to Independent Directors

In accordance with Clause 49 of the Listing Agreement, the Company has issued formal letters of appointment to all the Independent Directors.

The terms and conditions of their appointment have also been disclosed on the website of the Company- [www.dabur.com](http://www.dabur.com).

### Performance evaluation of Independent Directors

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

In compliance with Clause 49 of the Listing Agreement, the performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.

On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

### Separate Meeting of the Independent Directors

The Independent Directors of the Company met separately on 24<sup>th</sup> March, 2015 without the presence of Non-Independent Directors and the members of management. The meeting was attended by all the Independent Directors except Mrs. Falguni Sanjay Nayar who could not attend the meeting. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the



Company. In accordance with the Listing Agreement, following matters were, *inter-alia*, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### Familiarization Programme for the Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

The initiatives undertaken by the Company in this respect has been disclosed on the website of the Company at [www.dabur.com](http://www.dabur.com) and the weblink thereto is <http://www.dabur.com/en/investors1/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS.pdf>

#### Information Supplied to the Board

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information. Since the year 2011-12, as a part of green initiative, the Company is holding and convening its Board (including Committee) meetings on I-pad, in paperless form. All agenda papers are uploaded in a web based programme for information, perusal and comments, etc. of the Board/ Committee Members.

The following information is regularly provided to the Board, as part of the **agenda papers at least 2 weeks in advance** of the Board meetings.

- Detailed Business Review.

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Annual and Quarterly financial results for the Company and its operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition.
- Significant labour problems and their proposed solutions. Any significant development on Human Resources / Industrial Relations front, like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer, etc.

- Details of investment of surplus funds available with the Company .
- Minutes of the Board Meetings of subsidiary companies.
- Statement showing significant transactions and arrangements entered into by subsidiary companies.
- Details of any merger or demerger actions.
- Details of dealings in Company's share by members of the Board/ Senior Management.
- Details of commercial or any other dealings by firms/ companies in which members of the Board/ Senior Management or their relatives hold shares.
- Details of Inter Corporate Loans, Investments and Guarantees made/ given by the Company.
- Detailed status on the Business Risks being faced by the Company and their mitigation plan.
- Changes in Shareholding Pattern of the Company.
- Details of Contingent Liabilities.
- Statement on Compliance with Code of Conduct.

**Post Meeting follow up system:** The Company has an effective post Board Meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

The Board has established procedures to periodically review compliance report of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

**Succession Plan:** The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board and to Senior Management.

### Roles and Responsibilities of Board Members

Dabur India Limited has laid down a clear policy defining the structure and role of Board Members. The policy of the Company is to have a Non-Executive Chairman – presently Dr. Anand C Burman, a Chief Executive Officer (CEO) – presently Mr. Sunil Duggal, and an optimum combination of executive and Non-Executive Promoter/ Independent Directors. The duties of Board Members as a Director have been enumerated in Section 166 of the Companies Act, 2013 and Clause 49 of the

Listing Agreement and additionally as Independent Directors as mentioned in Schedule IV of the said Act. There is a clear demarcation of responsibility and authority amongst the Board Members.

- **The Chairman:** His primary role is to provide leadership to the Board in achieving goals of the Company in accordance with the charter approved by the Board. He is responsible for transforming the Company into a world-class organization that is dedicated to the well-being of each and every household, not only within India but across the globe, apart from leaving a fortunate legacy to posterity. Also, as the Chairman of the Board he is responsible for all the Board matters. He is responsible, *inter-alia*, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, *inter-alia*, includes:

- Provide Leadership to the Board & preside over all Board & General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Oversee and evaluate the overall performance of Board and its Members.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

- **The CEO and Executive Directors** are responsible for implementation of corporate strategy, brand equity planning, external contacts and other management matters which are approved by the Board. They are also responsible for achieving the annual and long term business plans. Their role, *inter-alia*, includes:

- Crafting of vision and business strategies of the Company.
- Clear understanding and accomplishment of Board set goals.

- Responsible for overall performance of the Company in terms of revenues & profits and goodwill.
- Acts as a link between Board & Management.
- Ensure compliance with statutory provisions under multiple regulatory enactments.

- **Non-Executive Directors (including Independent Directors)** play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, *inter-alia*, includes:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

characteristics, skills and experience for the Board as a whole, as well as its individual members. The selection of Board members is based on recommendations of the Nomination and Remuneration Committee.

The skill profile of Independent Board Members is driven by the key performance indicators defined by the Board, broadly based on:

- Independent Corporate Governance
- Guiding strategy and enhancing shareholders' value
- Monitoring performance, management development & compensation
- Control & compliance

#### The constitution of the Board is as follows:

A Promoter Non-Executive Chairman  
Three Promoter family members  
Two Executive members  
Six Non-Executive Independent Directors (including a Woman Director) constituting at least 50% of the Board

#### Board Membership Criteria

The Nomination and Remuneration Committee in consultation with Directors/ others determine the appropriate

The matrix below highlights the skills and expertise required from individuals for the office of Independent Directors of the Company.

Key Skill Area	Essential	Desirable
<b>Strategy/Business Leadership</b>	2-3 years experience as a CEO, preferably of an MNC in India	FMCG experience
<b>Corporate Strategy Consultant</b>	Consultant/Academician with experience in FMCG Industry and business strategy	Basic understanding of Finance
<b>Sales and Marketing Experience</b>	At least 10 years experience in sales and marketing Good understanding of commercial processes 2-3 years as head of sales or marketing	Experience with FMCG or other consumer products
<b>Corporate law</b>	Expert knowledge of Corporate Law	Experience in trade/ consumer related laws
<b>Finance</b>	At least 5 years as a CFO or as head of a merchant banking operation	FMCG experience
<b>Trade Policy &amp; Economics</b>	Expert Knowledge of Trade & Economic Policies	FMCG experience
<b>Administration &amp; Government Relations</b>	Retired Bureaucrat	Basic understanding of Finance and Business
<b>Ayurvedic Specialist</b>	Ayurvedic doctor with a minimum of 20 years experience as a practitioner/researcher	Basic understanding of Finance and Business

Expertise for other Directors could be based on the Company's priority at a particular time viz:

- Knowledge of export markets that Dabur is focusing on;
- Expertise in commodity procurement.

## Remuneration paid to Directors

Details of remuneration paid to Directors for the Financial Year 2014-15 is as under:

Name of the Director	Sitting Fees	Salary & Perquisites	Superannuation Fund	Commission	Total
Anand C Burman (Dr.)	0	0	0	0	0
Amit Burman	0	0	0	0	0
Mohit Burman	0	0	0	0	0
Saket Burman	0	0	0	0	0
P D Narang	0	7,12,46,401	35,98,299	0	7,48,44,700
Sunil Duggal	0	7,10,18,567	34,68,865	0	7,44,87,432
P N Vijay	13,05,000	0	0	0	13,05,000
R C Bhargava	10,00,000	0	0	0	10,00,000
S Narayan (Dr.)	12,45,000	0	0	0	12,45,000
Ajay Dua (Dr.)	10,90,000	0	0	0	10,90,000
Sanjay Kr Bhattacharyya	11,60,000	0	0	0	11,60,000
Albert Wiseman Paterson	0	0	0	0	0
Falguni Sanjay Nayar (Mrs.)	3,00,000	0	0	0	3,00,000
<b>Total</b>	<b>61,00,000</b>	<b>14,22,64,969</b>	<b>70,67,163</b>	<b>0</b>	<b>15,54,32,132</b>

Perquisites include performance linked incentives which are payable to the Executive Directors as employees of the Company as per Company policy.

During the FY 2014-15, the Company did not advance any loan to any of its Directors.

2340000 stock options were granted each to Mr. P D Narang and Mr. Sunil Duggal during the year. Out of the stock options granted during the earlier years, Mr. P D Narang and Mr. Sunil Duggal have exercised 1526664 and 1676664 stock options respectively, and were allotted equivalent number of shares.

Pursuant to the approval of shareholders in the Annual General Meetings held on September 9, 1998 and subsequently on September 5, 2002, July 13, 2007, August 31, 2010 and July 17, 2012 in addition to the above remuneration, certain Directors are entitled to post separation fee, as contained in the resolution passed in the aforesaid meeting, on cessation of their employment and Directorship with the Company. The notice period for the two Executive Directors, namely Mr. P D Narang and Mr. Sunil Duggal is of three months.

Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director, is fixed by the Board of Directors and is previously approved by the shareholders at the general body meeting. Further, the Independent Directors are not entitled to any stock options.

## CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board members and Senior Management Personnel of Dabur. The Code is intended to serve as a basis

for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company [www.dabur.com](http://www.dabur.com). All Board members and Senior Management Personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is placed at the end of this report.

## COMMITTEES OF THE BOARD

Dabur has five Board level Committees:

- Audit Committee,
- Nomination and Remuneration Committee,
- Corporate Social Responsibility Committee,
- Risk Management Committee, and
- Stakeholders Relationship Committee.

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.



## A. AUDIT COMMITTEE

### Composition

As on March 31, 2015, the Audit Committee comprises of the following 5 Independent Directors:

1. Mr. P. N. Vijay (Chairman)
2. Mr. R. C. Bhargava
3. Dr. S. Narayan
4. Dr. Ajay Dua
5. Mr. S.K. Bhattacharyya

### Meetings and Attendance

During the financial year 2014-15, the Audit Committee met 7 times on 29.04.2014, 22.05.2014, 28.07.2014, 15.09.2014, 3.11.2014, 22.12.2014 and 30.01.2015. The time gap between any two meetings was less than four months.

The details of attendance of Audit Committee meetings are as under:

Name of the Member	Category#	Status	No. of Meetings	
			Held	Attended
Mr. P. N. Vijay	ID	Chairman	7	7
Mr. R. C. Bhargava	ID	Member	7	6
Dr. S. Narayan	ID	Member	7	7
Dr. Ajay Dua	ID	Member	7	6
Mr. S.K. Bhattacharyya	ID	Member	7	6

#ID – Independent Director

The Director responsible for the finance function, the head of internal audit and the representative of the Statutory Auditors, Internal Auditors and Cost Auditors are permanent invitees to the Audit Committee. Mr. A K Jain, Vice President (Finance) & Company Secretary, is Secretary to the Committee.

All members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on July 22, 2014 to answer shareholders' queries.

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment, terms of appointment/re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (5) of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any Related Party Transactions.
  - Qualifications in the draft Audit Report.
5. Review/examine, with the Management, the quarterly/year to date Financial Statements and Auditor's Report thereon, before submission to the Board for approval.
6. Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.
7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Reviewing/evaluating, with the Management, performance of Statutory and Internal Auditors, internal financial controls, Risk Management System and adequacy of the internal control systems.
9. Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.

10. Discussion with Internal Auditors any significant findings and follow-ups there on.
11. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
13. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
14. To review the functioning of the Whistle- Blower mechanism.
15. Approval of appointment of CFO (i.e. the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Review and monitor the Auditor's independence, performance and effectiveness of Audit process.
18. Approval or any subsequent Modification of transactions of the company with related parties.
19. Scrutiny of inter- corporate loans and investments.
20. Valuation of undertakings or assets of the Company, wherever it is necessary.

The Audit Committee is empowered, pursuant to its terms of reference to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.

Dabur has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial conditions and results of operations.

- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management.
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the Chief Internal Auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results (whenever applicable).
- On an annual basis, statement certified by the Statutory Auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/ notice (whenever applicable).

#### **Audit Committee Report for the year ended March 31, 2015**

To the Board of Directors of Dabur India Limited,

Each member of the Audit Committee is an Independent Director, according to the definition laid down in Clause 49 of the Listing Agreement with the relevant Stock Exchanges.

The Management is responsible for the Company's internal controls and financial reporting process. The Independent Auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Indian GAAP and for issuing a report thereon. The Committee is responsible for overseeing the processes related to financial reporting and information dissemination.

In this regard, the Committee discussed with the Company's Statutory Auditors the overall scope for their audit and reviewed the independence, performance and effectiveness of audit process. The Committee also discussed the result of examinations made by Internal Auditors, their evaluation of the Company's internal financial controls and the overall quality of financial reporting. The Management also presented to the Committee the Company's financial statements and also represented that the Company's financial statements had been drawn in accordance with the Indian GAAP.

Based on its review and discussions conducted with the Management and the Independent Auditors, the Audit

Committee believes that the Company's financial statements are fairly presented in conformity with Indian GAAP in all material aspects.

The Committee has also reviewed Statement of contingent liabilities, Management discussion and analysis, Financial statements of subsidiary companies, Investments made by subsidiary companies, Statement of significant Related Party Transactions, Directors' responsibility statement, Financial results and draft audit/ limited review report thereon, compliance relating to financial statements and draft auditors' report, approval (including modification, if any) of Related Party Transactions and scrutinized inter corporate loans of the Company. The Risk assessment and minimization procedures were also reviewed. During the year, the Committee also approved the revised Whistle Blower Policy and Policy on Related Party Transactions, evaluated the Internal Financial Control & Risk Management System of the Company, and reviewed its responsibilities as per various applicable provisions of Companies Act, 2013 and Listing Agreement. The Committee also approved the CAPEX for Financial Year 2014-15. Further the Committee affirms that in compliance with the Whistle-Blower Policy/Vigil Mechanism no personnel had been denied access to the Audit Committee.

The Committee has appointed M/s Price Waterhouse & Co., LLP as Internal Auditors of the Company for the period from 1<sup>st</sup> October, 2014 to 30<sup>th</sup> September, 2015 and discussed and approved their audit plan. It has also re-appointed M/s Ramanath Iyer & Company, as Cost Auditors to audit the cost accounts maintained by the Company in respect of certain products for the financial year 2014-15. The Committee is recommending to the Board the re-appointment of M/s G Basu & Co., Chartered Accountants, as Statutory Auditors of the Company, to carry out audit of the accounts of the Company for the financial year 2015-16.

In conclusion, the Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's responsibility statement.

**P N Vijay**

Chairman,

Audit Committee

Place: Jebel Ali - UAE

Date: May 5, 2015

## B. NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the erstwhile Remuneration cum Compensation Committee and the Nomination Committee of the Company were merged to constitute the "Nomination and Remuneration Committee" with effect from 29<sup>th</sup> April, 2014.

### Composition

As on March 31, 2015, the Nomination and Remuneration Committee comprises of the following 4 Directors:

1. Dr. S. Narayan (Chairman)
2. Mr. P N Vijay
3. Dr. Anand C Burman
4. Mr. Amit Burman

### Meetings and Attendance

During the financial year 2014-15, the Nomination and Remuneration Committee met 3 times on 29.04.2014, 28.07.2014 and 30.01.2015.

The details of attendance of the Nomination and Remuneration Committee meetings are as under:

Name of the Member	Category#	Status	No. of Meetings	
			Held	Attended
Dr. S. Narayan	ID	Chairman	3	3
Mr. P. N. Vijay	ID	Member	3	3
Dr. Anand C Burman	PD/NED	Member	3	3
Mr. Amit Burman	PD/NED	Member	3	2

#ID – Independent Director; PD – Promoter Director;  
NED – Non Executive Director

Mr. P N Vijay, then Chairman of the Committee attended the AGM held on July 22, 2014 to answer shareholders' queries.

**The roles and responsibilities of the Committee include the following:**

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. Formulate the criteria for evaluation of Director's and Board's performance and to carry out the evaluation of every Director's performance.
4. Devising a policy on Board diversity.
5. To engage the services of consultants and seek their help in the process of identifying suitable person for appointments to the Board.
6. To decide the remuneration of consultants engaged by the Committee.
7. Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial

Personnel (KMP) & other Employees, including ESOP, pension rights and any other compensation payment.

8. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and KMP of the quality required to run the company successfully.
9. To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
10. To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
11. Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
12. Framing the Employees Share Purchase Scheme/ Employees Stock Option Scheme and recommending the same to the Board/ shareholders for their approval and implementing/administering the scheme approved by the shareholders.
13. Suggesting to Board/ shareholders changes in the ESPS/ ESOS.
14. Deciding the terms and conditions of ESPS and ESOS which, *inter-alia*, include the following:
  - Quantum of options to be granted under the Scheme per employee and in aggregate;
  - Vesting Period;
  - Conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
  - Exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - Specified time period within which the employee shall exercise the vested options in the event of termination or resignation of employee;
  - Right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - Procedure for making a fair and reasonable adjustment to the number of options, entitlement of shares against each option and to the exercise

price in case of rights issues, bonus issues and other corporate actions;

- Grant, vest and exercise of option in case of employees who are on long leave;
- Procedure for cashless exercise of options;
- Forfeiture/ cancellation of options granted;
- All other issues incidental to the implementation of ESPS/ESOS.
- To issue grant/ award letters.
- To allot shares upon exercise of vested options.

### Remuneration Policy

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

#### 1. Non-Executive Directors (including Independent Directors)

Besides sitting fees, the Non-Executive Directors are also entitled to commission out of the profits of the Company, at a rate not exceeding 1% of the net profits per annum of the Company, calculated in accordance with the provisions of Sections 196, 197 and 198 of the Companies Act, 2013, as approved by the Board and within the overall limits prescribed by the Companies Act, 2013.

#### 2. Executive Directors

Remuneration of the Executive Directors consists of a fixed component and a variable performance incentive. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

In accordance with the relevant provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:



1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.
2. Framework for evaluation of the Board, its Committees and individual Board Members including Independent Directors.
3. Policy on appointment of Board Members.

The Remuneration Policy and the evaluation criteria have been disclosed in the Director's Report which forms part of the Annual Report.

#### **Nomination and Remuneration Committee Report for the year ended March 31, 2015**

To the Board of Directors of Dabur India Limited,

The Nomination and Remuneration Committee comprises of two Independent Directors and two Non-Executive Promoter Directors. The main responsibility of the Committee is to incentivize and reward executive performance that will lead to long-term enhancement of shareholder performance. Further the Committee is also responsible for formulating policies as to remuneration, performance evaluation, Board diversity, etc. in line with Companies Act, 2013 and the Listing Agreement.

During the year the Committee approved the grant of stock options to employees under the ESOP Scheme of the Company. The Committee also allotted shares towards exercise of stock options which were granted during earlier years. Further the Committee also reviewed and approved the revision in remuneration of Mr. P.D. Narang and Mr. Sunil Duggal, Executive Directors. Appointment of Mrs. Falguni Sanjay Nayar as an Independent Director was also recommended to the Board by the Committee. The Committee formulated and approved the following policies during the year:

- Remuneration Policy for Directors, Key Managerial Personnel's (KMP's) and other employees.
- Performance Evaluation Framework for the Board, its Committees and individual Board members.
- Policy on appointment of Directors.

As per policy the evaluation of every Director's performance was carried out by the Committee.

The Committee was also provided information on appraisal systems, the outcome of performance assessment programmes, compensation policies for employees and the information to decide on grant of options to various employees.

Place: Jebel Ali - UAE

Date: May 5, 2015

**Dr. S Narayan**

Chairman,

Nomination and Remuneration Committee

## **C. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

### **Composition**

As on March 31, 2015, the Corporate Social Responsibility (CSR) Committee consists of the following 4 members:

1. Dr. Ajay Dua (Chairman)
2. Mr. P D Narang
3. Mr. Sunil Duggal
4. Mr. S K Bhattacharyya

### **Meetings and Attendance**

During the financial year 2014-15 the Committee met 4 times on 29.04.2014, 28.07.2014, 3.11.2014 and 30.01.2015. The details of attendance of Committee meeting are given below:

Name of the Member	Category#	Status	No. of Meetings	
			Held	Attended
Dr. Ajay Dua	ID	Chairman	4	3
Mr. P D Narang	ED	Member	4	4
Mr. Sunil Duggal	ED	Member	4	4
Mr. S K Bhattacharyya	ID	Member	4	4

#ID – Independent Director; ED – Executive Director

### **The role of the CSR Committee is as under:**

- a. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- b. Recommend the amount of expenditure to be incurred on the activities as above, and
- c. Monitor the CSR Policy of the company from time to time.

The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013.

### **CSR Policy of the Company**

The CSR activities shall be focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The four key focus areas where special Community Development programmes would be run are:

1. Eradicating hunger, poverty and malnutrition;
2. Promoting Health care including preventive health care;
3. Ensuring environmental sustainability;
4. Employment and livelihood enhancing vocational skills and projects.

The formal CSR policy of the Company is available on the website of the Company [www.dabur.com](http://www.dabur.com) at the weblink <http://www.dabur.com/AboutDabur-CSR-Policy>

#### CSR Committee Report for the year ended March 31, 2015

To the Board of Directors of Dabur India Limited,

The CSR Committee comprises of two Independent Directors and two Executive Directors.

The main responsibility of the Committee is to formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company as specified in Companies Act, 2013, recommending the expenditure on CSR activities & monitoring the activities undertaken from time to time.

The CSR Policy formulated by the Committee has been approved by the Board of Directors of the company during the last financial year.

During the Financial Year 2014-15, the Committee monitored the progress on CSR activities undertaken by the Company on quarterly basis. The Company has been able to spend the mandatory 2% of average net profits of immediately preceding 3 years on various CSR activities, the details of which are given in CSR Report approved by the Committee and attached to the Directors' Report.

The Committee is sufficiently satisfied with the CSR compliances on the part of the Company.

Place: Jebel Ali - UAE

Date: May 5, 2015

**Dr. Ajay Dua**  
Chairman,  
CSR Committee

#### D. RISK MANAGEMENT COMMITTEE

##### Composition

The Risk Management Committee has been constituted by the Board of Directors on July 9, 2014. As on March 31, 2015, the Committee consists of the following 5 members:

1. Mr. Amit Burman (Chairman)
2. Mr. P D Narang
3. Mr. Sunil Duggal
4. Mr. Lalit Malik
5. Mr. A K Jain

##### Meetings and Attendance

During the financial year 2014-15 the Committee met 3 times on 9.07.2014, 9.10.2014 and 7.01.2015.

Name of the Member	Category#	Status	No. of Meetings	
			Held	Attended
Mr. Amit Burman*	PD/NED	Chairman	1	1
Mr. Sunil Duggal	ED	Member	3	3
Mr. P D Narang	ED	Member	3	3
Mr. Jude Magima*	SED-Op.	Member	2	2
Mr. A Sudhakar*	SED-HR.	Member	2	2
Mr. George Angelo*	ED-S	Member	2	2
Mr. Lalit Malik	CFO&JCRO	Member & JCRO	3	3
Mr. A K Jain	VP(F)&CS& JCRO	Member & JCRO	3	3

#PD – Promoter Director; NED – Non-Executive Director; ED – Executive Director; Sr. ED-Op. – Senior Executive Director-Operations; Sr. ED-HR – Senior Executive Director-Human Resource; JCRO – Joint Chief Risk Officer

\* Mr. Amit Burman was appointed as a member of the Committee w.e.f. 15<sup>th</sup> September, 2014.

\* Mr. Jude Magima, Mr. A Sudhakar and Mr. George Angelo ceased to be members w.e.f. 3<sup>rd</sup> November, 2014.

##### The role of the Committee is as under:

1. Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis.
2. To update Risk Register on quarterly basis.
3. To review critical risks identified by Joint Chief Risk Officer(s) and Management Committee on quarterly basis.
4. To report key changes in critical risks to the Board on quarterly basis.
5. To report critical risks to Audit Committee in detail on yearly basis.
6. To perform such other functions as may be deemed or prescribed fit by the Board.

#### Risk Management Committee Report for the year ended March 31, 2015

To the Board of Directors of Dabur India Limited,

The Committee consists of two Executive Directors, one Promoter Non-Executive Director and two KMP's being Non-Board Members.

The primary responsibility of the Committee is to prepare the Risk Management Plan of the Company and to review and monitor the same on regular basis.

During the Financial Year 2014-15, the Committee identified and assessed the risks faced by the Company and procedures to mitigate the same. The risks were assessed categorically under the broad heads of high, medium and low risks with high and medium risks sub categorized as critical and low risks as non-critical.

Place: Jebel Ali - UAE  
Date: May 5, 2015

**Amit Burman**  
Chairman,  
Risk Management Committee

## E. STAKEHOLDERS RELATIONSHIP COMMITTEE

### Composition

As on March 31, 2015, the Stakeholders Relationship Committee consists of the following 4 members:

1. Mr. P N Vijay (Chairman)
2. Mr. Amit Burman
3. Mr. P D Narang
4. Dr. Ajay Dua

### Meetings and Attendance

During the financial year 2014-15 the Committee met 4 times on 29.04.2014, 28.07.2014, 3.11.2014 and 30.01.2015.

The details of attendance of the Committee meetings are given below:

Name of the Member	Category#	Status	No. of Meetings	
			Held	Attended
Mr. P N Vijay	ID	Chairman	4	4
Mr. Amit Burman	PD/NED	Member	4	4
Mr. P D Narang	ED	Member	4	4
Dr. Ajay Dua	ID	Member	4	3

#ID – Independent Director; PD – Promoter Director;  
NED – Non Executive Director; ED – Executive Director

Mr. A. K. Jain, Vice President (Finance) and Company Secretary, is the Compliance Officer.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend and other allied complaints.

The Committee performs the following functions:

- Transfer/ transmission of shares.
- Split up/ sub-division and consolidation of shares.
- Dematerialization/ rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and

issue instructions to the Bank from time to time in this regard.

- To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

### Investor Grievance Redressal

Details of complaints received and resolved by the Company during the financial year 2014-15 are given below:

Nature of Complaint	Pending as on 31.3.2014	Received during the FY 2014-15	Disposed of during the FY 2014-15	Pending as on 31.3.2015
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	5	5	NIL
Non-receipt of Dividend	NIL	9	9	NIL
Dematerialization / Rematerialization of shares	NIL	-	-	NIL
Others (Non receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	4	4	NIL
<b>Total</b>		<b>18</b>	<b>18</b>	

In order to provide efficient services to investors, and for speedy redressal of the complaints, the Committee has delegated the power of approving transfer and transmission of shares and other matters like split up / sub-division and consolidation of shares, issue of new certificates on re-materialization, sub-division, consolidation and exchange, subject to a maximum of 10000 shares per case and for dematerialization upto a maximum of 40000 shares per case, jointly to any two of Mr. A K Jain, Vice President (Finance) and Company Secretary, Mr. Praveen Mudgal, Joint Company Secretary and Mrs. Sarita Agrawal, Sr. Manager (Secretarial).

### Stakeholders Relationship Committee Report for the year ended March 31, 2015

To the Board of Directors of Dabur India Limited,

The Stakeholders Relationship Committee comprises of four members.

The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal

of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

The Committee approved 1719 cases of transfer, 1 case of transmission, 78 cases of re-materialization, 244 cases of dematerialization, 5 cases of sub-division, 2 cases of consolidation, 3 cases of issue of shares against defaced certificates and 12 cases of issue of duplicate share certificates. During the year, for compliance under various applicable provisions of the Companies Act, 2013, a sub-committee was constituted to facilitate the issuance of duplicate share certificates and transfer/ transmission/ consolidation/ sub-division/ remat of more than 10000 shares per case/ demat of more than 40000 shares per case, within the prescribed time lines. The sub-committee approved 9 cases of issuance of duplicate shares after its constitution during the year. The Committee also reviewed the status of investors' grievances on quarterly basis. The Company received 18 complaints during the year all of which were redressed. As at the close of the financial year there were no complaints pending for redressal.

Place: Jebel Ali - UAE

Date: May 5, 2015

**P N Vijay**

Chairman,

Stakeholders Relationship Committee

## **SUBSIDIARY COMPANIES - MONITORING FRAMEWORK**

The Company monitors performance of its subsidiary companies, *inter-alia*, by the following means:

- i. The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them, on a quarterly basis.
- ii. The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary companies.

The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company- [www.dabur.com](http://www.dabur.com) at the weblink <http://www.dabur.com/en/investors1/Policy-material-subsiidiary.pdf>

(A subsidiary shall be considered as material if the investment of the Company in the subsidiary exceeds 20% of its consolidated net worth as per Audited Balance Sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year)

Dabur does not have a material non-listed Indian subsidiary. [Under Clause 49 of the Listing Agreement, a "material

non-listed Indian subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year].

## **MANAGEMENT**

### **Management Discussion and Analysis**

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms part of this report.

## **DISCLOSURES**

### **Related Party Transactions**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement. The policy has been disclosed on the website of the Company at [www.dabur.com](http://www.dabur.com) at the weblink <http://www.dabur.com/en/investors1/Policy-on-Related-Party-Transactions.pdf>

All Related Party Transactions are approved by the Audit Committee prior to the transaction. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

During the Financial Year 2014-15, there were no such Related Party Transactions, either as per Companies Act, 2013 or Clause 49 of the Listing Agreement which were required to be approved by the Board of Directors or the Shareholders of the Company.

A confirmation as to material Related Party Transactions as per Clause 49 of the Listing Agreement, is also sent to the Stock Exchanges along with the Quarterly Compliance Report on Corporate Governance.

### **Disclosures by Senior Management & Key Managerial Personnel**

The Senior Management Personnel make disclosures to the Board periodically regarding

- their dealings in the Company's shares; and
- all material financial and commercial and other transactions with the Company;



where they have personal interest, stating that the said dealings and transactions, if any, had no potential conflict with the interest of the Company at large.

The material, financial and commercial transactions where Key Managerial Personnel have personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts, which was reported to the Board of Directors.

#### **Disclosure of accounting treatment in preparation of financial statements**

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

#### **Details of non-compliance by the Company**

Dabur has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

#### **Code for Prevention of Insider-Trading Practices**

In compliance with the SEBI regulations for Insider Trading and the provisions of Companies Act, 2013, the Company has in place a comprehensive Code of Conduct for Prevention of Insider Trading, for its management and staff. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of Dabur, and cautioning them of the consequences of violations. The Vice President (Finance) and Company Secretary has been appointed as the Compliance Officer.

The Company has also formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, which shall be applicable from 15<sup>th</sup> May, 2015.

#### **Whistle-Blower Policy / Vigil Mechanism**

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices, Dabur has established a system through which Directors, employees, business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access

to the Chairman of the Audit Committee, and also to a three-member Direct Touch team established for this purpose. The Direct Touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy. The Whistle-Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.dabur.com](http://www.dabur.com) at the weblink <http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf>

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee.

#### **Prevention of Sexual Harassment Policy**

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

#### **Dividend Policy**

To bring transparency in the matter of declaration of dividend and protect the interests of investors, Dabur has adopted a Dividend Policy which has been displayed on the Company's website [www.dabur.com](http://www.dabur.com).

#### **CEO/ CFO certification**

The CEO and CFO certification on the financial statements and the cash flow statement for the year is placed at the end of the report.

## Legal Compliance Reporting

The Board of Directors review in detail, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations. The Company has developed a very comprehensive Legal Compliance Manual, which drills down from the CEO to the executive-level person (who is primarily responsible for compliance) within the Company. The process of compliance reporting is fully automated, using the e-nforce compliance tool. System-based alerts are generated until the user submits the monthly compliance report, with provision for escalation to the higher-ups in the hierarchy. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

## SHAREHOLDERS

### Appointment / Re-appointment of Directors

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Amit Burman and Mr. Saket Burman, Directors will retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment in accordance with the provisions of the said Act.

Further, Mr. Sunil Duggal was re-appointed as a Whole Time Director of the Company for a period of 5 years w.e.f. 31<sup>st</sup> July, 2010 on the remuneration and other terms and conditions as approved by the members in the AGM of the Company held on 31<sup>st</sup> August, 2010. As the existing tenure of Mr. Sunil Duggal as Whole Time Director of the company will expire on 30<sup>th</sup> July, 2015 the Board of Directors of the Company in its meeting held on 5<sup>th</sup> May, 2015 has re-appointed him as a Whole Time Director designated as Chief Executive Officer (CEO) of the Company for a further period of five years w.e.f. 31<sup>st</sup> July, 2015 on the remuneration and terms and conditions, as detailed in the Notice of AGM. The Nomination and Remuneration Committee of the Board in its meeting held on 5<sup>th</sup> May, 2015 has considered and recommended the aforesaid re-appointment of Mr. Sunil Duggal to the Board for their approval.

Pursuant to Section 149(1) of the Companies Act, 2013 the Board of Directors of the Company had on 28<sup>th</sup> July, 2014 appointed Mrs. Falguni Sanjay Nayar as an Additional Director in the category of Non-Executive Independent Director. Mrs. Nayar shall hold office upto the date of the ensuing Annual General Meeting of the Company and, being eligible, offer herself for re-appointment. The Company has also received a notice in writing from a member proposing her candidature for the office of Director along with requisite deposit of Rupees one lakh.

The Board of Directors in their meeting held on 5<sup>th</sup> May, 2015 has recommended to re-appoint Mrs. Falguni Sanjay Nayar as Non-Executive Independent Director within the meaning of Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years commencing from the date of her appointment as an Additional Director in the Company i.e. 28<sup>th</sup> July, 2014 upto the conclusion of AGM of the Company to be held in the calendar year 2019 or 27<sup>th</sup> July, 2019 whichever is earlier.

A brief resume of the Directors being appointed/ re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

Your Directors recommend their appointment /re-appointment at the ensuing AGM.

### The brief CVs of the above Directors are given below:

**Mr. Amit Burman:** He has done his MBA from Cambridge University, England and was appointed as a member on the Board of Dabur India Ltd. in 2001. He is a dynamic member from the Promoter family. He was appointed as Vice Chairman of the Company in 2007. He has a rich and varied experience in food sector. Currently he has no shareholding in the Company.

**Mr. Saket Burman:** He has done his BBA in Marketing and Finance from the University of Wisconsin Madison. He has started up a number of companies in different industries in the UAE. He also serves as a member or an adviser on a number of entrepreneurial and angel investing groups. He is currently living in Dubai, where he is also a Board member of Dabur International Ltd. Currently he has no shareholding in the Company.

**Mr. Sunil Duggal:** Mr. Duggal is an MBA from IIM, Kolkata. He served as GM - Sales & Marketing in Wimco Ltd., then moved to Pepsi Foods Ltd. in 1994 as GM Sales & Marketing, before joining Dabur in 1995. He played a key role in redefining Sales and Marketing functions at Dabur, making them more efficient. Currently he is CEO of the Company.

His shareholding in the Company, as on 31.03.2015, is 38,40,000 equity shares.

**Mrs. Falguni Sanjay Nayar:** She is a Graduate from Sydenham College of Commerce & Economics and Post Graduate from Indian Institute of Management, Ahmedabad. Mrs. Nayar has a rich experience of over two and half decades. She started

her career as a Manager and Consultant at A F Ferguson & Company. In 1993, she joined Kotak Mahindra Group to lead the M&A and Project Advisory Initiatives. She has held senior positions in various capacities and was the Managing Director and Chief Executive Officer of Kotak Investment Bank from 2006 to 2012. Mrs. Nayar is the founder and Chief Executive Officer of Nykaa, which is an on-line shopping website. She was recognized as Top Woman in Business by Business Today in 2009 and 2011. She has also received FICCI Ladies Organization Award for Top Woman Achiever in the field of banking in 2008. Currently, she has no shareholding in the Company.

None of the Directors of the Company are related inter-se, in terms of Section 2(77) read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013.

## MEANS OF COMMUNICATION WITH SHAREHOLDERS

**Financial Results:** Dabur recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

**Quarterly:** The quarterly financial results are normally published in The Economic Times/Times of India/ Mumbai Mirror/ Navbharat Times/Hindustan Times/Hindustan newspapers. Details of publication of financial results for the year under review are given below:

Description	Date
Unaudited Financial Results for the quarter ended June 30, 2014	July 30, 2014
Audited Financial Results for the quarter/ half year ended September 30, 2014	November 5, 2014
Unaudited Financial Results for the quarter / nine months ended December 31, 2014	January 31, 2015
Audited Financial Results for the quarter/ financial year ended March 31, 2015	May 7, 2015

**Half Yearly Results:** Audited financial results, for the half-year ended September 30, 2014 were sent electronically to all the shareholders possessing email ids. Shareholders who had not yet provided their email id's to the Company / its Registrar, are requested to do the same at the earliest.

**Annual Report:** Physical copy of the abridged Annual Report 2013-14, containing *inter-alia*, salient features of the audited Financial Statements, Director's Report (including Management Discussion and Analysis and Corporate Governance Report) was sent to all shareholders who had not registered their email ids for the purpose of receiving documents/ communication from the company in electronic mode.

Full version of the Annual Report for FY 2013-14 containing *inter-alia*, audited Financial Statements, Directors Report (including Management Discussion and Analysis, Corporate Governance Report, Business Responsibility Report) was sent via email to all shareholders who have provided their email ids and is also available at the Company's website at [www.dabur.com](http://www.dabur.com).

**News Releases/Presentations:** Official press releases, presentations made to the media, analysts, institutional investors, etc. are displayed on the Company's website [www.dabur.com](http://www.dabur.com)

**Website:** The Company's website [www.dabur.com](http://www.dabur.com) contains a separate section 'Investor Centre' for use of investors. The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to analysts are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website. Annual Report of subsidiary companies are also posted on the website.

The Investor Centre Section provides information on various topics related to transfer of shares, dematerialization, nomination, change of address, loss of share certificates, dividend, etc. The details of unclaimed dividends upto the financial year ended 31.03.2014 are also available in the Investor Centre section, to help shareholders to claim the same. In addition various downloadable forms required to be executed by the shareholders have also been provided on the website.

Since last year, the Investor Centre section has also started providing on-line Annual Reports and Share price tools. Share price tools includes, *inter-alia*, share graphs, historical share price data, share series and investment calculator.

**Communication to shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

**NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & Listing Centre, and Metropolitan Stock Exchange of India Ltd. (mSXI) Portal (Formerly known as MCX) :** NSE, BSE and mSXI have developed web based applications for corporates. Periodical compliances like Financial Results, Shareholding Pattern and Corporate

Governance Report, etc are also filed electronically on NEAPS/ BSE Listing centre/mSXI portal.

**SCORES (SEBI complaints redressal system):** SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

**Exclusive email ID for investors:** The Company has designated the email id [investors@dabur.com](mailto:investors@dabur.com) exclusively for investor servicing, and the same is prominently displayed on the Company's website [www.dabur.com](http://www.dabur.com).

## INVESTOR RELATIONS

Investor Relations (IR) at Dabur aims at providing accurate, transparent and timely information to the investors and serve as a bridge for two-way communication. The investor meetings and interactions act as a channel of two way communication and the investors' feedback is given due consideration by the Company's management. There is a conscious effort towards effective dissemination of information to the financial community and shareholders to enable them to make a well considered decision.

The IR strive towards a diverse shareholder base in terms of investment horizon, investment style and geographical location. It frequently participates in investor meetings throughout the year, including conferences arranged by brokerage houses.

Analyst meetings and conference calls are periodically arranged by the Company to discuss quarterly financial performance and material business events and these are simultaneously broadcast over the Internet or via telephone conference call.

In order to ensure that investors get a good understanding of the Company, the IR department holds the following activities:

- One-on-one and group meetings with investors to brief them about the company and respond to their queries and concerns.
- Provide detailed updates on the company's performance to all investors immediately after the release of quarterly results.
- Post the quarterly results, a conference call is arranged to discuss highlights of the company's performance. All members of the financial community are invited for the same and an opportunity is provided to

them to participate in the Q&A. Archived copy of the webcast and transcript is provided on the Company's website. The conference call is hosted by the company in order to give a free and fair opportunity for all to participate.

- The Company interacts with research analysts to brief them about the company's vision, business situation and plans at a strategic level and to answer their queries.
- The Company participates in investor conferences organized by leading institutional brokerage houses. During 2014-15 it attended conferences hosted by Morgan Stanley, CLSA, UBS, Edelweiss, Motilal Oswal, J P Morgan, Citigroup, Kotak Mahindra and Bank of America Merrill Lynch among others.
- All historical and fresh information updates are promptly available on the Investor Centre page of the company's website for ready access. A new section titled Share Price Tools has been added to the web pages. This comprises tools such as Investment Calculator, Share Series, Share Price Lookup etc. which can be useful for investors to perform share price related analysis.

## GENERAL BODY MEETINGS

Details of the last three General Body Meetings held are given below:

Financial Year	Category	Location of the meeting	Date & Time
2011-12	AGM	Air Force Auditorium, Subroto Park, New Delhi-110010	July 17, 2012; 11.00 AM
2012-13	AGM	Same as above	July 17, 2013; 11.00 AM
2013-14	AGM	Same as above	July 22, 2014; 11.00 AM

The following special resolutions were taken up in the last three AGMs and were passed with requisite majority:

### July 17, 2012

- Re-appointment of Mr. P D Narang as Whole Time Director of the Company for a period of 5 years w.e.f. April 1, 2013.
- Approval for payment of commission to non Whole Time Directors of the Company for a period of 5 years w.e.f. April 1, 2012.



**July 17, 2013**

- Appointment of Mr. Amit Burman, Vice Chairman of the Company as a Whole Time Director in Dabur International Limited, a wholly owned subsidiary of the Company w.e.f. April 1, 2013.

**July 22, 2014**

- Re-appointment of Mr. P N Vijay as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Re-appointment of Dr. S Narayan as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Re-appointment of Mr. R C Bhargava as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Re-appointment of Mr. Albert Wiseman Paterson as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Re-appointment of Dr. Ajay Dua as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Re-appointment of Mr. Sanjay Kumar Bhattacharyya as a Non-Executive Independent Director for a period of 5 years w.e.f. 22<sup>nd</sup> July, 2014 i.e. the date of 39<sup>th</sup> AGM upto the conclusion of AGM of the Company to be held in the calendar year 2019.
- Approval for the holding of office of Whole Time Director in Dabur International Limited by Mr. Saket Burman.
- Approval for Authority to the Board of Directors u/s 180 (1) (a) of the Companies Act, 2013 to mortgage and/or create mortgage and/or create charge on assets of the Company for an amount upto Rs. 4000 Crores.
- Approval for Authority to the Board of Directors u/s 180 (1)(c) of the Companies Act, 2013 to borrow money(s) for business purposes of the Company for an amount upto Rs. 4000 Crores.
- Approval to charge fees from the members for serving documents in a specific mode.

**Postal Ballot**

During the year under review, in pursuance of Section 110 of the Companies Act, 2013 read with the Companies

(Management and Administration) Rules, 2014, Postal Ballot was conducted (including e-voting) seeking approval of shareholders by way of special resolution for authorizing the Board of Directors u/s 186 of the Companies Act, 2013 for giving any loan, guarantee or security in connection with a loan to any person or other body corporate and acquisition of securities of any other body corporate, upto Rs. 4000 Crores which is exceeding the permissible limits specified in the Companies Act, 2013.

The voting (including e-voting) was available from 9.00 A.M. on February 19, 2015 to 6.00 P.M. on March 20, 2015. The cut off date for the purpose of e-voting was January 30, 2015.

Mr. V K Jhalani, Chartered Accountant in practice, was appointed as Scrutinizer for conducting the Postal Ballot process. He reported the vote count on March 25, 2015.

The result of the Postal Ballot was announced on March 26, 2015 by posting the same on the website of the Company at [www.dabur.com](http://www.dabur.com) and karvy's evoting website at <https://www.evoting.karvy.com> and also displaying at the registered office of the Company situated at 8/3, Asaf Ali Road, New Delhi – 110002. The same was simultaneously also disseminated to the Stock Exchanges on which the shares of the Company was listed.

The Result of the Postal Ballot is given below:

Particulars	No. of members who voted through electronic voting system & physical Postal Ballot forms	Number of votes cast by them	% of total paid up equity share capital
Total votes casted	2344	1548702855	88.17
Less: Invalid votes	44	1285279	0.07
Net valid votes casted	2300	1547417576	88.10

The paid up share capital of the Company as on the cut-off date of 30.01.2015 was Rs.1756511990 divided into 1756511990 equity shares of Re.1/- each.

i. Voted '**IN FAVOUR**' of the resolution:

Number of members voted through electronic voting system & physical Postal Ballot form	Number of votes cast by them	% of total number of valid votes cast
1855	1347343310	87.07

ii. Voted '**AGAINST**' the resolution:

Number of members voted through electronic voting system & physical Postal Ballot form	Number of votes cast by them	% of total number of valid votes cast
452	200074266	12.93

iii. Votes '**INVALID**':

Total number of members who votes were declared 'Invalid'	Total number of votes cast by them
44	1285279

Note: 7 (seven) shareholders have exercised both options (in favour & against) by bifurcating their shareholding.

The Chairman after receiving the result announced that the Special Resolution in pursuance of Section 186 of the Companies Act, 2013 has been duly passed with requisite majority and directed that the aforesaid result along with the resolution be recorded in the minute book meant for recording the proceedings of General Meetings of Members.

Currently, no resolution is proposed to be passed through Postal Ballot. However, if required, the same may be passed in compliance of provisions of Companies Act, 2013, Listing Agreement or any other applicable laws.

## COMPLIANCE WITH MANDATORY REQUIREMENTS

Compliance Report of Dabur as on 31.03.2015 with the applicable mandatory requirements of Clause 49 is as under:

### Compliance Report

Particulars	Clause of Listing Agreement	Compliance Status (Yes/ No/N.A.)	Remarks
<b>II. Board of Directors</b>	<b>49 II</b>		-
A. Composition of the Board	49(IIA)	Yes	-
B. Independent Directors	49(IIB)	Yes	-
C. Non-Executive Directors' compensation & disclosures	49(IIC)	Yes	-
D. Other provisions as to Board and Committees	49(IID)	Yes	-
E. Code of Conduct	49(IIE)	Yes	-
F. Whistle Blower Policy	49(IIF)	Yes	-
<b>III. Audit Committee</b>	<b>49 III</b>		-
A. Qualified & Independent Audit Committee	49(IIIA)	Yes	-
B. Meeting of Audit Committee	49(IIIB)	Yes	-
C. Powers of Audit Committee	49(IIIC)	Yes	-
D. Role of Audit Committee	49(IIID)	Yes	-
E. Review of Information by Audit Committee	49(IIIE)	Yes	-
<b>IV. Nomination and Remuneration Committee</b>	<b>49(IV)</b>	Yes	-
<b>V. Subsidiary Companies</b>	<b>49(V)</b>	Yes	-
<b>VI. Risk Management</b>	<b>49(VI)</b>	Yes	-
<b>VII. Related Party Transactions</b>	<b>49(VII)</b>	Yes	-
<b>VIII. Disclosures</b>	<b>49(VIII)</b>		-

A. Related party transactions	49(VIIIA)	Yes	There are no material transactions with related parties
B. Disclosure of Accounting Treatment	49(VIIIB)	Yes	-
C. Remuneration of Directors	49(VIIIC)	Yes	-
D. Management	49(VIIID)	Yes	-
E. Shareholders	49(VIIIE)	Yes	-
F. Proceeds from public issues, rights issues, preferential issues etc.	49(VIIIF)	N.A.	-
<b>IX. CEO/CFO certification</b>	<b>49(IX)</b>	<b>Yes</b>	-
<b>X. Report on Corporate Governance</b>	<b>49(X)</b>	<b>Yes</b>	-
<b>XI. Compliance</b>	<b>49(XI)</b>	<b>Yes</b>	-

## ADOPTION OF NON-MANDATORY REQUIREMENTS

### 1. Maintenance of the Chairman's Office

The Company maintains the office of Non-Executive Chairman and provides for reimbursement of expenses incurred in performance of his duties.

### 2. Shareholders Rights

Half yearly Audited financial statements or results are sent electronically to all shareholders possessing email ids, in the month of November every year. The same is also uploaded on the Company's website [www.dabur.com](http://www.dabur.com)

### 3. Audit Qualifications

The Auditors have raised no qualifications on the financial statements of the Company.

### 4. Separate posts of Chairman and CEO

Separate persons have been appointed by the Company to the post of Chairman and CEO.

### 5. Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.

## ADDITIONAL SHAREHOLDER INFORMATION

### Company Registration Details

The Company is registered in New Delhi, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L24230DL1975PLC007908.

## Annual General Meeting

Date: 21<sup>st</sup> July, 2015

Time: 11:00 AM

Venue: Air Force Auditorium, Subroto Park, New Delhi - 110010

## Financial Calendar

Financial year: April 1 to March 31

For the financial year ended March 31, 2015, results were announced on:

- First Quarter : 28<sup>th</sup> July, 2014
- Half Yearly : 3<sup>rd</sup> November, 2014
- Third Quarter : 30<sup>th</sup> January, 2015
- Fourth Quarter and Annual : 5<sup>th</sup> May, 2015

For the financial year ending March 31, 2016, results will be announced by:

- First Quarter : 29<sup>th</sup> July, 2015 (tentative)
- Half Yearly : 28<sup>th</sup> October, 2015 (tentative)
- Third Quarter : 28<sup>th</sup> January, 2016 (tentative)
- Fourth Quarter and Annual : 28<sup>th</sup> April, 2016 (tentative)

## Book Closure

The dates of Book Closure are from the 1<sup>st</sup> day of July, 2015 to the 8<sup>th</sup> day of July, 2015 inclusive of both days.

## Dividend Payment

Interim dividend of Rs.1.25/- per equity share was paid on September 25, 2014 for the financial year 2014-15. Final Dividend of Rs. 0.75 per equity share for the financial year 2014-15 has been recommended by the Board of Directors to shareholders for their approval.

## Dates of Transfer of Unclaimed Dividend

Pursuant to Section 205A of the Companies Act, 1956, unclaimed dividend for the financial year 2006-07 (Interim II) and 2007-08 (Interim) had been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. Further unclaimed dividend for the financial year 2006-07 (final) pertaining to erstwhile Femcare Pharma Limited (FEM), now merged with the Company, has also been transferred by the Company to IEPF. The dividends for following years, which remain unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately

send their request for issue of duplicate warrants. The details of unclaimed dividends upto the financial year ended 31.03.2014 are also available on the website of the Company [www.dabur.com](http://www.dabur.com). Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

## Dividends declared in the past

Financial year	Type of dividend	Dividend rate %	Date of declaration	Due date for transfer to IEPF
2007-08	Final	75	10/07/2008	16/08/2015
2007-08	Final (pertaining to FEM)	70	30/09/2008	06/11/2015
2008-09	Interim	75	28/01/2009	05/03/2016
2008-09	Final	100	15/07/2009	21/08/2016
2009-10	Interim	75	26/10/2009	02/12/2016
2009-10	Final	125	31/08/2010	05/10/2017
2010-11	Interim	50	27/10/2010	02/12/2017
2010-11	Final	65	15/07/2011	20/08/2018
2011-12	Interim	55	31/10/2011	06/12/2018
2011-12	Final	75	17/07/2012	22/08/2019
2012-13	Interim	65	26/10/2012	01/12/2019
2012-13	Final	85	17/07/2013	22/08/2020
2013-14	Interim	75	28/10/2013	03/12/2020
2013-14	Final	100	22/07/2014	27/08/2021
2014-15	Interim	125	15/09/2014	21/10/2021

## Unclaimed/ Undelivered Share Certificates

As per the provisions of Clause 5A of the Listing Agreement, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly unclaimed shares lying with the Company have been transferred and dematerialized in a 'Unclaimed Suspense Account' of the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares.

Shareholders who have not yet claimed their shares are requested to immediately approach the Registrar & Transfer Agent of the Company by forwarding a request letter duly signed by all the joint holders furnishing self attested copies of their complete postal address along with PIN code, PAN card and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant

(DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the unclaimed suspense account is given below:

Sl. No.	Particulars	No. of share-holders	No. of equity shares held
1	Aggregate No. of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	1456	3455856
2	No. of shareholders and shares held by them which were transferred in the suspense account during the year	111	308197
3	No. of shareholders along with shares held who approached the Company for transfer of shares from the suspense account during the year	35	92500
4	No. of shareholders along with shares held to whom shares were transferred from the suspense account during the year	35	92500
5	Aggregate No. of shareholders and the outstanding shares lying in the suspense account at the end of the year	1532	3671553

## Listing

At present, the equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE), the National Stock Exchange of India Ltd. (NSE) and Metropolitan Stock Exchange of India Ltd. (mSXI) (Formerly known as MCX). The annual listing fees for the financial year 2015-16 to NSE, BSE & mSXI has been paid.

## Dabur's Stock Exchange codes

ISIN No:	INE016A01026
BSE Stock Code:	500096
NSE & mSXI Stock Code:	DABUR
Bloomberg Code:	DABUR IB
Reuters Code:	DABU.BO

## Equity Evolution during the year

As on March 31, 2014 the paid up equity share capital of the Company was Rs.1743813073/- consisting of 1743813073 equity shares of Re.1/- each. The table below gives details of equity evolution of the Company during the year under review:

Date	Particulars	Issued no. of equity shares of Re.1 each	Cumulative
30 <sup>th</sup> May, 2014	Allotment pursuant to exercise of Stock Options	12435710	1756248783
12 <sup>th</sup> Aug., 2014	-do-	112531	1756361314
20 <sup>th</sup> Nov., 2014	-do-	150676	1756511990

## Stock Market Data

The table and chart A & B below give details of Stock Market data.

Details of High, Low and Volume of Dabur's shares for 2014-15 at BSE and NSE:

Month	BOMBAY STOCK EXCHANGE LTD.			NATIONAL STOCK EXCHANGE OF INDIA LTD.		
	High (Rs.)	Low (Rs.)	Volume (No. of shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
April, 2014	190.00	177.00	2009943	189.95	176.60	20492485
May, 2014	191.90	177.15	3017102	192.00	177.30	35651935
June, 2014	196.15	183.15	1635713	195.95	183.00	21794998
July, 2014	207.90	186.00	3784031	208.80	184.50	27699118
Aug, 2014	235.40	200.00	3465700	235.55	201.50	52121560
Sep, 2014	234.05	220.00	3458826	234.50	215.80	37460225
Oct, 2014	228.55	196.40	3311610	229.00	196.55	28905656
Nov, 2014	248.60	223.25	2056439	249.15	221.70	25386470
Dec, 2014	248.00	217.60	1109337	249.00	217.80	18378142
Jan, 2015	262.60	222.20	2387696	262.50	222.50	26705337
Feb, 2015	276.50	255.75	1629339	276.90	255.70	23885847
Mar, 2015	286.90	260.50	1945895	287.00	260.00	27256443



Chart A: Dabur's Share Performance versus BSE Sensex

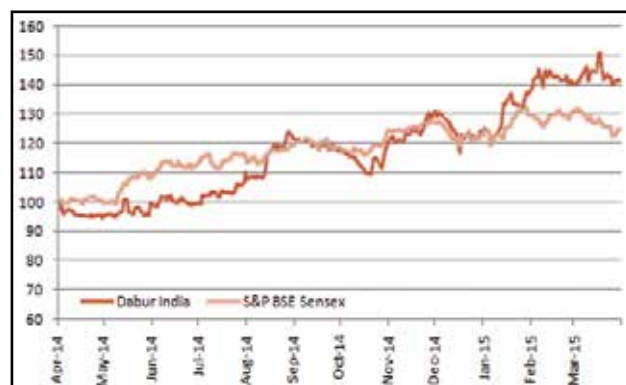
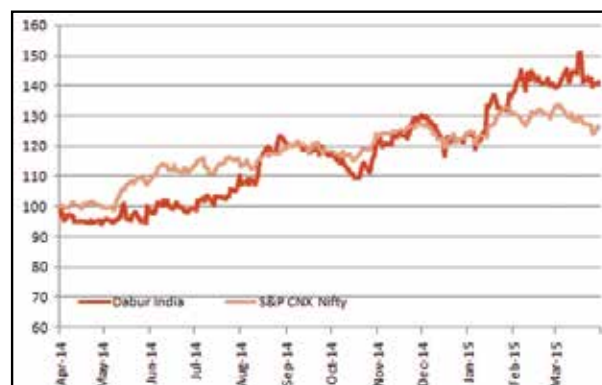


Chart B: Dabur's Share Performance versus Nifty



The charts have share prices and indices indexed to 100 as on the first working day of 2014-15.

### Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2015 along with the top 10 shareholders of the Company is given below:

#### Shareholding pattern by size as on March 31, 2015

Number of equity shares held	Physical form		Dematerialisation form		Total number of share holders	% of share holders	Total number of shares	% of share holding
	No. of share holders	No. of shares	No. of share holders	No. of shares				
up to 5000	14302	3868417	99311	34294109	113613	96.23	38162526	2.17
5001 – 10000	479	2937680	2746	17330520	3225	2.73	20268200	1.15
10001 and above	49	735455	1174	1697345809	1223	1.04	1698081264	96.68
<b>Total</b>	<b>14830</b>	<b>7541552</b>	<b>103231</b>	<b>1748970438</b>	<b>118061</b>	<b>100</b>	<b>1756511990</b>	<b>100</b>

#### Shareholding Pattern by Ownership

Particulars	As on 31 <sup>st</sup> March, 2015				As on 31 <sup>st</sup> March, 2014			
	No. of share holders	% of share holders	No. of shares held	% of share holding	No. of share holders	% of share holders	No. of shares held	% of share holding
Directors, Promoters and family members	27	0.02	1197243149	68.16	28	0.02	1197019150	68.64
FII's	451	0.38	368149134	20.96	383	0.31	335444254	19.24
Mutual Funds/UTI	25	0.02	2551024	0.15	29	0.02	1570530	0.09
Financial Institutions/Banks/ Insurance Cos'	33	0.03	80318146	4.57	35	0.03	96831376	5.55
NRIs	3180	2.69	6170974	0.35	3182	2.58	5348365	0.31
Corporates (including clearing members)	1208	1.03	16897198	0.95	1467	1.19	20551004	1.18
Individuals	113137	95.83	85182365	4.85	118431	95.85	87048394	4.99
<b>Total</b>	<b>118061</b>	<b>100</b>	<b>1756511990</b>	<b>100</b>	<b>123555</b>	<b>100</b>	<b>1743813073</b>	<b>100</b>

**Top ten shareholders as on March 31, 2015**

Name	No. of shares held	% of shareholding
Chowdry Associates	217941800	12.41
VIC Enterprises Private Limited	217734000	12.40
Gyan Enterprises Private Limited	202237980	11.51
Puran Associates Private Limited	189212000	10.77
Ratna Commercial Enterprises Private Limited	155373430	8.85
Milky Investment and Trading Company	106140970	6.04
Life Insurance Corporation of India	60171349	3.43
Burmans Finvest Private Limited	53012986	3.02
M.B. Finmart Private Limited	26506492	1.51
Windy Investments Private Limited	26506492	1.51

**Dematerialization of Shares and Liquidity**

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Dabur has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2015, 99.57% shares of the Company were held in dematerialized form.
- The equity shares of the Company are frequently traded at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

**Dematerialization of Shares - Process**

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agent (RTA), which is Karvy Computershare Pvt. Ltd.
- RTA will process the DRF and confirm or reject the request to DP/ Depositories.

- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

**Consolidation of folios and avoidance of multiple mailing**

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

**Service of documents through Email**

In terms of provisions of the Companies Act, 2013 service of documents on members by a Company is allowed through electronic mode. Further as per Listing Agreement with the Stock Exchanges listed Companies shall supply soft copies of full Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly the Company proposes to send documents like shareholders meeting notice/ other notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email addresses provided by them and/or made available to the Company by their depositories. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit.

Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company. Format of request letter is available in the Investor Centre Section of the Company's website [www.dabur.com](http://www.dabur.com)

**Outstanding GDRs/ADRs/Warrants/Options**

The Company has 14095570 outstanding Employee Stock Options as on March 31, 2015, with vesting period from 1 to 4 years from the date of grant.

**Details of Public Funding Obtained in the last three years**

Dabur has not obtained any public funding in the last three years.

**Registrar and Transfer Agent (RTA)**

Securities and Exchange Board of India (SEBI), through its Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002, has

made it mandatory for all work related to share registry, both in physical and electronic form, to be handled either wholly 'in-house' by companies or wholly by a SEBI-registered external registrar and transfer agent. Dabur had appointed MCS Limited as its RTA in 1994 for both segments, much before this was mandated by SEBI. During the year 2007-08, the Company appointed Karvy Computershare Private Limited as its Registrar. Details of the RTA are given below-

Karvy Computershare Private Limited	
305, New Delhi House, 27, Barakhamba Road, New Delhi-110001. Phone No.: 011- 43681700 Fax No. : 011-43681710 Website: <a href="http://www.karvy.com">www.karvy.com</a>	Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Phone No.: 040 - 67162222 Fax No.: 040-23001153 Website: <a href="http://www.karvy.com">www.karvy.com</a>

### Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Transfer Agent.

Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/ transmissions etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement, and files a copy of the same with the Stock Exchanges.

### Reconciliation of Share Capital Audit

Agarwal & Ahluwalia, an independent firm of practicing Chartered Accountants, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Stakeholders Relationship Committee of the Board.

### Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

### Company's Registered Office Address:

8/3, Asaf Ali Road,  
New Delhi-110002  
Ph: 011-23253488.

### PLANT LOCATIONS

#### Sahibabad

##### Unit I & II

Plot No. 22, Site IV, Sahibabad, Ghaziabad-(U.P.) 201010  
Tel: 0120- 3378400 (30 Lines); Fax: 0120- 2779914 / 4376924

#### Baddi

##### Hajmola Unit

109, HPSIDC Industrial Area, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Chyawanprash Unit

220-221, HPSIDC Industrial Area, Baddi, Distt Solan,  
H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Amla/Honey Unit

Village Billanwali Lavana, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Shampoo Unit

Village Billanwali Lavana, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Toothpaste Unit

Village Billanwali Lavana, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Honitus/Nature Care Unit

109, HPSIDC Industrial Area, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Food Supplement Unit

221, HPSIDC Industrial Area, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

##### Oral Care Unit

601, Malku Majra, Nalagarh Road, Baddi, Distt Solan,  
H.P. – 173 205; Tel : 01795-246363

**Green Field Unit**

Village Manakpur, Tehsil Baddi, Distt Solan, H.P. – 174 101  
Tel: 01795-244385; Fax: 01795-244090

**Air Freshener Unit**

Village Billanwali Lavana, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

**Toothpowder Unit**

Village Billanwali Lavana, Baddi, Distt Solan, H.P. – 173 205  
Tel: 01795-244385; Fax: 01795-244090

**Skin Care Unit**

Village Manakpur, Tehsil Baddi, Distt Solan, H.P. – 174 101  
Tel: 01795-244385; Fax: 01795-244090

**Honey Unit**

Village Manakpur, Tehsil Baddi, Distt Solan, H.P. – 174 101  
Tel: 01795-244385; Fax: 01795-244090

**Pantnagar****Unit I and Unit II**

Plot No.4, Sector-2, Integrated Industrial Estate  
Pantnagar, Distt. Udham Singh Nagar, Uttarakhand – 263146  
Tel: 05944-398500; 9760013990, 991, 992;  
Fax: 05944 – 250064

**Unit III**

Plot No. 16, Sector-2, Integrated Industrial Estate, Pantnagar,  
Distt. Udham Singh Nagar, Uttarakhand – 263146  
Tel: 05944-398500; 9760013990, 991, 992; Fax: 05944-250064

**Jammu****Unit I, II, III & IV**

Lane No.3, Phase II, SIDCO Indl. Complex,  
Bari Brahmna, Jammu  
Tel: 01923 - 220123, 221970, 222341; Fax: 01923 – 221970

**Katni**

10.4 Mile Stone, NH -7, Village Padua, Katni, (M.P.) - 483442  
Tel: 07622 - 262317, 262297, 297507

**Alwar**

SP-C 162, Matsya Industrial Area, Alwar - 301 030, Rajasthan  
Tel: 0144 - 2881542 / 5132101 / 5132102; Fax: 0144 - 2881302

**Pithampur**

86-A, Kheda Industrial Area, Sector-3, Pithampur - 454774  
Distt. - Dhar (M.P.); Tel : 07292 - 400046-51,  
Fax: 07292 – 400112

**Narendrapur**

9, Netaji Subhash Chandra Bose Road, P.O. - Narendrapur  
Kolkata - 700103, West Bengal  
Tel: 033-2477 2324 - 26, 2477 2620, 2477 2738, 2477 2740,  
32919827/28; M - (0) 9331048165; Fax: 033- 2477 2621

**Silvassa****Unit – I & II**

Survey No. 225/4/1, Village Saily, Silvassa – 396240,  
Dadra & Nagar Haveli ( UT of India)  
Tel: 0260-2681071/72/73/74; Fax: 0260 – 2681075

**Newai**

G 50-59, IID Centre, NH-12, Road No.1, Newai - 304020  
Distt. Tonk (Rajasthan) – 304020  
Tel: 01438 -223342, 223783, 223892; Fax: 01438- 223010

**Jalpaiguri**

Kartowa, P.O. Mahanvita, P.S. Rajganj  
Distt. Jalpaiguri (West Bengal) - 735135  
Tel: 09800008457, 09800008456, 09933399800

**Nashik**

D-55, MIDC, Ambad, Nashik – 422 010 (M.S.) India  
Tel: 0253- 6623222; Fax: 0253- 2383146, 2383577

**ADDRESS FOR CORRESPONDENCE**

- ◆ For share transfer / dematerialisation of shares, payment of dividend and any other query relating to the shares
  - Karvy Computershare Private Limited,  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad - 500 032.  
Tel: 011-43681700; Fax: 011-43681710
- ◆ For queries of Analysts, FIIs, Institutions, Mutual Funds, Banks and others
  - Mrs. Gagan Ahluwalia, Dabur India Limited,  
Punjabi Bhawan, 10 Rouse Avenue,  
New Delhi – 110002  
Tel: 011-42786000; Fax: 011-23222051
- ◆ Chief Compliance Officer
  - Mr. A K Jain,  
V P (Finance) and Company Secretary,  
Dabur India Limited, Punjabi Bhawan,  
10, Rouse Avenue, New Delhi – 110 002.  
Tel: 011 – 42786000; Fax: 011 – 2322 2051



### **CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Sunil Duggal, Chief Executive Officer and Lalit Malik, Chief Financial Officer, of Dabur India Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statements of the Company for the year ended March 31, 2015.
2. To the best of our knowledge and information:
  - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company, which are fraudulent, illegal or violate the Company's code of conduct.
4. The Company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.

5. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:

- a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
- b. Significant changes in internal control over financial reporting during the year;
- c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
- d. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Place: Jebel Ali - UAE

Date: May 5, 2015

Sunil Duggal

CEO

Lalit Malik

CFO

### **CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY**

I declare that all Board Members and Senior Management have affirmed compliance with the code of conduct for the financial year 2014-15.

Place: Jebel Ali - UAE

Date: May 5, 2015

Sunil Duggal

CEO

## ANNEXURE 1

## DETAILS OF OTHER DIRECTORSHIPS HELD

Name of the Director	Status	Directorship	Committee Membership	Committee Chairmanship
Dr. Anand C Burman	CHAIRMAN/ PD/NED	Aviva Life Insurance Co. India Ltd.	NIL	NIL
		H & B Stores Ltd.		
		Althea Lifesciences Ltd.		
		Hero MotoCorp Ltd.		
Amit Burman	VICE CHAIRMAN/ PD/NED	Ester Industries Ltd.	Audit Committee	NIL
		H & B Stores Ltd.		
		Q H Talbros Ltd.		
		Jetage Infrastructure Ltd.		
		Talbros Automotive Components Ltd.		
Mohit Burman	PD/NED	Micromax Informatics Ltd.	Audit Committee	NIL
		PVR Limited	Audit Committee	
		Aviva Life Insurance Co. India Ltd.	Audit Committee	
Saket Burman	PD/NED	H & B Stores Ltd.	Audit Committee	NIL
		Universal Sompo General Insurance Co. Ltd.	Audit Committee	
P D Narang	ED	NIL	NIL	NIL
Sunil Duggal	ED	H & B Stores Ltd.	Audit Committee	NIL
		Jetage Infrastructure Ltd.	Audit Committee	
P N Vijay	ID	Aviva life Insurance Co. India Ltd.	Audit Committee	NIL
		H & B Stores Ltd.	Audit Committee	
R C Bhargava	ID	Maharashtra Seamless Limited	Audit Committee	NIL
		H & B Stores Ltd.		
		Idea Cellular Ltd.		
		IL&FS Ltd.		
		Polaris Consulting and Services Ltd.		
		Grasim Industries Ltd.		
		Maruti Suzuki India Ltd.		
Dr. S Narayan	ID	Thomson Press Ltd.	Stakeholders Relationship Committee	NIL
		UltraTech Cement Co. Ltd.		
		Godrej Properties Ltd.		
		Apollo Tyres Ltd.		
Dr. Ajay Dua	ID	Seshasayee Paper and Board Ltd	Audit Committee	NIL
		India Infoline Limited		
		Artemis Medicare Services Limited		
Sanjay Kumar Bhattacharyya	ID	Aviva Life Insurance Co. India Ltd.	Audit Committee	NIL
		Peninsula Land Limited		
		C&S Electric Limited		
		Persistent Systems Limited		
Falguni Sanjay Nayar	ID	Wanbury Limited	Stakeholders Relationship Committee	NIL
		H & B Stores Ltd.		
		ACC Limited		
		Tata Motors Limited	Audit Committee	
		Aviva Life Insurance Co. India Ltd.		

# Directors' Report

To,  
The Members,

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2015.

## Financial Results

Financial results are presented in the table below:

(₹ in crores)

Particulars	Consolidated		Standalone	
	2014-15	2013-14	2014-15	2013-14
<b>Revenue from Operations (including other Income)</b>	<b>7985.25</b>	<b>7203.37</b>	<b>5569.13</b>	<b>4979.74</b>
Less Expenses :				
Cost of goods sold	3720.07	3400.03	2826.09	2562.63
Employee benefits expenses	689.56	607.67	392.99	343.93
Finance cost	40.12	54.15	9.89	19.35
Depreciation	114.98	97.49	65.97	53.89
Other Expenses	2101.16	1907.78	1273.70	1137.89
<b>Total Expenses</b>	<b>6665.89</b>	<b>6067.12</b>	<b>4568.64</b>	<b>4117.69</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>1319.36</b>	<b>1136.25</b>	<b>1000.49</b>	<b>862.05</b>
Exceptional items	0.00	0.00	-23.96	0.00
<b>Profit before extraordinary items and tax</b>	<b>1319.36</b>	<b>1136.25</b>	<b>976.53</b>	<b>862.05</b>
Extraordinary items	0.00	-0.72	0.00	-0.72
<b>Profit before tax</b>	<b>1319.36</b>	<b>1135.53</b>	<b>976.53</b>	<b>861.33</b>
Tax expense	250.89	219.08	213.95	189.23
<b>Profit for the year from continuing operations</b>	<b>1068.47</b>	<b>916.45</b>	<b>762.58</b>	<b>672.10</b>
Minority interest	2.64	2.53	0.00	0.00
<b>Profit after minority interest</b>	<b>1065.83</b>	<b>913.92</b>	<b>762.58</b>	<b>672.10</b>

The Company proposes to transfer an amount of Rs.80.00 crores (Previous year Rs.70.00 crores) to general reserves.

## Dividend

The Company has paid an interim dividend of 125% (Rs.1.25 per share of Re.1/-each) on September 25, 2014. We are pleased to recommend a final dividend of 75% (Re.0.75 per share of Re.1/-each) for the financial year 2014-15. The final dividend, if approved by the members, will be paid to members within the period stipulated by the applicable Companies Act. The aggregate dividend for the year will amount to 200% (Rs.2 per share of Re.1/-each) as against 175% (Rs.1.75 per share of Re.1/- each) declared last year. The dividend payout ratio for the current year, inclusive of corporate tax on dividend distribution, is at 54.67%.

Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, interim dividend (II) for the financial year 2006-07 amounting to Rs.2341419/- and interim dividend for the year 2007-08 amounting to Rs. 5329027/- which remained unpaid or unclaimed for a period of 7 years, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government. Further, final dividend for the year 2006-07 pertaining to erstwhile Femcare Pharma Limited (FEM), now merged with the Company, which remained unpaid or unclaimed for a period of 7 years, amounting to Rs.192094/- has also been transferred by the Company to IEPF. The due dates for transfer of unpaid dividend to IEPF for subsequent years is given in the Corporate Governance Report. The list of unpaid dividend upto the financial year 2013-14 is available on Company's website [www.dabur.com](http://www.dabur.com). Shareholders are requested to check the said list and if any dividend due to them remains unpaid in the unpaid list (apart from the above mentioned unpaid dividend already transferred to IEPF), can approach the Company for release of the unpaid dividend.

## Abridged Financial Statements

In accordance with the listing agreement with Stock Exchanges and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014 of the said Act, the Abridged Annual Report containing salient features of the Financial Statements, including Consolidated Financial Statements, for the financial year 2014-15, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis and Corporate Governance Report) is being sent to all shareholders who have not registered their email address(es) for the purpose of receiving documents/ communication from the Company in electronic mode.

Full version of the Annual Report 2014-15 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including Consolidated Financial Statements, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report) are being sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2014-15 is also available for inspection at the registered office of the Company during working hours upto the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website at [www.dabur.com](http://www.dabur.com).

Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2014-15, upon receipt of written request from you, as a member of the Company.

### Operations and Business Performance

Kindly refer to Management Discussion & Analysis and Corporate Governance Report which forms part of this report.

### Corporate Governance

Corporate Governance is the system by which corporate entities are directed and controlled. It provides the structure through which the company's objectives are set and provides the means of attaining those objectives and monitoring performance. It is the application of best management practices, compliance of law, adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders. Dabur beholds Corporate Governance measures as an integral part of business strategy which adds considerable internal and external values and contributes to the business growth in ethical perspective. Besides complying with the prescribed Corporate Governance practices as per Clause 49 of the Listing Agreement in terms of revised dispensation, the Company has voluntarily adopted various practices of governance confirming to highest ethical and responsible standard of business, globally benchmarked. Strong governance practices of the Company have been rewarded in terms of improved share valuations, stakeholder's confidence, improved market capitalization, high credit ratings and bagging of various awards for brands, stocks, environmental protection, etc. These have helped Dabur to pay uninterrupted dividends to its shareholders.

During the FY 2014-15, the Institute of Company Secretaries of India (ICSI), in its ceremony for National award for excellence in Corporate Governance, certified Dabur India Ltd., as one of the Best Governed Companies of India.

A certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is attached as 'Annexure 1' and forms part of this report.

Certificate of the CEO/CFO, *inter-alia*, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, is attached in the Corporate Governance Report and forms part of this Report.

### Business Responsibility Report

At Dabur, fulfilment of Environmental, Social and Governance Responsibility is an integral part of the way the Company

conducts its business. A detailed information on the initiatives of the Company as enunciated in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011' is provided in the Business Responsibility Report, a copy of which will be available on the Company's website [www.dabur.com](http://www.dabur.com).

For Business Responsibility Report as stipulated under Clause 55 of the Listing Agreement with the Stock Exchanges, kindly refer to Business Responsibility Report section which forms part of the Annual Report.

### Credit Rating

During the year under review the Company has sustained its long term credit rating of AAA (stable) which has been reaffirmed by CRISIL. The highest credit rating of AAA awarded by CRISIL reflects the highest degree of safety regarding timely servicing of financial obligations. Further CRISIL has reaffirmed the rating of NCD programme of the Company as AAA (stable). The rating indicates highest degree of safety regarding timely servicing of financial obligation. The rated instrument carries lowest credit risk. The Company's short term credit rated as A1+ by CRISIL, has also been reaffirmed. This rating indicates a very strong degree of safety with regard to timely payment of interest & principal. Such instrument carry lowest credit risk.

Further ICRA has reaffirmed the rating on NCD programme of the Company as AAA (stable). The rating indicates highest degree of safety regarding timely servicing of financial obligation. The rated instrument carries lowest credit risk and the outlook on the rating is stable.

### Directors

During the year, w.e.f. September 8, 2014, Mr. Albert Wiseman Paterson had resigned from the position of Non-Executive Independent Director owing to increased international nature of his role with another entity due to which he was finding it difficult to effectively discharge his duties as an Independent Director required as per the Corporate Governance standards.

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Amit Burman and Mr. Saket Burman, Directors will retire by rotation at the ensuing AGM, and being eligible, offer themselves for re-appointment in accordance with the provisions of the Companies Act, 2013.

Pursuant to Section 149(1) of the Companies Act, 2013 the Board of Directors of the Company had on 28<sup>th</sup> July, 2014 appointed a Women Director Mrs. Falguni Sanjay Nayar as Additional Director in the category of Non-Executive



Independent Director. Mrs. Nayar shall hold office upto the date of the ensuing AGM of the Company and, being eligible, offer herself for re-appointment. The Company has also received a notice in writing from a member proposing her candidature for the office of Director along with a deposit of Rupees one lakh.

The Board of Directors in their meeting held on 5<sup>th</sup> May, 2015 has recommended to re-appoint Mrs. Falguni Sanjay Nayar as Non-Executive Independent Director within the meaning of Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years commencing from the date of her appointment as an Additional Director in the Company i.e. 28<sup>th</sup> July, 2014 upto the conclusion of AGM of the Company to be held in the calendar year 2019 or 27<sup>th</sup> July, 2019 whichever is earlier.

The brief resume of the Directors being appointed/ re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

The Directors recommend their appointment/re-appointment at the ensuing AGM.

Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

### Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. P D Narang:	Whole Time Director
Mr. Sunil Duggal:	Chief Executive officer and Whole Time Director
Mr. Lalit Malik:	Chief Financial Officer
Mr. Ashok Kumar Jain:	V P (Finance) and Company Secretary

During the year there was no change (appointment or cessation) in the office of any KMP.

### Policy on Directors appointment and Policy on remuneration

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence

of a Director and the policy on remuneration of Directors, KMP and other employees is attached as 'Annexure 2 & 3' respectively, which forms part of this report.

### Particulars of remuneration of Directors/ KMP/ Employees

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached as 'Annexure 4A' which forms part of this report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as 'Annexure 4B' which forms part of this report.

### Employees Stock Option Plan

During the year, 11163200 options in 3 tranches were granted to eligible employees of the Company in terms of Employees Stock Option Plan (Dabur ESOP 2000). During the year, 12698917 options were exercised by the employees after vesting. Accordingly, the Company has made the allotment of 12435710 equity shares on May 30, 2014, 112531 equity shares on August 12, 2014 and 150676 equity shares on November 20, 2014 against the options exercised by the employees.

The applicable disclosures as stipulated under the SEBI Regulations as on March 31, 2015 with regard to Employees Stock Option Plan are provided in 'Annexure 5' to this report.

### Number of Meetings of the Board

During the Financial Year 2014-15, 5 (five) number of Board meetings were held. For details thereof kindly refer to the section 'Board of Directors- Number of Board Meetings', in the Corporate Governance Report.

### Performance Evaluation of the Board, its Committees and Individual Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of

the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

Board members had submitted their response on a scale of 5 (excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, *inter-alia*, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

### Directors' Responsibility Statement

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- a. That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b. That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. That they had prepared the annual accounts on a going concern basis;
- e. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Statutory Auditors and their Report

M/s G. Basu & Co., Chartered Accountants, Statutory Auditors of the Company, will retire at the conclusion of the ensuing AGM and being eligible have consented and offered themselves for re-appointment as Statutory Auditors for the financial year 2015-16. Pursuant to Section 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated April 3, 2015 from the Auditors to the effect, *inter-alia*, that their re-appointment, if made, would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such re-appointment under the provisions of applicable laws and also that there is no proceeding against them or any of their partners pending with respect to professional matter of conduct.

The Auditors have vide their letter dated April 22, 2015 also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

### Cost Auditors and their Report

M/s Ramanath Iyer & Company, Cost Accountants, were re-appointed as Cost Auditors for the financial year 2014-15 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

Full particulars of the Cost Auditors are as under:

M/s Ramanath Iyer & Company  
808, Pearls Business Park, Netaji Subash Place, Pitampura, New Delhi – 110088. Tel. No. : 011-45655448; Email ID: [Info@ramanathiyaer.com](mailto:Info@ramanathiyaer.com), (Firm's Membership No. 000019)

The Cost Audit Report for the financial year 2013-14, issued by M/s Ramanath Iyer & Company, Cost Auditors, in respect of the various products prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs (MCA) on September 17, 2014. The due date for filing the said Report with MCA was September 27, 2014.

The Cost Audit Report for the financial year 2014-15, in respect of the various products prescribed under relevant Cost Audit Rules shall be filed as per the requirements of applicable laws.

### Secretarial Auditors and their Report

M/s Chandrasekaran Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2014-15 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as `Annexure 6` and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2014-15 which call for any explanation from the Board of Directors.

### Consolidated Financial Statements

In compliance with the applicable provisions of Companies Act, 2013 including the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2014-15. Consolidated Turnover grew by 10.85% to Rs.7985.25 crores as compared to Rs.7203.37 crores in the previous year. Net Profit after Tax and after Minority Interest for the year at Rs.1065.83 crores is higher by Rs.151.91 crores as compared to Rs. 913.92 crores in the previous year.

### Internal Financial Control System

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by

in-house Internal Audit Division, supplemented by internal audit checks from Price Waterhouse Coopers Private Limited/ Price Waterhouse & Co., LLP, the Internal Auditors and various transaction auditors. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

To further strengthen the internal control process, the Company has developed a very comprehensive legal compliance manual called `e-nforce` which drills down from the CEO to the executive level person who is responsible for compliance. This process is fully automated and generate alerts for proper and timely compliance.

### Adequacy of Internal Financial Controls with reference to the financial statements

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- All legal and statutory compliances are ensured on a monthly basis for all locations in India through a fully automated tool called "e-nforce". Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- Approval of all transactions is ensured through a pre-approved Delegation of Authority (DOA) Schedule which is in-built into the SAP system. DOA is reviewed periodically by the management and compliance of DOA is regularly checked and monitored by the auditors.
- The Company follows a robust 2-tier internal audit process:
  - ◆ Tier-1: Management/ Strategic/ Proprietary audits are conducted on a regular basis throughout the year as per agreed audit plan.
  - ◆ Tier-2: Transaction audits are conducted regularly in India and abroad to ensure accuracy of financial

reporting, safeguard and protection of all the assets. Stock audit is conducted on quarterly basis at all locations in India. Fixed Asset verification of assets in India is done on an annual basis including AS-28 testing at all locations.

- ◆ The audit reports for the above audits are compiled and submitted to Management Committee and audit Committee for review and necessary action.
- The Company's books of accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/ effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a comprehensive risk management framework.
- Dabur has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.
- Dabur has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- Dabur has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings. Specialized issues like investments, property, FOREX are discussed in their respective Internal Committee meetings.
- Compliance of secretarial functions is ensured by way of secretarial audit.
- Compliance relating to cost records of the company is ensured by way of cost audit.

### **Development and implementation of Risk Management**

Dabur has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. During the year, as per the requirements of Listing Agreement with the Stock Exchanges, a Risk Management Committee was constituted by the Board of Directors on July 9, 2014 with responsibility of preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, to identify and review critical risks on regular basis, to update Risk Register on quarterly basis, to report key changes in critical risks to the Board on an ongoing basis, to report critical risks to Audit Committee in detail on yearly basis and such other functions as may be prescribed by the Board.

The Committee holds quarterly meetings to review the critical risks identified. The risks faced by the Company and their minimization procedures are assessed categorically under the

broad heads of High, Medium and Low risks. The Risk Register of the Company is also audited by Internal Auditors of the Company.

Further, the Company identifies risks, and control systems are instituted to ensure that the risks in each business process are mitigated. The two joint Chief Risk Officers (CROs) are responsible for the overall risk governance in the Company and reports directly to the Management Committee (MANCOM), which consists of various functional heads. The Board provides oversight and reviews the Risk Management Policy on a quarterly basis.

In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

### **Nature of business**

There has been no change in the nature of business of the Company. However, updates regarding new projects undertaken by the subsidiary companies are as under:

Naturelle LLC located at Ras al Khaimah (RAK), the manufacturing arm of Dabur International Ltd. enhanced its RAK plant's capacity from 42,000 MT to 44,500 MT per annum. New manufacturing and packing facilities were set up for Fem hair removal creams and Namaste products. In addition, new packing lines for creams and hair oils were installed and commissioned. The infrastructure expanded in RAK during the year by increasing warehouse space by 10,000 sq. m. and the second production facility has been made operational with production of Hair Oils, Hair Serums, Herbolene and Hair Removal Cream.

Further updates regarding operational performance and projects undertaken by the subsidiary companies can be referred in the report on performance and financial position of subsidiaries presented elsewhere in this report.

### **Subsidiaries**

During the year a wholly owned step down subsidiary company- Dabur Egypt Trading Limited has ceased to be subsidiary company w.e.f. 29<sup>th</sup> May, 2014 owing to its liquidation on the said date.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard- 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries.

Further, a separate statement containing the salient features of the financial statements of subsidiaries of the Company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements.

In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the Subsidiary Companies on its website at [www.dabur.com](http://www.dabur.com).



The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same.

These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

### **Report on the performance and financial position of Subsidiaries, Associates and Joint Venture companies**

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on performance and financial position of subsidiaries, associates and joint venture companies included in the consolidated Financial Statements is attached as 'Annexure 7' which forms part of this report.

Information in this respect can also be referred in form AOC-1 which has been disclosed in the Consolidated Financial Statements.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as 'Annexure 8' which forms part of this report.

### **Environmental, Health and Safety (EHS) Review**

Details with respect to Environmental, Health and Safety (EHS) review are attached as 'Annexure 9' which forms part of this report.

### **Details of policy developed and implemented on Corporate Social Responsibilities (CSR) initiatives**

The Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013. As per the policy the CSR activities are focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities. The four focus areas where special Community Development programmes are run are:

1. Eradicating hunger, poverty and malnutrition;
2. Promoting Health care including preventive health care;
3. Ensuring environmental sustainability;
4. Employment and livelihood enhancing vocational skills and projects.

The annual report on CSR activities is furnished in 'Annexure 10' which forms part of this report. Apart from this the Company also releases a detailed Business Responsibility Report which shall be available on its website [www.dabur.com](http://www.dabur.com).

### **Change in Capital Structure and Listing of Shares**

The Company's shares are listed on the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE) and Metropolitan Stock Exchange of India Limited (mSXI) (Formerly known as MCX Stock Exchange Ltd.) and are actively traded.

In the year under review following shares were allotted and admitted for trading in NSE, BSE and mSXI.

Equity shares allotted against the options exercised by employees pursuant to Employees Stock Option Scheme of the Company are:

- ◆ 12435710 equity shares allotted on May 30, 2014.
- ◆ 112531 equity shares allotted on August 12, 2014.
- ◆ 150676 equity shares allotted on November 20, 2014.

After the close of the financial year 2014-15, 308180 equity shares have been allotted on April 10, 2014 against options exercised by employees pursuant to Employees Stock Option Scheme of the Company.

### **Extract of Annual Return**

The extract of Annual Return as on March 31, 2015 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as 'Annexure 11' and forms part of this Report.

### **Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013**

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2014-15 are attached as 'Annexure 12' which forms part of this report.

### **Contracts or arrangements with Related Parties under Section 188(1) of the Companies Act, 2013**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions.

Your attention is drawn to the Related Party disclosures set out in Note no. 51 of the Standalone Financial Statements.

### Disclosure on Audit Committee

The Audit Committee as on March 31, 2015 comprises of the following Independent Directors:

Mr. P N Vijay (Chairman), Mr. R C Bhargava, Dr. S. Narayan, Dr. Ajay Dua and Mr. S K Bhattacharyya as members.

Further, all recommendations of Audit Committee were accepted by the Board of Directors.

### Disclosure on Vigil Mechanism

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit Committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy. Further information on the subject can be referred to in section 'Disclosures' - Whistle-Blower Policy / Vigil Mechanism of the Corporate Governance Report.

### Disclosure on Deposit under Chapter V

The Company has neither accepted nor renewed any deposits during the Financial Year 2014-15 in terms of Chapter V of the Companies Act, 2013.

### Significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and company's operations in future

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

### Industrial Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of Employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

### Acknowledgements

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board

(DR. ANAND C BURMAN)

Chairman

DIN: 00056216

Place: Jebel Ali - UAE

Date: May 5, 2015

## Annexure 1

## Auditor's Report on Corporate Governance

To,

The Members of Dabur India Limited,

We have examined the Compliance of conditions of Corporate Governance by Dabur India Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is limited to procedures, and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that all investor grievances were redressed within 30 days of lodgement of grievance and as on 31.03.2015 no investor complaint is pending against the company as per the records maintained by the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the company, nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For **G. BASU & CO.**  
Chartered Accountants  
(FRN- 301174E)

**S Lahiri**

Partner,

Membership No. 51717

Place: Jebel Ali - UAE

Date: 5<sup>th</sup> May, 2015

## Annexure 2

## Policy on appointment of Board Members

## Constitution &amp; Size

## Members

- Chairman
- Family nominee(s)
- Executive members
- Independent members

## Profile

- Board should ideally comprise of 12 members
- 50% of members should be independent

- The Chairman should be elected by the Board and should be Non-Executive
- Not more than 4 nominees from the Promoter's family including Chairman

## The skill profile of independent Board members will be driven by the key tasks defined by the Board

- Independent Corporate Governance
- Guiding strategy and Enhancing Shareholders Value
- Monitoring Performance, Management Development & Compensation
- Control & Compliance

## Skill profile of independent Board members (multiple skills could be combined in one individual)

Key Skill Area/ Qualification	Essential/ Positive	Desirable Attributes
1. Strategy/Business Leadership	• 2-3 years experience as a CEO, preferably of an MNC in India	FMCG experience
2. Corporate Strategy Consultant	• Consultant/Academician with experience in FMCG Industry and business strategy	Basic understanding of Finance
3. Sales and Marketing experience	• At least 10 years experience in sales and marketing • Good understanding of commercial processes • 2-3 years as head of sales or marketing	Experience with FMCG or other consumer products
4. Corporate law	• Expert knowledge of Corporate Law	Experience in trade/ consumer related laws

Key Skill Area/ Qualification	Essential/ Positive	Desirable Attributes
5. Finance	• At least 5 years as a CFO or as head of a merchant banking operation	FMCG experience
6. Trade Policy & Economics	• Expert knowledge of Trade & Economic Policies	FMCG Experience
7. Administration & Government Relations	• Retired Bureaucrat	Basic Understanding of Finance and Business
8. Ayurvedic specialist (till Ayurvedic Specialities Business is part of FMCG business)	• Ayurvedic doctor with a minimum of 20 years experience as a practitioner/researcher	Basic understanding of finance and business

Other Directors could be based on company's priority at a particular time:

- Knowledge of export markets that Dabur is focusing on
- Commodity procurement expert

### Board Diversity

- There should not be concentration of Board members based on a particular skill profile.
- Board member should be selected preferably from all the key skill areas defined earlier.
- Gender diversity : Board should have atleast one Women Director.

### Criteria for Determining Independence of a Director

1. Should be a person of integrity and possesses relevant expertise and experience;
2. Should be a person other than a Managing Director or Whole Time Director or Nominee Director;
3. Should neither be nor have been a Promoter of the Company or its holding, subsidiary or associate company;
4. Should not be related to Promoters or Directors in the Company, its holding, subsidiary or associate company;
5. Apart from receiving sitting fees, should have or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
6. None of his/her relatives should have or had any pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

### 7. Neither himself nor any of his relatives -

- holds or has held the position of a Key Managerial Personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
    - a firm of auditors or company secretaries in practice or Cost Auditors of the company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - holds together with his relatives two percent or more of the total voting power of the company;
  - is a Chief Executive or Director, by whatever name called of any Non-Profit Organization that receives twenty-five percent or more of its receipts from the company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
  - is a material supplier, service provider, or customer or a lessor or lessee of the company;
8. Should not be less than 21 years of age;
  9. Shall possess such other qualifications as may be prescribed.
  10. Shall not serve as Independent Director in
    - more than 7 listed companies;
    - more than 3 listed companies (if serving as a Whole Time Director in any listed company).

## Annexure 3

## Remuneration Policy

### 1. Objective:

We design our Remuneration Policy to attract, motivate and retain the Directors, KMP and other employees who are the drivers of organization success and helps us to run the company successfully and to retain our industry competitiveness. Pay mix is designed to reflect the performance and is aligned to the long term interest of the shareholders.

### 2. Policy:

#### Remuneration Design and mix

#### **a. Total fixed Pay: Enable us to attract, retain and develop the talent we need to succeed**

1. Is competitive with leading companies where we recruit for talent.
2. Reinforces roles and accountabilities.
3. Is flexible and supportive of our organization's growth.
4. Is responsive to specific market pressures in terms of getting key talent from the market.
5. Provides salary management guidelines so that decisions are made with confidence, integrity, and speed.

#### **b. Short term Incentive Plans (one year): Create a process to effectively reward people for their contributions to the success of the Company in the short term**

1. Utilizes Company, business unit/department and individual-based metrics based on the principle of line of sight and impact.
2. Is supported by clear, frequent communication and simple tools to administer.

#### **c. Long term Incentive Plans in form of performance based ESOP: Enable us to attract and retain key talent and create a process to effectively reward key talent for their contributions to the long term success of the Company**

1. A significant portion of the key talent compensation delivered through restricted ESOP Plans with retention expectations in place to ensure alignment of the executive interest with those of shareholders.
2. Utilizes Company and business unit/department based metrics which are necessary for long term business sustenance and share holder wealth creation.
3. Utilizes measures that are clear, strategically focused, and easily supported by our systems.

4. Provides suitable rewards to the performer, consistent with our strategy, and reinforce our culture.

5. Helps to make our pay competitive with leading companies where we recruit for talent.

#### **d. Benefits: Provide programs that meet people's needs and are cost effective and utilize innovative programs that make us distinctive as an organization**

1. Be competitive with companies of our size and where we compete for talent.
2. Provide benefits that are truly meaningful to people, supported by highly effective communication and easy administrative support.
3. Provide benefits, services, or events that will make us distinctive in the marketplace and consistent with our culture and values.
4. Provide benefits that are cost effective from both an individual and a company perspective.

#### **e. Recognition: Utilize effective practices that are supported by innovative programs that reinforce our desired culture and make us a special place to work**

1. Reinforces individual and teams behavior that makes us more competitive, efficient, and important to our customers.
2. To create more employee touch points and recognition on formal and informal basis.
3. Utilize a variety of programs, events, and activities that keep the process exciting.

#### **f. Annual Performance Linked Enhancement that recognizes the performance of the resource keeping in view the achievement of organizational goals & Departmental goals.**

#### **g. Remuneration to Independent Directors:**

1. Sitting Fee as approved by Board.
2. Travel Cost & other out of pocket expenses for attending the Board & Committee Meetings.
3. No Stock options.

#### **Tools for an effective Remuneration Policy implementation:**

1. Remuneration Benchmark studies
2. Compilation of Live data while recruiting talent
3. Talent attrition studies
4. Benchmarking with Best Industry Practices
5. Participation in various Forums



## Annexure 4A

## Statement of particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2015

### Name, Designation, Qualifications, Experience (in Yrs), Remuneration (in Rs.), Date of Appointment, Age (in Yrs), Particulars of last employment

1. Achar Sudhir, Vice President - R & D (HPC & Foods), M.Sc., Ph.D., 28, 11134423, 5/7/2012, 51, Head - Product Development (Personal Care), ITC Limited; 2. Agarwal K Atul, General Manager - Supply Chain, M.Sc., D.B.A., 23, 6341041, 12/1/2006, 46, Manager - Regional Demand Planning, Ranbaxy Laboratories Limited; 3. Ahluwalia Gagan, General Manager - Corporate Affairs, B.Com(Hons), M.B.A., 27, 6483743, 9/1/1998, 51, Senior Manager - Merchant Banking, Dabur Finance Limited; 4. Angelo Geoge, Executive Director - Sales, B.Sc., P.G.D.M.M., 31, 16360411, 4/3/2006, 52, General Manager - Sales & Marketing, EID Parry (India) Ltd.; 5. Banerjee Rana, Senior General Manager - Marketing, B.H.M., M.B.A., 21, 8603816, 7/10/1995, 48; 6. Chutani Krishan Kumar, Executive Director - Consumer Care Business, B.Com., M.B.E., 22, 12579516, 3/1/1997, 45, Account Manager, Trikaya Grey Advertising 7. Duggal Sunil, Chief Executive Officer, B.E.(H), P.G.D.M., 34, 74487432, 5/20/1995, 58, All India Sales Operations Manager, Pepsi Foods Limited; 8. Ganguly Partho, Senior General Manager - HR & IR, M.Sc., M.B.A., 28, 6715249, 3/3/2008, 52, HR Head (Corporate), Johnson Matthey Chemicals India Pvt. Ltd.; 9. Garg Devendra (\*), Senior Executive Director - Consumer Care Business, B.Sc., P.G.D.M., 27, 6642338, 12/3/1993, 50, Sales Operation Manager, Pepsi Foods Ltd.; 10. Gupta Arun, Vice President - Corporate Affairs, B.Com.(H), C.A., I.C.W.A., 29, 10962652, 7/1/2007, 53, Chief Financial Officer, Dabur Pharma Limited; 11. Gupta Devender, General Manager - HR, B.Tech, M.B.A., 18, 6536869, 6/16/1997, 43; 12. Jain Ashok Kumar, Vice President - Finance and Company Secretary, B.Com., C.A., C.S., 28, 10287385, 8/17/1999, 52, Assistant Vice President - Finance, Dabur Finance Limited; 13. Jaipuria Praveen, General Manager - Marketing, B.A., P.G.D.B.M., 18, 7790684, 11/28/2001, 43, Product Manager - Balsara Home Products Limited; 14. Jhamb Dinesh Kumar(\*), General Manager - Sales, B.Sc., M.B.A., 25, 5871810, 5/3/1994, 48, Marketing Executive, Amtrex Ambience Limited; 15. John A Rajeev, General Manager - Sales, B.E., P.G.D.B.M., 17, 6138914, 2/10/2003, 42, Area Sales Manager, Gillette India Limited; 16. Krishnan V, Executive Director - Human Resources, B.Sc.- Engg, M.B.A., 29, 12034807, 4/22/2004, 51, Director - Corporate HR, Whirlpool of India Limited; 17. Linhares Jude, Vice President - Manufacturing, B.E., 26, 10726013, 6/1/2007, 49, Works Manager, Marico Industries Limited; 18. Magima Jude, Senior Executive Director - Operations, M.A.(Eco), 30, 20547083, 2/25/2002, 51, General Manager - Materials, Marico Industries Limited; 19. Malik Lalit, Chief Financial Officer, B. Com., L.L. B, C.P. A., C.A., C.S., A.I.C.W.A., 26, 14044289, 11/19/2012, 48, Vice President - Finance

& Accounts, Moser Bear India Limited; 20. Mishra Kumar Mukesh, General Manager - Sales, B.E., M.B.A., 19, 6385919, 5/21/1996, 45; 21. Mukherjee Somit, Senior General Manager - Purchase, B. Tech, P.G.D.R.M., 19, 7665142, 6/9/2005, 43, Manager - Supply Chain & Procurement, Redrock Limited; 22. Narang P.D., Group Director - Corporate Affairs, B.Com., F.C.A., M.I.I.A., F.C.S., A.I.C.W.A., 39, 74844700, 7/1/1983, 61, Management Accountant, Dabur (Dr. S K Burman) Pvt. Limited; 23. Paul E Prakash, General Manager - Packaging Development, B.E., M.M.M., 32, 6652848, 10/4/2010, 53, Head - Packaging Development, Reliance Wellness Limited; 24. Sengupta Saibal, Vice President - Finance, B.Com(Hons), C.A., 27, 8040423, 8/25/2008, 52, Chief Financial Officer, Noble Group; 25. Sharma Adarsh, Business Head - SAARC Region, B.Com., M.B.A., 29, 9702520, 9/16/1991, 52, Assistant Sales Manager, UniPepsi Bottlers Limited; 26. Shreevardhan, General Manager- Customer Mkt. & Capability Building, B.Sc., P.G.D.B.M., 25, 6403109, 7/2/1990, 48; 27. Singal Sanjay, Senior General Manager - Marketing, B.Sc., P.G.D.M., 21, 8630103, 9/1/2010, 45, Chief Marketing Officer, Birla Sun Life Mutual Fund; 28. Singh Amitabh, Head - Enterprise Business, B.Sc., P.G.D.B.M., 19, 6165472, 6/9/2009, 43, Key Accounts Manager, Bharti Wal-Mart Pvt. Ltd; 29. Sinha Subodh, General Manager - Projects, B.E., 28, 6038557, 7/22/2008, 51, General Manager - Projects, Ansal Housing and Construction Ltd.; 30. Sudhakar A (\*), Senior Executive Director - Human Resources, M.Sc., M.A.(Social Work), L.L.B, P.G.D.P.M, 39, 9986732, 9/17/2001, 63, Vice President - HR, Owens Brockway

### Notes

- (\*)Asterisk against a name indicates that the employee was in service for part of the year.
- Gross remuneration shown above is subject to tax and comprises salary including arrears, allowances, rent, medical reimbursements, leave travel benefits, leave encashment, provident fund, superannuation fund & gratuity under LIC scheme in terms of actual expenditure incurred by the Company and commission.
- All appointments are contractual in nature.
- None of the employees mentioned above are related to any Director of the Company, except Mr. P D Narang and Mr. Sunil Duggal who are themselves Directors of the Company.
- None of the employees mentioned above was in receipt of remuneration which in the aggregate is in excess of that drawn by the Whole Time Director and holds by himself/ herself or along with his/her spouse and dependent children, not less than 2% of the equity shares of the Company.

## Annexure 4B

## Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars				
(i)	*The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer		34.17 : 1
		b	Mr. P D Narang, Whole Time Director		34.24 : 1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer		17.50%
		b	Mr. P D Narang, Whole Time Director		17.50%
		c	Mr. Lalit Malik, Chief Financial Officer		15.02%
		d	Mr. Ashok Kumar Jain, VP (Finance) & Company Secretary		10.20%
(iii)	*The percentage increase in the median remuneration of employees in the financial year.				13.00%
(iv)	The number of permanent employees on the rolls of the company.				3939
(v)	The explanation on the relationship between average increase in remuneration and company performance.		The Average increase is based on the objectives of Remuneration policy of the Company that is designed to attract ,motivate and retain the employees who are the drivers of organization success and helps the Company to retain its industry competitiveness .Pay mix is designed to reflect the performance and is aligned to the long term interests of the shareholders.		
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	a	% Increase in Net Sales in 2014 -15 as compared to 2013 -14		11.57%
		b	% Increase in PAT in 2014 -15 as compared to 2013 -14		13.46%
		c	% Increase in EBIDTA in 2014 -15 as compared to 2013 -14		15.08%
		For comparison purpose the percentage increase in remuneration of KMP is given in Rule no. (ii) above.			
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	Financial Year ended	Closing share Price (NSE)	Market capitalization	Price Earning Ratio
		31.03.2015	Rs. 265.55	Rs. 46644.18 Crs.	Rs. 61.05
		31.03.2014	Rs. 179.65	Rs. 31327.60 Crs.	Rs. 46.54
	Closing share price as on 31 <sup>st</sup> March 2015 was Rs.265.55. Dabur's offer price during its public issue in 1993 was Rs.95. However these are not comparable as Dabur has done stock splits and issued Bonus shares during the intervening period.				
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average % managerial increase has been 13% while for others it is about 12.8%.This is based on Remuneration Policy of the Company that rewards people differentially based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.			

Rule	Particulars					
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.	Name of the KMP	% increase in Remuneration in 2014 -15 as compared to 2013 -14	% Increase in Net Sales in 2014 -15 as compared to 2013 -14	% Increase in PAT in 2014 -15 as compared to 2013 -14	% Increase in EBITDA in 2014 -15 as compared to 2013 -14
		Mr. Sunil Duggal, CEO	17.50%	11.57%	13.46%	15.08%
		Mr. P D Narang, WTD	17.50%	11.57%	13.46%	15.08%
		Mr. Lalit Malik, CFO	15.02%	11.57%	13.46%	15.08%
		Mr. Ashok Kumar Jain, VP (Fin.) & CS	10.20%	11.57%	13.46%	15.08%
(x)	The key parameters for any variable component of remuneration availed by the Directors.	The key parameters are a) Net Sales b) PAT c) EBITDA d) Net Operating Cash Flow from Business				
(xi)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	None				
(xii)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.					
*Shares allotted under ESOP Scheme of the Company have not been included.						

## Annexure 5

## Disclosure regarding Employees Stock Option Plan of the Company for the year ended 31<sup>st</sup> March, 2015

Sl. No.	Particulars	For the Year	Cumulative
1.	Number of Options granted :	1,11,63,200	4,56,97,319
2.	Pricing formula :	<b>Each option carries the right to the holder to apply for one equity share of the Company at par/discount to market value.</b>	
3.	Options vested :	1,65,45,097	2,91,63,193
4.	Options exercised :	1,26,98,917	2,52,88,603
5.	Total number of shares arising as a result of exercise of option :	1,26,98,917	2,57,90,362
6.	Options lapsed/cancelled :	9,91,733	63,13,146
7.	Variation in terms of options :	None	None
8.	Money realized by exercise of options :	45,49,88,388	46,65,87,247
9.	Total number of options in force :	1,40,95,570	1,40,95,570

Sl. No.	Particulars	For the Year	Cumulative
10.	Employee-wise details of options granted during the year to		No. of options granted
	i. Senior Managerial Personnel :	Mr. P D Narang Mr. Sunil Duggal Mr. Mohit Malhotra Mr. George Angelo Mr. Sudhir Achar Mr. K K Chutani Mr. Sharukh Khan Mr. Ashok Kumar Jain Mr. Lalit Malik Mr. Arun Gupta Mr. Vikram Bali  Mr. V Krishnan Mr. Adarsh Sharma Mr. Jude Linhares Mr. Vivek Dhir Mr. Saibal Sengupta	Group Director CEO CEO- IBD, Dabur International Ltd. ED-Sales VP- R & D ED-Marketing Head- Operations VP(Finance) & Company Secretary CFO VP-Corporate Affairs Director- Business Planning & Reporting, Dabur International Ltd. Executive Director-HR Busines Head VP-Manufacturing Chief Marketing Officer, Dabur International Ltd. VP- Corporate Accounts  23,40,000 23,40,000 5,52,000 4,80,000 3,62,400 3,60,000 2,88,000 1,84,800 1,44,000 1,27,200 1,20,000  1,15,200 96,000 96,000 96,000 72,000
	ii. Employees who received the options amounting to 5% or more of options granted during that year :	Mr. P D Narang Mr. Sunil Duggal	Group Director CEO 23,40,000 23,40,000
	iii. Employees who received the options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant:	None	,
11.	Diluted Earnings per share (EPS) pursuant to issuance of options under ESOP :	Rs. 4.32	
12.	Difference between the employees compensation cost based on intrinsic value of the stock and the fair value for the year and its impact on profits and on EPS of the Company	N.A.	
13.	Weighted average exercise price (per option) Weighted average fair value of per option (as per Black Scholes Model)	Rs. 31.08 Rs. 147.52	
14.	The fair value of each option is estimated using the Black Scholes model after applying the following weighted average assumptions:-  - Risk free interest rate - Expected life - Expected volatility - Expected Dividend yield - Price of underlying shares in the market at the time of option grant	7.59 1 to 5 years 27.0 0.87% Rs. 194.59	

## Secretarial Audit Report

### For the financial year ended March 31, 2015

The Members,  
Dabur India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dabur India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Dabur India Limited ("the Company") for the financial year ended on March 31, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- vi. The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
  1. Forest Conservation Act, 1980.
  2. Insecticides Act, 1968.
  3. Biological Diversity Act, 2002.
  4. Drug & Cosmetics Act, 1940.
  5. Food Safety and Standards Act, 2006.
  6. National Green Tribunal Act, 2010.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable for financial year 2014-15
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, BSE Limited and MCX Stock Exchange Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in



advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has

following specific events / actions that having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

The Company informed that a fire broke out at the skin care products factory of Dabur India Limited in Baddi, Himachal Pradesh damaging fixed assets and inventory worth Rs. 23 Crore.

**Rupesh Agarwal**

For **Chandrasekaran Associates**

Company Secretaries

Membership No. A16302

Certificate of Practice No. 5673

Place: New Delhi

Date: 04.05.2015

**Note:** This report is to be read with our letter of even date which is annexed as Annexure A and form forms an integral part of this report.

### Annexure A to the Secretarial Audit Report

The Members

**Dabur India Limited**

8/3, Asaf Ali Road, New Delhi - 110002

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**Rupesh Agarwal**

For **Chandrasekaran Associates**

Company Secretaries

Membership No. A16302

Certificate of Practice No. 5673

Date: 04.05.2015

Place: New Delhi

### **Annexure 7**

## **Report on the performance and financial position of Subsidiaries, Associates and Joint Venture companies**

### **1. H & B Stores Ltd., India (subsidiary)**

The Company operate its specialized beauty retail business under the brand 'NewU'. The stores offer a wide range of beauty care products and are located in premium high footfall malls. NewU offers a unique blend of domestic & international brands. The store count at the end of FY 2014-15 stood at 62.

During this FY the company has also started giving franchise to interested entrepreneur to open its 'NewU' stores. It has

also started to sell products through various on line portals. Company has also focussed on its own private labels and also it's Customer Loyalty Program 'Advantage U'.

### **2. Dermoviva Skin Essentials Inc., USA (subsidiary)**

Dermoviva operates in the hair care market for ethnic African population through Namaste Laboratories. The company also owns the Jaqueline brand.

### 3. Dabur International Ltd., UAE (subsidiary)

The principle business activity of the company is distribution of FMCG products.

The company performed well during the year with sales growing by 22% inspite of geopolitical tensions and unrest in the region. Saudi Arabia, which is the biggest market, witnessed strong double digit growth in sales. In addition, growth was well supported by other markets such as Algeria, Qatar and Iraq which grew in strong double digits as well. In terms of categories, Oral Care, Skin Care and Hair Care witnessed double digit growth.

In terms of profitability, EBITDA margins expanded to 20.7% v/s 20.3% in the previous year, inspite of material costs as % of sales being higher at 52.0% v/s 49.8% in fiscal 2013-14. Profit after Tax grew by 31% to AED 132 Million.

### 4. Naturelle LLC, UAE (subsidiary)

Naturelle LLC located at Ras Al Khaimah (RAK) is the manufacturing arm of Dabur International Ltd. During the year the RAK plant's capacity was enhanced from 42,000 MT to 44,500 MT per annum. New manufacturing and packing facilities were set up for Fem hair removal creams and Namaste products. In addition, new packing lines for Creams and Hair Oils were installed and commissioned. The infrastructure expanded in RAK during the year by increasing warehouse space by 10,000 sq. m. and the second production facility has been made operational with production of Hair Oils, Hair Serums, Herbolene and Hair Removal Cream.

Total shareholders' equity stood at AED 6.7 Million as on March 31, 2015 as compared to AED 5.9 Million as on March 31, 2014. In addition, Fixed Assets were at AED 59.2 Million as compared to AED 51.6 Million in previous year.

### 5. Dabur Egypt Ltd., Egypt (subsidiary)

Dabur Egypt Ltd. is primarily engaged in the manufacturing and marketing of products under Hair Care, Oral Care and Skin Care categories. The company is a market leader in Hair oils & Hair cream categories as per the latest retail audit done by Nielson. It has been operating through its new state of the art factory manufacturing facility at 10<sup>th</sup> of Ramadan City, it had commissioned couple of years back with an investment of around USD 20 Million which was raised beyond USD 25 Million. The distribution network of the company caters to around 300,000 retail outlets through 26 distributors and touches the lives of 80 Million Egyptians on daily basis. The sale grew by 28% during the FY ended 31<sup>st</sup> March 2015 in a challenging environment. The company intend to continue the robust performance with increase in portfolio of products in the hair care & hair cream categories.

### 6. African Consumer Care Ltd., Nigeria (subsidiary)

The company is engaged in the business of manufacture and marketing of Toothpaste, Creams & Lotions, Soaps, Toilet cleaner etc., and in the trading business of mosquito repellent. The manufacturing capacity of the Company is 3.6 lakh cases in Oral Care category and 1.0 lakh cases in the Skin & Baby Care Category.

Performance during FY 2014-15 is as under:  
Turnover- Naira 1160.15 Million, EBITDA- Naira (84.16) Million, Loss- Naira (166.14) Million

### 7. Dabur Nepal Pvt. Ltd., Nepal (subsidiary)

The company manufactures & markets wide range of Consumer goods under segments like Food, Consumer Care, Home Care, Personal Care etc. with products like Fruit Juices/Beverages, Chyawanprash, Glucose, Tooth Paste, Hair Oil, Digestive Tablets, Honey, etc. Food Segment has emerged as a 'Flag Bearer' sharing around 70% of turnover.

The operational performance of the Company is in the booming trend resulting in rise in Net Profit by 15% against increase in turnover by 9% compared to last year and the local "Real" Brand has crossed the landmark of INR. 100 Crores in domestic business this year.

### 8. Asian Consumer care Pakistan Pvt. Ltd., Pakistan (subsidiary)

The year 2014-15 was a difficult year as the business grew by 7% because, for almost 5 months the leading brand Hajmola was not put on sale due to Trade Mark litigation issues. However the cosmetic brands, Vatika Shampoo / Dabur Amla and Vatika Hair Oils registered a very healthy growth of 85%, 49% and 18% respectively.

Also, this year two new brands, Dabur Chyawanprash & Dabur Honey were introduced in major cities of Pakistan. These launches were well received by trade and consumer off take is building over time. Despite absence of Hajmola for several months, the Company is able to generate very healthy gross profit leading to a record PAT growth of 90%.

### 9. Asian Consumer care Pvt. Ltd., Bangladesh (subsidiary)

During the year the company has commenced commercial production from the newly set up green field plant at Dhamrai on the outskirts of Dhaka while successfully closing down operations from two facilities existing at Narayongonj and Manikgonj.

The operation of the Dhamrai Plant has stabilized.

Despite political instability existing in the country the company had a growth of 12% in turnover, being Taka 118.15 crs as against Taka 105.17 crs in the previous year, Profit after

Tax declined by 27%, being Taka 6.67 crs as against Taka 9.16 crs in the previous year, impacted majorly by depreciation of newly commissioned plant. The company expects business performance to improve during FY 2015-16.

#### **10. Hobi Kozmetik İmalat Sanayi ve Ticaret Anonim Sirketi, Turkey (subsidiary)**

It is a Market leader in Liquid Soap and Hair gel categories and exports to 55 countries. It holds more than 40% of hair gel market of Turkey and is recognized as a leading producer in cosmetics sector in its geography. Its product list includes more than 190 personal care and cosmetics products in the categories like hair gels, hair sprays, mousses, hair shapers, hair conditioners, shampoos, hair care complexes, body creams, hand and body lotions, body shampoos, liquid hand soaps. Shampoo and Conditioner, Hobby Gel and Hair Shaper Series, Hobby Hand and Skin Care Series and Hobby Liquid Soap.

#### **11. Ra Pazarlama Limited Şirketi, Turkey (subsidiary)**

It concentrates on the domestic marketing operations of the products that are produced by Hobi Kozmetik.

#### **12. Dabur Lanka Pvt. Ltd., Sri Lanka (subsidiary)**

The Company has set-up a state of art Tetra Pak manufacturing facility at Yakadagala Estate, Kotadeniyawa, Sri Lanka. Principal activities of the company is to manufacture fruit based beverages utilizing imported fruit concentrates/ pulp and purees for export. These are processed and packed in Tetra cartons for export to India and other countries. The company has an allowance to sell up to 10% of the volume of the output to the local Sri Lanka market. FY 2014-15 being the 2<sup>nd</sup> Year after Commercial Production, marked successful implementation of 5 new variants and a total of 10 variants under Real Brand. The Company has manufactured 8.07 lakh cases with an annualized Capacity utilization of 24%. Operations and Export Logistics were stabilized with efficiencies achieved in plant capacity utilization, manufacturing costs and export logistics.

#### **13. Namaste Laboratories LLC, USA (subsidiary)**

The company market hair care products for ethnic African population. The overall performance has been driven by the declines in relaxer use and the items closely associated with relaxers like Sheen Spray, Lotion and Hair dress. Namaste plans to introduce new products that appeal to a larger audience of consumers including products for consumers that wear their hair natural (straight and curly) and reinvigorate the Olive Oil line.

#### **14. Namaste Cosmetics, Ltda., Brazil (subsidiary)**

The company principal activity is to Import, export, manufacture, market and distribute personal hygiene products and cosmetics, directly or through third parties.

The company is in process of winding up its operating unit. Sales were Nil in FY 14-15.

#### **15. Urban Lab International LLC, USA (subsidiary)**

The company is engaged in the business of the manufacture, marketing and distribution of hair and other personal care products. Urban Labs South Africa performance has been driven by relaxers & sheen spray. Price increase in key SKU coupled with Exports sales to neighbouring countries resulted in 10.5% sales growth. Local currency ZAR depreciated over 11% against USD which resulted in increased costs in terms of material & negative EBITDA and PAT.

#### **16. Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria (subsidiary)**

The principal business activity is to engage in the business of the manufacture, marketing and distribution of hair and other personal care products. However, there are no Transactions in this Operating unit during the FY 2014-15.

#### **17. Healing Hair Lab International LLC, USA (subsidiary)**

The entity is a non-operating company.

#### **18. Dabur (UK) Ltd., UK (subsidiary)**

The main activity of the company is making investments.

#### **19. Dabur Consumer care Pvt. Ltd., Sri Lanka (subsidiary)**

The Company added Dabur Honey, Sanifresh, Odonil Aerosol to its portfolio during the year. The Company got registered with Cosmetics, Drugs and Devices Authority, Sri Lanka in August 2014. Amla Hair Oil, Vatika Hair Oil, Almond Hair Oil and Vatika Shampoo were got registered with same authority and import and sales were started during the FY.

Sales for the FY were of LKR 4.72 Crore.

#### **20. Dabur Tunisie, Tunisia (subsidiary)**

The company is a 100% export oriented company having its manufacturing plant in the industrial zone of Enfidha in the province of Sousse, Tunisia. It is presently manufacturing Miswak herbal toothpaste for north African market. It would also start selling locally in Tunisia after getting approval from the local authorities.

#### **21. Forum 1 Aviation Pvt. Ltd., India (joint venture)**

The company operates in aviation sector and has completed commendable 9.5 years of flying operations. It is working with existing fleet of two aircraft. The Company have five pilots and two cabin crew for ensuring uninterrupted flying to the customers.

## Annexure 8

## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

### A. Conservation of energy:

- i. The steps taken or impact on conservation of energy :  
A number of energy conservation techniques were initiated and successfully implemented. Some of the key initiatives undertaken in the manufacturing units were as follows-

- Reduction in Power and Fuel consumption at factory location through
  - Improvement in power factor upto 99%.
  - Reduction in steam consumption by process improvement by 10%.
  - Reduction in power in CT by installing FRP blades.
  - Conventional Tube light replaced with LED Tube Light.
  - Installation of condensate recovery projects.
  - Replacement of HSD Fuel Boiler with the Briquette Fuel Boiler.
- Reduction in water consumption through reuse of ETP treated water for road cleaning and flushing.
- Additional Investment of Rs. 150.44 Lacs was done for the reduction of energy consumption.
- The energy conservation measures taken during the year have resulted into an yearly saving of approximately Rs. 300 Lacs and thereby lowered the cost of production.
- These measures have also led to better pollution control, reduced the impact on environment, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

- ii. The steps taken by the Company for utilizing alternate sources of energy :-

- Wind Turbo ventilator (40 in number) installed at different locations in the plant at Baddi.
- Generation of Steam by briquette & in-house waste dry herbs.
- Solar Water heater.
- Solar street lights at various plants.

- iii. The capital investment on energy conservation equipments:-

- An amount of Rs. 108 lac was incurred towards capital investment on energy conservation equipments during the financial year 2014-15.

### B. Technology Absorption:

- i. The efforts made towards technology absorption
- Technology evaluated to reduce closed vessel manufacturing of intermediates.

- Replacement of HSD Fuel Boiler with the Briquette Fuel Boiler.
  - Auto sleeve Applicator for conversion from Manual Slewing to Auto Slewing.
  - Installation of Mono Carton De-Stacking Machine for export product.
- ii. Benefits derived like product improvement, cost reduction, product development, import substitution.
- Rs.1.51 Lacs incentive given by M.P. Electricity Board as a Power Factor improvement incentive for Katni Unit.
  - Cost reduction in Fuel cost of approximate Rs. 25 Lacs p.a. at Jammu Unit
  - Savings of Rs. 84.43 Lac at Sahibabad Unit.
  - Reduction in manpower cost of Rs 13.84 Lacs (saving shall be derived from next year onwards) at Pithampur Unit.
  - Saving of Rs 3.13 Lacs due to productivity enhancement (saving shall be derived from next year onwards) at Pithampur Unit.
  - Improvement in GMP at Pithampur Unit.
  - Bleach line – continuity of market supplies from alternate location at Silvassa Unit.
  - Reduction in annual operating cost of Rs.1.6 Lac p.a. at Silvassa Unit.
  - Cost reduction of Rs.8.2 lac p.a. due to saving in power consumption at Silvassa Unit.
- iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

The details of technology imported : Nil  
 The year of import : Not Applicable  
 Whether the technology been fully absorbed : Not Applicable  
 If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable

- iv. The expenditure incurred on Research and Development:

- An expenditure of Rs. 22.31 Crores was incurred towards Research and Development during the financial year 2014-15.

### C. Foreign Exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the Financial Year 2014-15: Rs. 199.92 crores.

The Foreign Exchange outgo in terms of actual outflows during the Financial Year 2014-15: Rs. 77.52 crores.

## Annexure 9

## Environmental, Health and Safety (EHS) Review

Dabur is committed to adopt best Environmental Technologies on 3R's (Reduce, Reuse & Recycle), create and ensure healthy workplace to meet Zero Incidents and free from Occupational hazards. To renew the commitment, it has merged the Occupational Health, Safety and Environment Policy to deliver sustainable development by implementing IMS (Integrated Management System). Sustainable progress has been made in the area of process safety and implementation of EHS Management System at work place resulting into elimination of workplace hazards to the maximum level. As targeted to certify all the manufacturing units with the IMS covering OHSAS 18001 and ISO 14001, Dabur has got externally accreditation for its twelve (12) manufacturing location by TUV NORD and nine manufacturing have successfully completed their Surveillance Audit. This standard is the foundation of overall health, safety and environment framework of Dabur.

To ensure 100% EHS complied units, Dabur has started comprehensive Fire-Safety & Environment audits by in-house and third party competent auditors on continuous basis (Monthly/Quarterly) at all manufacturing locations. The purpose of these audits is to find out actual EHS related gaps for necessary actions to be taken by respective units.

The environmental agenda was marked by reducing environmental impact of Company's operations. This was achieved by environment management program through a combination of energy, water conservation, minimizing air emissions, rainwater harvesting and solid waste recycling. Some sites modified their boilers to use bio-fuels, resulting into significant benefits by reducing the SOx and CO2 emissions. Carbon and Water Footprint study was done for all manufacturing units with a target to reduce emission by 35% and with a focus on use of renewable resources like bio-mass fuel, solar lights, etc. Dabur is also getting validation of Carbon Footprint for all Manufacturing locations from TUV NORD carbon services. To reduce the impact of product on environment, the Life Cycle Analysis study for 3 products (Chywanprash, Honey and Real) was started. A mass tree plantation was also done. With regard to other environmental focus areas, Dabur has greatly reduced raw water consumption, effluent generation, solid-waste generation, hazardous waste generation, reduction in GHG emissions (Green House Gases). Beside this all the manufacturing units have complied with EHS related legal/ statutory requirements laid by Government from time to time and are being monitored online.

Dabur has ensured and identified all workplace health hazards and is providing 100% health checkup to all employees. The Company aims to effectively control risks and prevent all associates from being injured or harmed during the course of their work. For effective control of risks and preventing workplace hazards, Dabur's EHS team is working along with leading EHS consultants and committed for building safety culture by implementing Behavior Based Safety system (BBS), Recording workplace hazards called SBO, conducting scheduled Fire-Safety Audits (in-house/third party), adopting Work permit system (WPS), Daily Toll-box talks, Safety Committee meetings and interaction with all associates, Fire-safety Drills, Safety Week celebration and continuous safety trainings to all concerns. All actions and recommendations are being recorded and evaluated through an online inbuilt software called 'SURAKSHA' which is at place since last 4 years. Suraksha has a major impact in reducing work place hazards/ incidents and contributes to becoming an incident free organisation.

Dabur being aware of its responsibilities towards health, safety and environment management is in the process of further strengthening its current resources.

Key Initiatives taken during the year are:

- Medical check up of the workers.
- Smoke detection system installed in stores for fire protection.
- Incorporation of auto water sprinkler system in packing material & herbs storage area.
- Re-certification of OHSAS - 18001 & ISO 14001
- PPE quality improvement (Nose mask, goggles etc.).
- Aerial maintenance system for height jobs.
- Implementation of smoke detection & alarm system in Herb storage area.
- Implementation of temperature detection, alarm & power cut off system in Barron & miracle mill to avoid fire risk.
- Upgraded hazardous chemical stores as per safety norms.
- Automation of Hydrant system at all units.
- Safety Induction of new workers before joining duty & training as per the monthly training calendar.
- Regular planned inspection by the designated Zone Owners.



## Annual report on CSR activities for the Financial Year 2014-15

### 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

#### Our CSR Vision

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

#### Our CSR Mission

1. Ensuring socio-economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves.
2. Ensuring environmental sustainability through ecological conservation and regeneration, protection & re-growth of endangered plant species, and promoting biodiversity.

#### Projects or programmes proposed to be undertaken

- Eradicating Hunger, Poverty & Malnutrition
  - Dil Se Dua programme to provide nourishment to kids from underprivileged sections of the society
  - Sanitation Drive to provide easy access to toilet and sanitation facilities in rural households and schools as also to the urban poor
  - Supplementing nutrition needs of poor and needy through joint initiatives and programmes with local NGOs
- Preventive Health Care
  - Promotion of health awareness & immunity building initiatives through the Immune India Programme
  - Oral hygiene and dental health camps in schools to build awareness about the need for good oral care techniques and hygiene for overall health and well-being
  - Healthcare awareness programme to create awareness on malaria, cancer and HIV-AIDS across rural and urban India
  - Supporting health and wellness of people through Wellness Centre, offering treatment as well as advice and medicines

- Health care camps across country to give the urban and rural poor an access to safe and reliable healthcare
- Addressing health care needs of poor and needy through joint initiatives and programmes with local NGOs
- Ensuring Environment Sustainability
  - Environment sustainability programme to protect endangered species of herbs & plants, enhancing livelihood of farmers
  - Tree Plantation Drive across villages/area near our manufacturing units and business locations
- Employment Enhancing Vocational Skills Development through Vocational Training Centres and providing Bee-Keeping training
- Promotion of Education through School Support Programme and Non-Formal Education Centres
- Promoting Gender Equality and Empowering Women through Adult Education Centres and Promoting Self Help Groups

**Web link:** <http://www.dabur.com/AboutDabur-CSR-Policy>

### 2. The Composition of CSR Committee

CSR Committee consists of Dr. Ajay Dua (Chairman) & Mr. Sanjay Kumar Bhattacharyya, Independent Directors and Mr. P.D. Narang & Mr. Sunil Duggal, Executive Directors.

### 3. Average net profit of the company for last three financial years

Profit before tax for last three financial years:

2013-14: Rs. 861.33 Crs. 2012-13: Rs. 749.67 Crs.

2011-12: Rs. 587.03 Crs.

Average net profit: Rs. 732.68 Crs.

### 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

Rs. 14.66 Crs.

### 5. Details of CSR spent during the financial year

- a. Total amount to be spent for the financial year: Rs. 14.66 Crs.  
Amount spent - Rs. 14.71 Crs.
- b. Amount unspent, if any: N.A.
- c. Manner in which the amount spent during the financial year is detailed below:

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or program wise (In Rs Lakh)	(6) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period (In Rs Lakh)	(8) Amount spent: Direct or through implementing agency	(9) No. of Beneficiaries
1	Dil Se Dua programme to fight malnutrition among street children and also involve the general public in this drive	Eradicating Hunger, Poverty & Malnutrition	1. Other 2. Delhi-NCR	200	Direct = 125.86	125.86	Direct	5,000
2	Programmes to meet nutrition needs of poor & needy	Eradicating Hunger, Poverty & Malnutrition	1. Other 2. Across India*	300	Direct = 302.9	302.9	Local NGOs#	78,216
3	Sanitation Drive to provide easy access to toilets and sanitation facilities in rural households and to urban poor	Promoting sanitation	1. Local Area - Ghaziabad, Rudrapur 2. Other - Delhi, Lucknow	0	Direct = 4.2	4.2	Direct	70,120
4	Awareness programme about the need of immunity in school going children	Promoting Healthcare including Preventive Healthcare	1. Other 2. Delhi, Maharashtra, Madhya Pradesh, Uttar Pradesh, Bihar and Jharkhand	160	Direct = 234.36	234.36	Direct	3,00,000
5	Zero Tolerance Drive to generate awareness about mosquitoes and prevention from mosquito borne diseases	Promoting Healthcare including Preventive Healthcare		90	0	0		NA
6	Health Camps to provide easy access to reliable healthcare for poor & needy	Promoting Healthcare including Preventive Healthcare	1. Other 2. Lucknow, Kanpur, Gorakhpur, Meerut, Varanasi, Agra, Ranchi, Patna, Bhagalpur, Muzaffarpur, Raigarh, Kharala, Karhibadar, Basti	80	Direct = 66.28	66.28	Direct	20,489
7	Oral hygiene awareness Camps in schools	Promoting Healthcare including Preventive Healthcare	1. Other 2. U.P, Maharashtra, Madhya Pradesh	90	Direct = 79.21	79.21	Direct and through Society for Oral & Dental Care (SODC): 125, Manas Nagar, Agra-282010	6,00,000
8	Healthcare awareness programmes for Malaria, Cancer and HIV-AIDS	Promoting Healthcare including Preventive Healthcare	1. Local Area - Ghaziabad, Rudrapur 2. Other - Delhi, Mumbai, Pune, Nagpur, Lucknow, Agra, Varanasi, Indore, Bangalore, Hyderabad	3	Direct = 144.86	144.86	Direct	300
9	Wellness Centre to treat people, specially from minority community	Promoting Healthcare including Preventive Healthcare	1. Other 2. Delhi	12	Direct = 18.52	18.52	Direct	1,509
10	Programmes for aiding and addressing health care needs of poor & needy	Promoting Healthcare including Preventive Healthcare	Across India*	45	Direct = 119.44	119.44	Local NGOs#	29,153
11	Tree Plantation Drive	Ensuring Environment Sustainability	1. Local Area 2. Rudrapur, Baddi	2	Direct = 2.46	2.46	Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	247

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or program wise (In Rs Lakh)	(6) Amount spent on the projects or programs Subheads: (In Rs. Lakh) (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period (In Rs Lakh)	(8) Amount spent: Direct or through implementing agency	(9) No. of Beneficiaries
12	Environment sustainability initiatives to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1. Other 2. Himachal Pradesh, Rajasthan, Uttarakhand, Uttar Pradesh, West Bengal, Arunachal Pradesh, Maharashtra, Tamil Nadu, Madhya Pradesh, Andhra Pradesh, Kerala, Jharkhand, Gujarat	300	Direct = 226.15	220.23	Direct	1,096
13	Vocational Training to women and villagers	Providing Employment Generating Vocational Skills and livelihood enhancement projects	1. Local Area - Ghaziabad, Rudrapur, Baddi 2. Other - Madhya Pradesh, Rajasthan, Bihar	35	Direct = 65.61	65.61	Direct & Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	1,259
14	Non-Formal Education Centres for providing basic education to out-of-school underprivileged kids	Promoting Education including Special Education	1. Local Area 2. Ghaziabad, Rudrapur, Baddi	3	Direct = 5.52	5.52	Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	192
15	School Support Programs like providing benches & desks, potable water facility, educational aids such as libraries, learning paintings	Promoting Education including Special Education	1. Local Area 2. Ghaziabad, Rudrapur, Baddi	5	Direct = 4.01	4.01	Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	12 schools
16	Adult Literacy Centres for women	Promoting Gender Equality; Women Empowerment	1. Local Area 2. Ghaziabad, Rudrapur, Baddi	2	Direct = 1.65	1.65	Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	232
17	Promoting & managing self help groups for women	Promoting Gender Equality; Women Empowerment	1. Local Area 2. Ghaziabad, Rudrapur	2	Direct = 7.34	7.34	Sustainable Development Society (Sundesh), 22 Site-IV, Sahibabad, Ghaziabad-201010	2,028
18	Village development activities and setting up public libraries	Village Development Activities		4 0	0	0		NA
19	Incidental & administrative expenses for running these programmes	Incidental Expenses	1. Local Area 2. Ghaziabad	200	Overheads = 68.1	68.1	Direct	NA
	<b>TOTAL</b>			<b>1533</b>		<b>1470.55</b>		<b>5</b>

\* Covers most states across India

# Separate list of local NGOs engaged in various states

**In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in the Board report: Not Applicable**

#### Responsibility statement of CSR Committee:

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with Company's CSR objectives (i.e. CSR Vision and CSR Mission) and CSR Policy of the Company.

(Sunil Duggal)  
CEO

(Dr. Ajay Dua)  
Chairman - CSR Committee

## # List of Implementing Agencies (NGOs)

Programmes to meet nutrition needs of poor & needy	
Name of Implementing Agency	Region
Aapahaj Ashram	North
Agarwal Mahasabha	North
Arya Anath Ashram	North
Balgran	North
Chahat Helping Hands foundation	North
Charitable Diagonistic Centre	North
Dhanwantri Hospital	North
Gopal Dham	North
Gurunanak Garib Nawaj Edu. Society	North
Helpage India	North
John Day Care	North
Life Worth Foundation	North
Lions	North
Manav Seva Kendra/Amravati Purushottam Jankalyan Trust	North
Maulik Adhaar	North
Nirashit Kalyan Samiti	North
Pingla Ghar	North
Prayas	North
Satyakam Sewa Sansthan	North
Shanti Sahyog	North
SoS village	North
Unique Home	North
Akshaya Patra Foundation	South
Anbu Karangalin Anbu Illam	South
Don Bosco Welfare Centre Society	South
Jeeva Jyothi	South
Lions International	South
LYNY ( Lover your neighbour as yourself)	South
Sharon Child Development Centre	South
SKCV Child Trust	South
SOS Children's Village	South
Sri Gyan Ashram Charitable Trust	South
Sri Ramakrishna Ashram	South
Sri Sathya Sai Seva Samithi	South
All India Centre for Urban & Rural Development	East
AIIESEC	East
Baba Baidyanath Welfare Society	East

Programmes for aiding and addressing health care needs of poor & needy	
Name of Implementing Agency	Region
Apahaj Ashram	North
Agarwal Mahasabha	North
Arya Anath Ashram	North
Balgran	North
Chahat Helping Hands Foundation	North
Charitable Diagnostic Centre	North
Dhanwantri Hospital	North
Guru Nanak Anathaalya	North
Helpage India	North
John Day Care	North
Lions	North
Mool Adhikar Association	North
Nirashit Kalyan Samiti	North
Pingla Ghar	North
Satyakam Sewa Sansthan	North
Shanti Sahyog	North
SOS Village	North
Unique Home	North
Akshaya Patra Foundation	South
Anbu Karangalin Anbu Illam	South
Don Bosco Welfare Centre Society	South
Jeeva Jyothi	South
Lions International	South
LYNY ( Lover your neighbour as yourself)	South
SKCV Child Trust	South
SOS Children's Village	South
Sri Gyan Ashram Charitable Trust	South
Sri Ramakrishna Ashram	South
Sri Sathya Sai Seva Samithi	South
All India Centre for Urban & Rural Development	East
Bharat Sevashram Sangha	East
Bondhu	East
Corporate & Us	East
Cossipore Sewa Samiti	East
Institute of Child Health	East
Maya Foundation	East
Nabanir	East

Bharat Sevashram Sangha	East
Blooming Bud School	East
Bondhu	East
Corporate & Us	East
Cossipore Seva Samiti	East
Diabetes & You	East
Hasus India	East
Institute of Child Health	East
Maya Foundation	East
Planet Development Foundation	East
Ram Krishna Mission	East
Rotary Club	East
Sevak Vaidhya	East
Shikhar Swayam Sevi Sangathan	East
Aasara	West
ADHAR, Association of Parents Of Mentally Retarded Children	West
Adivasi Unnati Mandal	West
Amrit Lal Dubey School	West
Anand Service Society	West
Anubhuti Vision Seva Sansthan	West
Bal Ganesh Mitra Mandal	West
Balram Ashram School	West
BISWA (Bharat Integrated Social Welfare Agency)	West
Centre for Integrated Development	West
Disha Charitable Trust	West
Divya Trust	West
Holy Cross Convent	West
Indian Center for Integrated Development	West
Jeevan Sandhyasmruti Vruddhasharam	West
Jyoti Mahila Mandal	West
Malakaxmi Cooperative	West
Maharashtra Kamgar Kalyan Bhavan	West
Mamta Bal Sadan	West
Missionaries of Charity	West
National Association for the blind	West
Nav Jyothy Special School	West
Nav Pahal	West

[illegible]



## Annexure 11

## FORM MGT 9

## EXTRACT OF ANNUAL RETURN as on the Financial Year ended 31.03.2015

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	<b>L24230DL1975PLC007908</b>
ii	Registration Date	16 <sup>th</sup> September, 1975
iii	Name of the Company	DABUR INDIA LIMITED
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	8/3, Asaf Ali Road, New Delhi- 110002; Tel.: +91 11 23253488
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; Tel.: +91 40 67162222, Fax No.: +91 40 23001153, Website - <a href="http://www.karvy.com">www.karvy.com</a> , Toll free No. - 1800-345-4001

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Fruit Juices	10304	16.83%
2	Amla Hair Oil	20236	12.15%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section of Companies Act, 2013
1	H & B Stores Ltd. 8/3, Asaf Ali Road, New Delhi, Delhi - 110002, India	U74120DL2007 PLC163361	Subsidiary	100%	2(87)(ii)
2	Dabur International Limited 12-14, Finch Road, Douglas Isle of Man IM1 2 TT	NA	Subsidiary	100%	2(87)(ii)
3	Dabur (UK) Limited Trident Chambers, P.O. Box 146, Road Town, Tortola, British Virgin Islands	NA	Subsidiary	100%	2(87)(ii)
4	Dabur Egypt Limited 10 <sup>th</sup> of Ramadan, A6 Industrial Area 39, Egypt	NA	Subsidiary	100%	2(87)(ii)
5	African Consumer Care Ltd. Plot B, Olympic Street, Off Alakoso Avenue, Amuwo-Odofin industrial Area, Festac Town, Lagos	NA	Subsidiary	100%	2(87)(ii)
6	Naturelle LLC Emirates Link Road, Al Hamra, Al Zazeera Industrial Area, P.O. Box No. - 6399, Ras Al Khaimah, UAE	NA	Subsidiary	100%	2(87)(ii)
7	Hobi Kozmetik Imalat Sanayi Ve Ticaret Anonim Sirketi Saray Mah. Site Yolu Sk. N:5/4 Anel İş Merkezi K:2/6 34768 Ümraniye - İstanbul	NA	Subsidiary	100%	2(87)(ii)
8	Ra Pazarlama Limited Sirketi Saray Mah. Site Yolu Sk. N:5/4 Anel İş Merkezi K:2/6-B 34768 Ümraniye – İstanbul	NA	Subsidiary	100%	2(87)(ii)
9	Dabur Tunisie Lot No. 606, ZI- Enfidha Sousse, Tunisia	NA	Subsidiary	100%	2(87)(ii)

SI No	Name & Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section of Companies Act, 2013
10	Dermoviva Skin Essentials INC 2711, Centerville Road, Suite 400, Wilmington, Delaware 19808	NA	Subsidiary	100%	2(87)(ii)
11	Namaste Laboratories LLC, 311 S. Wacker Drive, Suite 4300, Chicago, IL 60606	NA	Subsidiary	100%	2(87)(ii)
12	Hair Rejuvenation & Revitalization Nigeria Ltd. 4, Lailupon Close, OFF Keffi Street, S.W. Ikoyi, Logos, Nigeria	NA	Subsidiary	100%	2(87)(ii)
13	Healing Hair Laboratories International LLC, 2711, Centerville Road, Suite 400, Wilmington, DE 19808	NA	Subsidiary	100%	2(87)(ii)
14	Urban Laboratories International LLC, Corporation Service Company, 2711 Centerville Rd., Suite 400, Wilmington, DE-19808	NA	Subsidiary	100%	2(87)(ii)
15	Namaste Cosmetics Ltda Av. Bernardino de Campos, No. 98, 14 <sup>th</sup> floor, Paraíso, 04004-040 City of São Paulo, State of São Paulo	NA	Subsidiary	100%	2(87)(ii)
16	Dabur Lanka (Pvt) Limited Level 14, West Tower, World Trade Centre, Echelon Square, Colombo - 1	NA	Subsidiary	100%	2(87)(ii)
17	Dabur Consumer Care Pvt. Ltd., Level 14, West Tower, World Trade Centre, Echelon Square, Colombo - 1	NA	Subsidiary	100%	2(87)(ii)
18	Asian Consumer Care Pakistan (Pvt) Limited D-25, Block 5 Clifton, Karachi, Pakistan	NA	Subsidiary	99.99%	2(87)(ii)
19	Asian Consumer Care Private Limited 245, Tejgaon Industrial Area, Dhaka, 1208, Bangladesh	NA	Subsidiary	76%	2(87)(ii)
20	Dabur Nepal Pvt. Ltd. Rampur, Tokani Bara, Nepal	NA	Subsidiary	97.50%	2(87)(ii)
21	Forum 1 Aviation Private Limited 505, G+5 Building, Indira Gandhi Airport, Opposite Domestic Airport Arrival Terminal, New Delhi - 110037, India	U62200DL2004 PTC131655	Associate	16.67%	2(6)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a. Individual/HUF	2163000	0	2163000	0.12	2156999	0	2156999	0.12	0
b. Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c. Bodies Corporates	1194541150	0	1194541150	68.50	1194771150	0	1194771150	68.02	-0.48
d. Bank/FI	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL: (A)(1)</b>	<b>1196704150</b>	<b>0</b>	<b>1196704150</b>	<b>68.63</b>	<b>1196928149</b>	<b>0</b>	<b>1196928149</b>	<b>68.14</b>	<b>-0.48</b>
<b>2. Foreign</b>									
a. NRI- Individuals	315000	0	315000	0.02	315000	0	315000	0.02	0
b. Other Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corp.	0	0	0	0	0	0	0	0	0
d. Banks/FI	0	0	0	0	0	0	0	0	0
e. Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL: (A)(2)</b>	<b>315000</b>	<b>0</b>	<b>315000</b>	<b>0.02</b>	<b>315000</b>	<b>0</b>	<b>315000</b>	<b>0.02</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1197019150</b>	<b>0</b>	<b>1197019150</b>	<b>68.64</b>	<b>1197243149</b>	<b>0</b>	<b>1197243149</b>	<b>68.16</b>	<b>-0.48</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a. Mutual Funds/UTI	1557530	13000	1570530	0.09	2538024	13000	2551024	0.15	0.06
b. Banks/FI	19287509	0	19287509	1.11	14395655	0	14395655	0.82	-0.29
c. Central govt	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Fund	0	0	0	0	0	0	0	0	0
f. Insurance Companies	77543867	0	77543867	4.45	65922491	0	65922491	3.75	-0.69
g. FIIS	335444254	0	335444254	19.24	368149134	0	368149134	20.96	1.72
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL: (B)(1)</b>	<b>433833160</b>	<b>13000</b>	<b>433846160</b>	<b>24.88</b>	<b>451005304</b>	<b>13000</b>	<b>451018304</b>	<b>25.68</b>	<b>0.80</b>
<b>2. Non Institutions</b>									
<b>a. Bodies corporates</b>									
i. Indian	19560921	54000	19614921	1.12	15263967	54000	15317967	0.87	-0.25
ii. Overseas	0	0	0	0	0	0	0	0	0
<b>b. Individuals</b>									
i. Individual shareholders holding nominal share capital upto Rs.1 lakhs	62975769	6709317	69685086	4.00	58854417	5921668	64776085	3.69	-0.31
ii. Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	16614408	0	16614408	0.95	20406280	0	20406280	1.16	0.21
<b>c. Others (specify)</b>									
Clearing Members	936083	0	936083	0.05	611377	0	611377	0.03	-0.02
Non Resident Indians	3576356	1687509	5263865	0.30	4624090	1546884	6170974	0.35	0.05
Overseas Corporate Bodies	78000	6000	84000	0	78000	6000	84000	0.00	0
Trusts	749400	0	749400	0.04	883854	0	883854	0.05	0.01
<b>SUB TOTAL: (B)(2)</b>	<b>104490937</b>	<b>8456826</b>	<b>112947763</b>	<b>6.47</b>	<b>100721985</b>	<b>7528552</b>	<b>108250537</b>	<b>6.16</b>	<b>-0.31</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>538324097</b>	<b>8469826</b>	<b>546793923</b>	<b>31.35</b>	<b>551727289</b>	<b>7541552</b>	<b>559268841</b>	<b>31.84</b>	<b>0.49</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>1735343247</b>	<b>8469826</b>	<b>1743813073</b>	<b>100.00</b>	<b>1748970438</b>	<b>7541552</b>	<b>1756511990</b>	<b>100.00</b>	

## ii. Shareholding of Promoters

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
Individuals/Hindu Undivided Family								
1	Anand Chand Burman	660000	0.04	0	660000	0.04	0	0
2	Pradip Burman	364000	0.02	0	364000	0.02	0	0
3	Gauri Tandon	340000	0.02	0	339999	0.02	0	0
4	Gauri Tandon	338000	0.02	0.02	338000	0.02	0	0
5	Asha Burman	154000	0.01	0	154000	0.01	0	0
6	Indira Burman	100000	0.01	0	100000	0.01	0	0
7	Minnie Burman	30000	0.00	0	30000	0.00	0	0
8	Shivani Burman	30000	0.00	0	30000	0.00	0	0
9	Amit Burman (HUF)	30000	0.00	0	30000	0.00	0	0
10	Pradip Burman (HUF)	30000	0.00	0	30000	0.00	0	0
11	Ashok Chand Burman (HUF)	30000	0.00	0	30000	0.00	0	0

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
12	Chetan Burman	30000	0.00	0	30000	0.00	0	0
13	Vivek Chand Burman	15000	0.00	0	15000	0.00	0	0
14	Eishana Burman	6000	0.00	0	6000	0.00	0	0
15	Naresh Talwar	4020	0.00	0	0	0	0	0
16	Umesh Talwar	1980	0.00	0	0	0	0	0
<b>Body Corporates</b>								
17	Chowdry Associates (owned by Mr. Siddharth Burman)	217941800	12.50	0	217941800	12.41	0	-0.09 <sup>#</sup>
18	VIC Enterprises Private Limited (owned by Mr. V C Burman)	217734000	12.49	0	217734000	12.40	0	-0.09 <sup>#</sup>
19	Gyan Enterprises Private Limited (owned by Mrs. Asha Burman)	202237980	11.60	0	202237980	11.51	0	-0.09 <sup>#</sup>
20	Puran Associates Private Limited (owned by Mr. Pradip Burman Family Trust)	189212000	10.85	0	189212000	10.77	0	-0.08 <sup>#</sup>
21	Ratna Commercial Enterprise Private Limited (owned by Mr. Pradip Burman Family Trust)	155233430	8.90	0	155463430	8.85	0	-0.05
22	Milky Investment and Trading Company (owned by Dr. Anand C Burman)	106140970	6.09	0	106140970	6.04	0	-0.04 <sup>#</sup>
23	Burmans Fininvest Private Limited (owned by Mrs. Monica Burman)	53012986	3.04	0	53012986	3.02	0	-0.02 <sup>#</sup>
24	M B Finmart Pvt. Ltd. (owned by Mr. Mohit Burman)	26506492	1.52	0	26506492	1.51	0	-0.01 <sup>#</sup>
25	Windy Investments Private Limited (owned by Mr. Gaurav Burman)	26506492	1.52	0	26506492	1.51	0	-0.01 <sup>#</sup>
26	Sahiwal Investment and Trading Company	15000	0.00	0	15000	0	0	0
<b>Non Resident Individuals</b>								
27	Sidharth Burman	300000	0.02	0	300000	0.02	0	0.00
28	Monica Burman	15000	0.00	0	15000	0.00	0	0.00
<b>Total</b>		<b>1197019150</b>	<b>68.64</b>	<b>0.02</b>	<b>1197243149</b>	<b>68.16</b>	<b>0.00</b>	<b>-0.48</b>

<sup>#</sup> Change in shareholding is due to change in paid up share capital of the Company.

### iii. Change in Promoters' Shareholding (Please specify, if there is no change)

Sl No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company*
	<b>At the beginning of the year</b>	<b>1197019150</b>	<b>68.64</b>	<b>1197019150</b>	<b>68.15</b>
	<b>Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc)</b>				
1	<b>Increase (Purchase of Shares)</b>				
	Ratna Commercial Enterprises Private Limited				
	20.05.2014 (Purchase of share)	50000	0.00	1197069150	68.15
	14.10.2014 (Purchase of share)	70000	0.00	1197139150	68.15
	16.10.2014 (Purchase of share)	20000	0.00	1197159150	68.16
	20.03.2015 (Purchase of share)	5000	0.00	1197164150	68.16
	24.03.2015 (Purchase of share)	45000	0.00	1197209150	68.16
	26.03.2015 (Purchase of share)	40000	0.00	1197249150	68.16
	<b>Decrease (Sale of Shares)</b>				
2	Naresh Talwar - 20.11.2014	4020	0.00	1197245130	68.16
3	Umesh Talwar - 20.11.2014	1980	0.00	1197243150	68.16
4	Gauri Tandon - 23.01.2015	1	0.00	1197243149	68.16
	<b>At the end of the year</b>	<b>1197243149</b>	<b>68.16</b>	<b>1197243149</b>	<b>68.16</b>

\* Based on the paid up share capital of the Company as on 31.03.2015

#### iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company*
1.	Life Insurance Corporation of India	69275890	3.97	60171349	3.43
2.	Genesis Indian Investment Company Ltd.	36009735	2.06	21633244	1.23
3.	First State Investments (Hong Kong) Ltd.	26565090	1.52	17504128	1.00
4.	Baring India Pvt. Equity Fund	26230000	1.50	26230000	1.49
5.	Mathews Pacific Tiger Fund	25308038	1.45	25308038	1.44
6.	L.I.C of India Money Plus Growth Fund	11004468	0.63	8733392	0.50
7.	Harding, Loevner Funds Inc. Emerging Markets Portfolio	7760404	0.45	8730904	0.50
8.	Merrill Lynch Capital Markets	7710368	0.44	0	0
9.	Met Investors Series Trust	7698424	0.44	0	0
10.	Vanguard Emerging Markets Stock Index Fund	7377108	0.42	9504009	0.54

\* Based on the paid up share capital of the Company as on 31.03.2015

#### v. Shareholding of Directors & Key Managerial Personnel

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company*
	<b>Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)</b>				
<b>1.</b>	<b>MR. P D NARANG (Director &amp; KMP)</b>				
	<b>At the beginning of the year</b>	<b>3067348</b>	0.18	<b>3067348</b>	0.17
	06/06/2014 (Sale of Shares)	100000	0.01	2967348	0.17
	12/06/2014 (ESOP Allotment)	1526664	0.09	4494012	0.26
	12/06/2014 (Sale of Shares)	40479	0.00	4453533	0.25
	13/06/2014 (Sale of Shares)	164112	0.01	4289421	0.24
	03/07/2014 (Sale of Shares)	100000	0.01	4189421	0.24
	07/07/2014 (Sale of Shares)	100000	0.01	4089421	0.23
	08/07/2014 (Sale of Shares)	110000	0.01	3979421	0.23
	11/07/2014 (Sale of Shares)	125131	0.01	3854290	0.22
	15/07/2014 (Sale of Shares)	336514	0.02	3517776	0.20
	18/07/2014 (Sale of Shares)	157946	0.01	3359830	0.19
	03/02/2015 (Sale of Shares)	34000	0.00	3325830	0.19
	<b>At the end of the year</b>	<b>3325830</b>	0.19	<b>3325830</b>	0.19
<b>2.</b>	<b>MR. SUNIL DUGGAL (Director &amp; KMP)</b>				
	<b>At the beginning of the year</b>	<b>3010000</b>	0.17	<b>3010000</b>	0.17
	13/05/2014 (Sale of Shares)	30000	0.00	2980000	0.17
	14/05/2014 (Sale of Shares)	20000	0.00	2960000	0.17
	20/05/2014 (Sale of Shares)	20000	0.00	2940000	0.17
	30/05/2014 (Sale of Shares)	50000	0.00	2890000	0.16
	10/06/2014 (Sale of Shares)	10000	0.00	2880000	0.16
	11/06/2014 (Sale of Shares)	10000	0.00	2870000	0.16
	12/06/2014 (ESOP allotment)	1676664	0.10	4546664	0.26
	12/06/2014 (Sale of Shares)	10000	0.00	4536664	0.26
	13/06/2014 (Sale of Shares)	10000	0.00	4526664	0.26
	04/07/2014 (Sale of Shares)	26664	0.00	4500000	0.26
	07/07/2014 (Sale of Shares)	30000	0.00	4470000	0.25



Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company*
	08/07/2014 (Sale of Shares)	50000	0.00	4420000	0.25
	11/07/2014 (Sale of Shares)	30000	0.00	4390000	0.25
	30/07/2014 (Sale of Shares)	30000	0.00	4360000	0.25
	31/07/2014 (Sale of Shares)	60000	0.00	4300000	0.24
	06/08/2014 (Sale of Shares)	10000	0.00	4290000	0.24
	13/08/2014 (Sale of Shares)	60000	0.00	4230000	0.24
	14/08/2014 (Sale of Shares)	40000	0.00	4190000	0.24
	18/08/2014 (Sale of Shares)	50000	0.00	4140000	0.24
	19/08/2014 (Sale of Shares)	30000	0.00	4110000	0.23
	22/08/2014 (Sale of Shares)	10000	0.00	4100000	0.23
	26/08/2014 (Sale of Shares)	30000	0.00	4070000	0.23
	27/08/2014 (Sale of Shares)	70000	0.00	4000000	0.23
	28/08/2014 (Sale of Shares)	30000	0.00	3970000	0.23
	01/12/2014 (Sale of Shares)	5298	0.00	3964702	0.23
	15/01/2015 (Sale of Shares)	4702	0.00	3960000	0.23
	19/01/2015 (Sale of Shares)	38526	0.00	3921474	0.22
	02/02/2015 (Sale of Shares)	11474	0.00	3910000	0.22
	03/02/2015 (Sale of Shares)	25000	0.00	3885000	0.22
	05/02/2015 (Sale of Shares)	7359	0.00	3877641	0.22
	06/02/2015 (Sale of Shares)	17641	0.00	3860000	0.22
	09/03/2015 (Sale of Shares)	10000	0.00	3850000	0.22
	18/03/2015 (Sale of Shares)	10000	0.00	3840000	0.22
	<b>At the end of the year</b>	<b>3840000</b>	<b>0.22</b>	<b>3840000</b>	<b>0.22</b>
<b>3.</b>	<b>DR. ANAND CHAND BURMAN (Director)</b>				
	<b>At the beginning of the year</b>	<b>660000</b>	<b>0.04</b>	<b>660000</b>	<b>0.04</b>
	No change during the year	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>	<b>660000</b>	<b>0.04</b>	<b>660000</b>	<b>0.04</b>
	<i>None of the other Directors holds shares in the Company</i>				
<b>4.</b>	<b>MR. ASHOK KUMAR JAIN (KMP)</b>				
	<b>At the beginning of the year</b>	<b>113735</b>	<b>0.01</b>	<b>113735</b>	<b>0.01</b>
	02/05/2014 (Sale of Shares)	43000	0.00	70735	0.00
	13/05/2014 (Sale of Shares)	5000	0.00	65735	0.00
	12/06/2014 (ESOP Allotment)	176763	0.01	242498	0.01
	04/07/2014 (Sale of Shares)	2000	0.00	240498	0.01
	08/07/2014 (Sale of Shares)	1000	0.00	239498	0.01
	11/07/2014 (Sale of Shares)	2000	0.00	237498	0.01
	13/08/2014 (Sale of Shares)	2000	0.00	235498	0.01
	14/08/2014 (Sale of Shares)	1000	0.00	234498	0.01
	18/08/2014 (Sale of Shares)	4000	0.00	230498	0.01
	26/08/2014 (Sale of Shares)	2000	0.00	228498	0.01
	27/08/2014 (Sale of Shares)	2000	0.00	226498	0.01
	11/12/2014 (ESOP Allotment)	36364	0.00	262862	0.01
	31/12/2014 (Sale of Shares)	12000	0.00	250862	0.01
	<b>At the end of the year</b>	<b>250862</b>	<b>0.01</b>	<b>250862</b>	<b>0.01</b>
<b>5.</b>	<b>MR. LALIT MALIK (KMP)</b>				
	<b>At the beginning of the year</b>	<b>NIL</b>	<b>-</b>	<b>NIL</b>	<b>-</b>
	09/06/2014 (ESOP Allotment)	21867	0.00	21867	0.00
	<b>At the end of the year</b>	<b>21867</b>	<b>0.00</b>	<b>21867</b>	<b>0.00</b>

\* Based on the paid up share capital of the Company as on 31.03.2015

**V. INDEBTEDNESS****(Rs. in Crores)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans (PCFC + Bank Overdraft)	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i. Principal Amount	17.79	28.91	0	46.70
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>17.79</b>	<b>28.91</b>	<b>0</b>	<b>46.70</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	198.70	0	198.70
Reduction	2.05	114.22	0	116.27
<b>Net Change</b>	<b>-2.05</b>	<b>84.48</b>	<b>0</b>	<b>82.43</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	15.74	113.39	0	129.13
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>15.74</b>	<b>113.39</b>	<b>0</b>	<b>129.13</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole Time Director and/or Manager:****(Rs. in Crores)**

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1.	<b>Gross salary</b>	Mr. P.D. Narang (Whole Time Director)	Mr. Sunil Duggal (Whole Time Director) designated as CEO	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax, 1961.	6.70	6.71	13.41
b.	Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.03	0	0.03
c.	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	No. of Stock option	585000	585000	1170000
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A) (1+3+4+5)</b>	<b>6.73</b>	<b>6.71</b>	<b>13.44</b>
	<b>Ceiling as per the Act</b>	Rs. 97.65 Crore (being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)		

**B. Remuneration to other Directors:****(Rs. in Crores)**

Sl. No.	Particulars of Remuneration	Name of the Directors						
1.	Independent Directors	Mr. P N Vijay	Dr. S Narayan	Mr. R C Bhargava	Dr. Ajay Dua	Mr. Sanjay K Bhattacharyya	Mrs. Falguni S Nayar	Total Amount
	a. Fee for attending Board / Committee meetings	0.13	0.12	0.10	0.11	0.12	0.03	0.61
	b. Commission	Nil						
	c. Others, please specify	Nil						
	<b>Total (1)</b>	0.13	0.12	0.10	0.11	0.12	0.03	0.61
2.	Other Non Executive Directors							
	a. Fee for attending Board/Committee Meetings	Nil						
	b. Commission	Nil						
	c. Others, please specify.	Nil						
	<b>Total (2)</b>	Nil						
	<b>Total (B)=(1+2)</b>	0.13	0.12	0.10	0.11	0.12	0.03	0.61
	<b>Total Managerial Remuneration</b>							0.61
	<b>Overall Ceiling as per the Act.</b>	Rs. 9.76 Crore (being 1% of the net profits calculated as per Section 198 of the Companies Act, 2013).						

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WT****(Rs. in Crores)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1.	Gross Salary	CEO	Company Secretary Mr. A K Jain	CFO Mr. Lalit Malik	Total
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	not applicable (CEO is a WTD)	0.94	1.33	2.27
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NA	0.01	0	0.01
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NA	-	-	-
2.	No. of Stock Option	NA	46200	36000	82200
3.	Sweat Equity	NA	-	-	-
4.	Commission	NA	-	-	-
	- as % of profit	NA	-	-	-
	- others, specify	NA	-	-	-
5.	Others, please specify	NA	-	-	-
	<b>Total (1+3+4+5)</b>		<b>0.95</b>	<b>1.33</b>	<b>2.28</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

## Annexure 12

## Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 as on 31.3.2015

Sl. No.	Name of the Entity	Amount (Rs. in Crs.)
<b>Guarantees</b>		
1	Dabur International Limited (Wholly Owned Subsidiary)	409.18
2	Dermoviva Skin Essentials Inc. (Wholly Owned Subsidiary)	702.79
3	Dabur Lanka (Private) Limited (Wholly Owned Subsidiary)	64.03
4	Dabur Nepal Private Limited (Subsidiary)	62.48
5	Forum I Aviation Private Limited (Joint Venture)	7.14
6	Broadcast Audience Research Council	2.30
<b>Investments</b>		
<b>Shares</b>		
7	Dabur International Limited (Wholly Owned Subsidiary)	59.49
8	H & B Stores Limited (Wholly Owned Subsidiary)	23.15
9	Dermoviva Skin Essentials Inc. (Wholly Owned Subsidiary)	2.54
10	Forum I Aviation Private Limited (Joint Venture)	4.77
11	Dabon International Private Limited	0.27
12	Sanat Products Limited	1.05
13	Shivalik Solid Waste Management Limited	0.02
<b>Bonds/NCDs</b>		
14	Power Finance Corporation Limited	140.50
15	Rural Electrification Corporation Limited	151.57
16	Power Grid Corporation of India Limited	80.15
17	LIC Housing Finance Limited	84.30
18	HDFC Limited	9.51
19	IDFC Limited	93.52
20	ICICI Bank Limited	10.00
21	Export Import Bank of India	63.29
22	Damodar valley Corporation	9.55
23	Nuclear Power Corporation of India Limited	20.00
24	Bajaj Finance Limited	49.69
25	Shri Ram Transport Finance Company Limited	2.31
26	Sesa Sterlite Limited	25.08
27	Tata Capital Financial Services Limited	29.86
28	Air India Limited	7.10
29	Reliance Capital Limited	25.01
30	SBI Cards & Payments Services Private Limited	12.35
31	<b>Commercial paper</b>	91.17
<b>Fixed Deposits (FD)</b>		
<b>Public FD</b>		
32	PNB Housing Finance Limited	67.10
33	IL&FS Financial Services Limited	50.00
<b>Bank FD</b>		
34	Yes Bank Limited	86.00
35	Kotak Mahindra Bank Limited	2.97
36	HDFC Bank Limited	5.00
<b>Total</b>		<b>2455.24</b>

# Business Responsibility Report

## About Dabur

Dabur India Limited is a leading Indian consumer goods company with interests in Hair Care, Oral Care, Skin Care, Health Care, Home Care and Foods. From its humble beginnings in the bylanes of Calcutta way back in 1884 as an Ayurvedic medicines company, Dabur India Ltd. has come a long way today to become a leading consumer products manufacturer in India and it has been dedicated to providing nature-based solutions for a healthy and holistic lifestyle.

Through our comprehensive range of products, we touch the lives of consumers, in all age groups, across all social boundaries. And this legacy has helped us develop a bond of trust with our consumers. That guarantees you the best in all products carrying the Dabur name.

## About this report

The Securities and Exchange Board of India (SEBI) as per its circular dated 13<sup>th</sup> August, 2012 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of company's Annual Report for top 100 listed entities based on market capitalisation at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles. Following is the third Business Responsibility Report of our company which is based on the format suggested by SEBI in its abovementioned circular. This report can be treated as a supplement to our detailed Business Responsibility Report for 2014-15 (available at: <http://www.dabur.com/InvestorCentre-BR-Report-2014-15>) which is also based on the 9 Principles enshrined in the NVGs.

## Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company** : L24230DL1975PLC007908
- Name of the Company** : Dabur India Limited
- Registered address** : 8/3, Asaf Ali road, New Delhi 110002
- Website** : [www.dabur.com](http://www.dabur.com)
- E-mail id** : [corpcomm@dabur.com](mailto:corpcomm@dabur.com)
- Financial Year reported** : 2014-15
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

Dabur is a Fast-Moving Consumer Goods (FMCG) company and operates in key consumer product categories like hair care, oral care, health care, skin care, home care and foods. Our product portfolio includes over 381 trusted products spread across 21 categories and over 1,000 SKUs.

Three principle products of the company with ITC code are:

Product Description	ITC Code No.
Ayurvedic Medicines	30049001
Hair Oils	33059001
Dentifrices	33061000

## 8. List three key products/services that the Company manufactures/provides (as in balance sheet):

Dabur's product portfolio can be broadly categorised into:

- Health care products
- Consumer care products which includes home & personal care
- Foods consisting of fruit-based beverages and culinary pastes business

Health care products include health supplements, digestives, honey, over-the-counter (OTC) products, and ayurvedic ethicals. Consumer Care products include hair care, skin & body care, oral care and home care products.

Some of our leading brands include Dabur Chyawanprash, Dabur Honey and 'Real' range of fruit juices.

## 9. Total number of locations where business activity is undertaken by the Company

### i. Number of International Locations (Provide details of major 5)

Detail of Dabur's international business, through its overseas subsidiaries, is given below:

Sl. No.	Key geographies by total overseas sales	Major products/categories
1	Middle East - Kingdom of Saudi Arabia (KSA) and United Arab Emirates (UAE)	Hair oils, hair creams, Vatika styling hair gels, shampoos (Vatika shampoo) and toothpastes
2	Africa - Egypt and Nigeria	Hair oils, hair creams, conditioning and treatment products and toothpastes
3	Asia (ex-India) - Nepal, Bangladesh and Pakistan	Foods, hair oils, shampoos, digestives and home care
4	U.S	Specialized hair care products-relaxer kits, hair conditioners, moisturizers, shampoos and gels
5	Turkey	Shampoos, hair conditioner, body wash and baby care

Major international manufacturing locations include Nepal, Bangladesh, UAE, Nigeria, Egypt, Turkey and Sri Lanka

### ii. Number of National Location

Dabur has manufacturing plants in 10 locations across the country.

State/Union Territory	Location
Himachal Pradesh	Baddi
Uttarakhand	Rudrapur
Uttar Pradesh	Ghaziabad (Sahibabad)
Jammu & Kashmir	Jammu
Rajasthan	Alwar, Newai
Madhya Pradesh	Katni, Pithampur
West Bengal	Narendrapur
Dadar and Nagar Haveli	Silvassa

Dabur's regional offices are situated at Ghaziabad, Mumbai, Hyderabad, Kolkata



## 10. Markets served by the Company – Local/State/National/International

Dabur has a global footprint and serves both National and International markets.

### Section B: Financial Details of the Company

- |                                                                                                  |                               |
|--------------------------------------------------------------------------------------------------|-------------------------------|
| 1. Paid up Capital (INR)                                                                         | : 175.65 crore                |
| 2. Total Turnover (INR)                                                                          | : 5,431.28 crore              |
| 3. Total profit after taxes (INR)                                                                | : 762.58 crore                |
| 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | : 1.93% of PAT for FY 2014-15 |

However, total CSR expenditure is 2.01% of average net profits of the company made during the three immediately preceding financial years

### 5. List of activities in which expenditure in 4 above has been incurred.

Eradicating hunger, poverty and malnutrition
Promoting health care including preventive healthcare
Promoting sanitation
Health care awareness programs on cancer
Ensuring Environmental Sustainability
Providing Employment Generating Vocational Skills and livelihood enhancement projects
Promotion of Education including Special Education
Promoting gender equality and empowering women

### Section C: Other Details

#### 1. Does the Company have any Subsidiary Company/Companies?

The details of subsidiary companies are given below:

- African Consumercare Limited, Nigeria - (Foreign Wholly Owned Subsidiary)
- Asian Consumer Care Pakistan (Pvt.) Ltd., Pakistan - (Foreign Subsidiary)
- Asian Consumer Care Pvt. Ltd., Bangladesh - (Foreign Subsidiary)
- Dabur (UK) Ltd., British Virgin Island - (Foreign Wholly Owned Subsidiary)
- Dabur Consumer Care (Private) Limited, Sri Lanka (Foreign Wholly Owned Subsidiary)
- Dabur Egypt Ltd., Egypt - (Foreign Wholly Owned Subsidiary)
- Dabur International Ltd., Isle of Man - (Foreign Wholly Owned Subsidiary)
- Dabur Lanka (Pvt.) Ltd., Sri Lanka - (Foreign Wholly Owned Subsidiary)
- Dabur Nepal Pvt. Ltd., Nepal - (Foreign Subsidiary)
- Dabur Tunisie, Tunisia - (Foreign Wholly Owned Subsidiary)
- Dermoviva Skin Essentials Inc., USA - (Foreign Wholly Owned Subsidiary)
- H & B Stores Limited (Domestic Wholly Owned Subsidiary)
- Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria (Foreign Wholly Owned Subsidiary)
- Healing Hair Laboratories International LLC, USA - (Foreign Wholly Owned Subsidiary)
- Hobi Kozmetik – Turkey (Foreign Wholly Owned Subsidiary)

- Namaste Cosmetics Ltda, Brazil - (Foreign Wholly Owned Subsidiary)
- Namaste Laboratories LLC- USA (Foreign Wholly Owned Subsidiary)
- Naturelle LLC, UAE - (Foreign Wholly Owned Subsidiary)
- RA Pazarlama Ltd. – Turkey (Foreign Wholly Owned Subsidiary)
- Urban Laboratories International LLC, USA - (Foreign Wholly Owned Subsidiary)

#### 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The subsidiary companies operate in different geographies and conduct their own BR initiatives.

#### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Dabur actively engages with its business associates through its BR initiatives.

Entity	Initiative	% of entity
Suppliers (small farmers)	We directly engage with local & small producers for procuring inputs for our supply of rare herbs and medicinal plants through our green house projects. (Details in response to question 4 in Section E, Principle 2)	< 30%
Distributors	Distributors - We actively engage with our distributors to build their capacity through workshops and training sessions.	<30%
B2B customers	We organize customized education programmes for our B2B customers like beauty parlors, doctors etc.	<30%
Suppliers and distributors	The Direct Touch Policy (Whistle Blower & Protection Policy) applies to business associates (suppliers, stockists and dealers) as well. This provides a platform to business associates for reporting unethical business practices without fear of reprisal.	>60%

### Section D: BR Information

#### 1. Details of Director/Directors responsible for BR

##### a. Details of the Director/Directors responsible for implementation of the BR policy/policies

Implementation of BR policies is the collective responsibility of the Board and its Corporate Social Responsibility Committee.

##### b. Details of the BR head

Sl. No.	Particulars	Details
1.	DIN	00042902
2.	Name	Ashok Kumar Jain
3.	Designation	V.P. Fin. & Company Secretary
4.	Tel. No.	011-42786000
5.	E-mail Id	ashokj@dabur.com

## 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

Sl. No.	Questions	Principle 1 Ethics, transparency & Sustainability accountability	Principle 2 Sustainability in life-cycle of products	Principle 3 Employee well- being	Principle 4 Stakeholder engagement	Principle 5 Promotion of human rights	Principle 6 Environ- mental protection	Principle 7 Responsible public policy advocacy	Principle 8 Inclusive growth	Principle 9 Customer value
1	Do you have a policy/policies for	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
2	Has the policy/been developed in consultation with relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
3	Does the policy confirm to any national / international standards? If yes, specify.	NA	NA	Yes, OHSAS 18001	NA	NA	Yes, ISO 14001	NA	NA	NA
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Yes, Board of Directors	Yes, CEO	Yes, CEO	Yes, CEO	Yes, CEO	Yes, CEO	NA	Yes, CEO	Yes, CEO
5	Does the company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
6	Indicate the link for the policy to be viewed online	Yes	No	Partial	Yes	Yes	No	NA	No	No
		1. Code of ethics and conduct: <a href="http://www.dabur.com/en/investors1/Policies/codeofconductslidesnew.pdf">http://www.dabur.com/en/investors1/Policies/codeofconductslidesnew.pdf</a>	Whistle blower and protection policy: <a href="http://www.dabur.com/en/investors1/Policies/Touch-2014.pdf">http://www.dabur.com/en/investors1/Policies/Touch-2014.pdf</a>	Whistle blower and protection policy: <a href="http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf">http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf</a>	1. Whistle blower and protection policy: <a href="http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf">http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf</a>	Whistle blower and protection policy: <a href="http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf">http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf</a>				
		2. Whistle blower and protection policy: <a href="http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf">http://www.dabur.com/en/investors1/Policies/Direct-Touch-2014.pdf</a>			2. Dividend policy: <a href="http://www.dabur.com/en/investors1/Policies/Dividend%20Policy.pdf">http://www.dabur.com/en/investors1/Policies/Dividend%20Policy.pdf</a>					
					3. Investors Policy: <a href="http://www.dabur.com/en/investors1/Policies/Investors-Policy-2013.pdf">http://www.dabur.com/en/investors1/Policies/Investors-Policy-2013.pdf</a>					
					4. Policy on Rights of Shareholders <a href="http://www.dabur.com/Investors%20Relation-Corporate%20Governance-Shareholder%20Services">http://www.dabur.com/Investors%20Relation-Corporate%20Governance-Shareholder%20Services</a>					
7	Has the policy been communicated to the relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
8	Does the company have an in-house structure to implement the policy?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	No	No	Yes, OHSAS 18001 certification	No	No	Yes, ISO 14001 certification	NA	No	No
However, an independent audit of complete CSR activities of the company is undertaken.										

**2A. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

Sl. No.	Question	Principle 7: Responsible public policy advocacy
1	The company has not understood the Principles	--
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	--
3	The company does not have financial or manpower resources available for the task	--
4	It is planned to be done within next 6 Months	--
5	It is planned to be done within the next 1 year	--
6	Any other reason (please specify)	Dabur is a member of various industrial and trade bodies and is part of task forces and forums within these bodies. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue and hence do not feel such a policy is necessary given our way of doing business.

**3. Governance related to BR**

**Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The CSR Committee of Board of Directors meets every quarter

**Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Company publishes its Business Responsibility Report annually and these reports are available online at <http://www.dabur.com/BR-Report>

**Section E: Principle-Wise Performance**

**Principle 1**

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

Ethics and transparency are fundamental pillars which underline our business activities. As a responsible and leading organization, Dabur does its business with utmost integrity. Dabur is committed to meeting its business needs without compromising on ethics and accountability. We exercise complete transparency in communicating our decisions that impact our stakeholders. We have following policies in place which form the foundation of our company's commitment towards ethical conduct at all levels:

- **Code of Ethics & Conduct:** Dabur has its Code of Ethics & Conducts which extends to the Board members, members of the Management Committee and all employees in and above Officers level in all of its offices/units/group/NGO but not to Joint Ventures/ suppliers/contractors. It is a must for every employee in all of the business units/subsidiaries to follow ethical professional conduct in their day to day activities. All employees have to read and understand this code and agree to abide by it.
- **Direct Touch (Whistle-Blower & Protection Policy):** This policy is applicable to not just all our Directors, employees and their representative bodies but it also extends to all our business associates and security holders as well which underlines our commitment towards robust Corporate Governance. This policy provides a platform to these stakeholders for reporting unethical behavior, malpractices, fraud or violation of the company's policies without fear of reprisal and help in eliminating any kind of wrongful conduct in the system. The policy also includes wrongful conduct with respect to discrimination or sexual harassment.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

During the reporting period, one complaint was received under the provisions of the Direct Touch policy.

**Principle 2**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- Dabur Chyawanprash
- Dabur Honey
- Real - range of fruit juices

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

Environment continues to be our key focus area and we strive to minimize our burden on natural resources through various resource efficiency initiatives. Life Cycle Analysis (LCA) of three products viz. Chyawanprash, Honey & 'Real' juices have been initiated and these are in their final stages now. The LCA will help us obtain clear and comprehensive information about each of these product's ecological footprint and also help us achieve carbon-neutrality for these products.

As an environmentally conscious company, we continue to innovate and use efficient technologies to bring down our strain on ecology. Through various initiatives and efforts we were able to reduce our water consumption, energy consumption and SOx release in the reporting year across all our units. We have achieved this despite our increasing production figures.

**ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Not applicable since these products are directly consumed by our consumers without using energy or water.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Yes, Dabur, over the years, has worked towards embedding sustainability throughout its inbound supply chain and will continue to do so.

For procuring rare species of herbs and medicinal plants which are essential ingredients for making our products, we

work directly with small and marginal farmers. This allows us to revive these endangered species and also promote sustainable agricultural practices. Inputs procured through this channel constituted around 5-10% of our total inputs purchased.

We strive to reduce the weight and volume of the materials we use for packaging, support initiatives to recycle and use recycled materials.

In the area of ethical sourcing, we discourage the use of forced labour and child labour at our business associates' premises.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, Dabur actively engages with local & small producers for procuring inputs for its supply of rare herbs and medicinal plants which go into the production of its ayurvedic products. Our continuous engagement with the community has helped revive a host of these endangered species, and even establish a sustainable source of livelihood for these forest-based communities. This has also resulted in weeding out middlemen, thereby ensuring higher monetary benefits for the communities. Local farmers also gain through continuous transfer of scientific knowledge through training programmes, workshops and field demos. By directly engaging with the farmers, Dabur can more effectively engage them in sustainable resource management.

In India, our agronomical endeavour spreads over 12 states, stretched over an area of 1,141 acres. It also involves over thousand beneficiary farmers / families who have been linked to our program. State-wise summary (in alphabetical order) of number of farmers involved under contract farming projects and the respective area under cultivation is given below. These include both agronomy initiatives with farmers and forest-based initiatives involving tribal communities.

Sl. No.	States	Crops	No. of Beneficiaries/ Farmers	Coverage in acres
1.	Andhra Pradesh	Pipli, HDST	186	231
2.	Gujarat	Jeewanti	33	15
3.	Himachal Pradesh	Ateech, Kuth, Pushkarmool, Sugandhbala, Jatamansi, Kutki	462	195
4.	Jharkhand	Brihatpanchmool	0	1
5.	Kerala	Pipli	41	15
6.	Madhya Pradesh	HDST	0	4
7.	Maharashtra	Pipli, Nagkeshar, Large Pipli	134	112
8.	Rajasthan	Mulethi, Shankhpashpi, Agnimonth	176	205
9.	Tamil Nadu	Bhumi-amaliki, Chitrakmool, Punarnava, Jeewanti, Anantmool, Pipli Large	167	79
10.	Uttar Pradesh	Mustak, Brahmi, Khas, Bach, Shalparni, Prishniparni, Mandukparni, Bhumi amaliki, Katchur, Barahikand, Chitrakmool, Jeewanti, Anantmool, Pipli, Giloe	210	322
11.	Uttarakhand	Kapurkachri, Sugandhbala, Chirata, Manjishtha, Kutki, Ateech, Bach, Jatamansi, Shalparni, Giloe, Bhumi-amaliki	192	154
12.	West Bengal & North East	Katchur, Bach, Mandukparni, Pipli, Manjishtha, Chirata, Atich, Sugandhbala	73	78
			<b>1,674</b>	<b>1,411</b>

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)**

We have recycled 100% of herbal waste generated during production as fuel for boilers. The percentage of herbal waste recycled is more than 10% of the total waste generated and it also reduces GHG emission.

Our Environment & Quality policy outlines our focus on - reduce, reuse and recycle. While we are pursuing energy efficiency in our factories and increasing the amount of renewable energy we use, at the same time recycling of waste generated during production is taken up actively across all our production units. We regularly seek opportunities to increase the use of recycled materials as production inputs.

Also, non-hazardous waste generated during production is recycled and reused within the plants as fuel for boiler, which reduces the fossil fuel consumption. We also have a biogas plant to generate methane from waste which is then used in canteen as fuel.

Efforts are underway to achieve zero waste water discharge at our units. We also got effluent treatment plants installed at all our units. To add to water conservation, we also have our rain water harvesting projects at all units.

**Principle 3**

**1. Please indicate the Total number of employees**

Company	Permanent employees
Dabur India Limited	3,939
H & B Stores Limited	119
International Business Division	2,376
<b>Total Employees</b>	<b>6,434</b>

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis**

Company	Temporary/ Contractual /Casual employees
Dabur India Limited	5,419
H & B Stores Limited	116
International Business Division	1,013
<b>Total Employees</b>	<b>6,548</b>

**3. Please indicate the Number of permanent women employees**

429



**4. Please indicate the Number of permanent employees with disabilities**

Dabur does not follow differential recruitment policy based on employees' demographic details and physical abilities. Hence, this number is not tracked.

**5. Do you have an employee association that is recognized by management?**

Yes, we have an employee association which is registered under "Trade Union Act - 1926" in Kolkata and Birganj (Nepal)

**6. What percentage of your permanent employees is members of this recognized employee association?**

Less than 10%

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sl. No.	Category	No. of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Permanent Employees	90%
Permanent Women Employees	100%
Casual/Temporary/Contractual Employees	70%
Employees with Disabilities	Included under permanent employees

**Principle 4**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, Dabur has mapped its internal and external stakeholders. We recognise employees, communities surrounding our operations, business associates (network of suppliers, stockists and dealers), customers, shareholders/investors and regulatory authorities as our key stakeholders.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, Dabur identifies communities (with a focus on women and children from these communities) around our manufacturing facilities and small farmers in our inbound supply chain as disadvantaged, vulnerable & marginalized stakeholders.

Additionally, we have installed robust mechanisms to continuously engage with all our stakeholders (internal and external). This helps us in identifying their needs and priorities and allows us to serve these needs accordingly. We are committed towards proactively engaging with all our employees, communities, business associates and customers who may be disadvantaged, vulnerable or marginalized.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

Yes, Dabur regularly undertakes initiatives to serve the interest of its disadvantaged, vulnerable and marginalized stakeholders. These are briefly described below:

Stakeholder group	Initiatives
Employees	<ul style="list-style-type: none"> <li>Code of Ethics &amp; Conduct and Direct Touch Policy (Whistle Blower &amp; Protection Policy) protect employees against any kind of discrimination based on caste, religion, geography, educational or social background, gender etc.</li> <li>Training and awareness programmes for the safety of our women employees.</li> </ul>
Communities around manufacturing facilities	<ul style="list-style-type: none"> <li>Development and deployment of need-based community programmes in the areas of health, education, skill development, sanitation, livelihood etc. as part of Corporate Social Responsibility (CSR) initiatives.</li> </ul>
Business Associates	<ul style="list-style-type: none"> <li>Direct engagement with small and marginal farmers for farming of rare herb species. This provides an avenue for sustainable livelihood generation and capacity building for small farmers and forest-based communities.</li> <li>Direct Touch Policy (Whistle Blower &amp; Protection Policy) extends to business associates as well.</li> </ul>

Customers	<ul style="list-style-type: none"> <li>Strategies for targeting fake products and packaging manufacturers and label printers through raids in collaboration with local authorities and network of business associates as counterfeit products in the market pose a risk to customers as well.</li> <li>Company is a member of FICCI's Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE).</li> </ul>
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## Principle 5

### 1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

At Dabur, issues related to human rights are covered under the Code of Ethics & Conduct and the Direct Touch Policy (Whistle Blower & Protection Policy). The Direct Touch Policy applies not just to employees (employees in and above Officers level) of the group (including SUNDESH, the CSR arm of Dabur) but to business associates (suppliers, stockists and dealers) as well. We do not deal with any supplier/contractor if it is in violation of human rights and we do not employ any person below the age of eighteen as per our recruitment policy. We also prohibit the use of forced or compulsory labour at all our units and discourage the same with our business associates.

The Code of Ethics & Conduct and the Direct Touch Policy discourage violation of human rights and provide a fair and a transparent mechanism for reporting any such violation. The Direct Touch team consists of three senior personnel who investigate the complaint and recommend a corrective action to the management within 30 days of receipt of disclosure. The management acts immediately based on the recommendation. In case of non-response, the employee or business associate can directly approach the Chairman of the Audit Committee. The system is designed to ensure confidentiality and protect the complainant from being victimised. False allegations are also dealt with disciplinary action in accordance with company rules, policies, and procedures. The Direct Touch team maintains a log of all disclosures received and reports the summary of such disclosures and action recommended/taken to the Audit Committee on a quarterly basis.

### 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violation during the reporting period.

## Principle 6

### 1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Dabur's Environment and Pollution control policy and Quality policy pertaining to Principle 6 extends to Dabur and its subsidiaries but do not cover joint ventures, suppliers and contractors.

### 2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Climate change, global warming and environmental degradation pose unique challenges as well as opportunities for Dabur. We take pride in positioning ourselves as an ecologically sensitive organization. We are continually investing in new technologies, implementing process improvements and innovation. To make progressive strides and guide us in our endeavour, we have deployed a dedicated team for devising and implementing strategies for managing these risks and opportunities.

### 3. Does the company identify and assess potential environmental risks? Y/N

Sustainable development is at the core of our operations which is also outlined in our Environment & Pollution control policy. This is further reinforced by sound environmental management systems practiced across our manufacturing units.

The process to identify potential environmental risks involves following steps:

- Consider all operations of the department
- Consider the process flow of each such operation and divide it into different activities, so that each activity can be considered separately for identifying the releases & discharges, land intake, visual impact, resource consumption, health & safety risk
- While dividing operations into activities, consider:
  - Activities – e.g. handling of hazardous materials, receiving, storage, processing, disposal etc.
  - Services - e.g. transportation, maintenance, washing, conditioning, etc.
- Classify activities into "Direct" and "Indirect"
  - Direct: Those which are under the direct control of the organization
  - Indirect: Those which are not under the organization's direct control, but over which it can be expected to have an influence

- Identify aspects of each activity by considering the following inputs:
  - Use of raw materials, consumables, etc. (in case of natural resource), use of a non bio-degradable material (for possible material substitutions)
  - Use of water
  - Use of energy

The above steps will result in a score and if that score is high then that risk is considered as significant. Management programme is then formulated to address the identified risk and is executed in time in order to eliminate that risk.

**4. Does the company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?**

No, we have not registered any project related to Clean Development Mechanism.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

We firmly believe that business success and ecological impact are not mutually exclusive and that one can reduce its impact on environment and at the same time meet its business requirements. We strive to be at the forefront in investing in efficient technologies and process improvement measures that prove to be a fit for achieving our targets. Where possible we are replacing with more energy efficient equipments, lighting fixtures and also using translucent roofing, thereby reducing electricity usage

We are seeking opportunities in the field of solar and wind power energy in order to achieve our renewable energy targets. We have adopted solar street lights at our plants and a pilot project of solar power plant is implemented at our corporate office.

We are also switching to cleaner fuels and have already started using agro based waste as a fuel in some of our units for steam generation. Methane gas generated from our effluent treatment plant is used as a fuel. We also use Piped Natural Gas (PNG), a cleaner alternative, at our Sahibabad factory to reduce the use of diesel.

Expanding green cover through plantation drives is another activity that we undertake on an ongoing basis and have declared 1<sup>st</sup> January as a Tree Plantation day at manufacturing locations.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

In the reporting year, the emissions, solid waste and effluent generated were all within the limits as prescribed by CPCB or SPCB

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

**Principle 7**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with**

Yes, Dabur is a member of several industrial and trade bodies. These are listed below:

- a. Confederation of Indian Industry (CII)
- b. Federation of Indian Chambers of Commerce and Industry (FICCI)
- c. Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- d. PHD Chamber of Commerce and Industry (PHDCCI)
- e. Indian Beverage Association (IBA)

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Dabur is part of various task forces and forums within the above listed industrial and trade bodies. We actively participate in these forums on issues and policy matters that impact the interest of our stakeholders. We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue. In the past, we have participated in forums pertaining to:

- Corporate Governance
- Consumer interest
- Tackling counterfeiting

**Principle 8**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Yes, Dabur supports the principles of inclusive growth and equitable development through not just its corporate social responsibility initiatives but through its core business as well.

Our business approach puts "Planet, People and Profits" at the core and this essentially forms the keystone of everything we do. Through our brand led initiatives,

we continuously aim at delivering our commitment to health & well being of every household we impact. We run campaigns on strengthening immunity (Immune India initiative), awareness on cancer ("Brave & Beautiful" campaign) and camps for health and dental hygiene.

Our green house projects for promoting rare species of herbs and medicinal plants directly from small and marginal farmers provide a sustainable source of livelihood to these forest based communities. These projects entail additional benefits of capacity building of farmers through trainings on sustainable farming methods by our research and development wing and preservation of biodiversity by avoiding unmanaged collection and exploitation of these rare and endangered herbs.

We also work towards targeting fake and counterfeit products available in the market as these pose a serious risk to our customer's well being as well.

Through our CSR arm - Sustainable Development Society or SUNDESH, a voluntary non-profit organization registered under the Society Registration Act 1860, we strive to enhance the lives of communities that surround our operations. The initiatives driven through SUNDESH focus on health, education, livelihood-linked skill development, financial inclusion and empowerment through formation of Self Help Groups (SHGs), village development and veterinary services.

## 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Programmes pertaining to Principle 8 are developed and executed by:

- In-house teams for health and awareness building programmes for consumers in both rural and urban areas, contract farming projects with small and marginal farmers and forest-based communities.
- SUNDESH for community-focused initiatives around areas of operation.
- External NGOs (International and national), Government structures for delivering health & nutrition to poor & needy.
- Other organizations – We also collaborate with private organisation in our awareness drives.

## 3. Have you done any impact assessment of your initiative?

Yes, Dabur internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

## 4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Dabur's contribution towards community development projects during the reporting period (2014-15) is INR 14.71 crore.

Details of community initiatives are given below:

Area	Initiative
Eradicating Hunger, Poverty & Malnutrition	<ul style="list-style-type: none"> <li>• programme to fight malnutrition among street children and also involve the general public in this drive</li> <li>• Programmes to meet nutrition needs of poor &amp; needy</li> </ul>
Promoting health care including preventive healthcare	<ul style="list-style-type: none"> <li>• Health Camps to provide easy access to reliable healthcare for poor &amp; needy</li> <li>• Awareness programme about the need of immunity in school going children</li> <li>• Oral hygiene awareness Camps in schools</li> <li>• Healthcare awareness programmes for Cancer</li> <li>• Wellness Centre to treat people, specially from minority community</li> <li>• Programmes for aiding and addressing health care needs of poor &amp; needy</li> </ul>
Promoting sanitation	<ul style="list-style-type: none"> <li>• Sanitation Drive to provide easy access to toilets and sanitation facilities in rural households and to urban poor</li> </ul>
Ensuring Environment Sustainability	<ul style="list-style-type: none"> <li>• Environment sustainability initiatives to protect endangered species of herbs &amp; plants, enhancing livelihood of farmers</li> <li>• Tree Plantation Drive</li> </ul>
Promoting Education including Special Education	<ul style="list-style-type: none"> <li>• Non-Formal Education Centres for providing basic education to out-of-school underprivileged kids</li> <li>• School Support Programs like benches &amp; desks, potable water facility, educational aids such as libraries learning paintings</li> </ul>
Promoting Gender Equality & Empowering Women	<ul style="list-style-type: none"> <li>• Adult literacy centers for women</li> <li>• Promoting Self-Help Groups for women</li> </ul>
Providing Employment Generating Vocational Skills and livelihood enhancement projects	<ul style="list-style-type: none"> <li>• Vocational Training to women and villagers</li> </ul>

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

At Dabur, all our businesses and manufacturing units continuously engage with communities surrounding their operations through surveys and focused meetings. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the community itself. We also try to create sustainable infrastructure/programmes through institution building like Self Help Groups (SHGs), Joint Liability Groups (JLGs). This is done to ensure flow of benefits to communities even if Dabur is unable to support the programme in the future. This ensures successful adoption by communities to the extent possible.

**Principle 9**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

78% of consumer cases (7 in number) are pending as on the end of financial year. A total of 9 number of consumer cases were received during 2014-15 and 2 of these were disposed off.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

Yes, Dabur displays product information on the label for the benefit of the consumer, over and above what is mandated by local laws like Bureau of Indian Standards Act and Drugs and Cosmetics Act. This additional information is provided to enhance the value consumers can derive from the product and to ensure safe and appropriate use. The additional information on the product label relates to various active ingredients contained in the product, their proven clinical benefits, consumer grievance redressal mechanisms, directions for use (including pictorial depiction), safety, caution etc. and varies from product to product. We also actively inform consumers about how to differentiate between genuine and fake products and how to identify damage in sealed products. A few examples from our product portfolio are given below:

- Odomos (a personal application mosquito repellent)- Apart from the mandatory label requirements, we provide additional information on safety aspects of the product. Information on certification by paediatricians including reference to the journal/publication is provided on the label. This allows the consumer to access additional information on the safety studies done on the product.

- Sani Fresh (Liquid toilet cleaner): We provide pictorial information on direction of use. We also inform the consumers about the safety of the product for use in septic tanks and provide explanation for the guaranteed germ kill claim made on the label.
- Odonil (Air freshener in the form of sprays and blocks): We provide pictorial information on direction of use to ensure that consumer derives maximum utility from the product.
- Oral Care products – Red, Meswak, Promise and Babool (Tooth paste & powder): We provide information on herbal ingredients & their mode of action, history of herbs, direction of use & information about clinical tests conducted.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?**

Details	No. of cases filed in the last five years	No. of cases pending as on end of financial year 2014-15	Remarks
Alleged Unfair trade practices	1	0	Complaint dismissed by the commission
Alleged Irresponsible advertising	21	1	20 complaints were disposed off
Alleged Anti-competitive behaviour	0	0	No case was filed against the company

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes, as part of our stakeholder engagement strategy, Dabur engages with its consumers on an ongoing basis and conducts methodical research on their satisfaction with respect to our products and advertisements. These surveys are conducted through established third party market research firms. We undertake regular brand tracking exercises to assess brand preference scores and impact of our advertisements. Blind product tests are also conducted to gauge consumer satisfaction vis-a-vis products of our competitors. Similar research is also conducted with our sales channel that includes professional partners like ayurvedic doctors, beauty parlour owners etc.



# Independent Auditor's Report on the Financial Statements

To,  
The Members of Dabur India Limited

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Dabur India Limited ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2015, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

## Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. In our opinion, the Company has reasonably adequate internal financial control system in place providing operating effectiveness of such controls.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 and 23 to the financial statements.
- II. The Company did not have any long-term contract including derivative contract which may lead to any foreseeable loss.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **G.Basu & Co.**

*Chartered Accountants*

Firm's registration number: 301174E

**S Lahiri**

*Partner*

Place: Jebel Ali - UAE

Date: May 5, 2015

Membership number: 51717

## Annexure to the Auditor's Report as per Companies (Auditor's Report) Order, 2015

- 1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management at reasonable intervals. As informed, no material discrepancies between book records and the physical inventories have been noticed on such verification.
- 2. a. The inventories have been physically verified at reasonable intervals during the year by management.
- b. The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in books of accounts.
- 3. The Company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- 4. In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventory and fixed assets and on sale of goods and services. During the course of our audit no major weakness has been noticed in the internal controls. We have not observed any continuing failure on the part of the company to correct major weakness in internal control system.
- 5. The Company has not accepted any deposits from public.
- 6. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 in respect of products of the company covered under the rules under said section have been made and maintained. However we are neither

required to carry out nor have carried out any detailed examination of such accounts and records.

7. a. According to information and explanations given to us, 'the company' is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date of becoming payable.
- b. the dues on account on Sales Tax, Income Tax, Excise Duty, Service Tax, Wealth Tax, Custom Duty, Value Added Tax and Cess disputed by the company and not being paid, vis-à-vis forums where such disputes are pending are mentioned below:-
8. 'The Company' does not have accumulated losses at the end of the financial year. 'The company' has not incurred cash losses in the financial year and in the immediately preceding financial year.
9. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that 'the company' has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
10. 'The Company' has given guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are not prejudicial to the interest of 'the company'.
11. The term loans were applied for the purpose for which the loans were obtained by 'The Company'.
12. No fraud has been noticed or reported on or by 'the company' during the year.

Name of the Statute	Nature of dues	Period	Amount (Rs in crs)	Forum where Pending
Sales Tax and VAT Laws	Central Sales Tax, Local Sales Tax, Value Added Tax, Entry Tax etc	1996-97 to 2013-14	27.27	DC, AC, DETC, REV., BOARD, AA, DETC (Commissioner's Level)
		1997-98 to 2003-04, 2005-06 to 2011-12	7.22	Appellate Tribunal
		1990-91 to 2000-01, 2006-07 to 2010-11 & 2012-13	8.75	High Courts
Income Tax Act, 1961	Income Tax	2010-11, 2012-13 to 2014-15	0.36	Assessing Officer
		2009-10	0.01	Commissioner (Appeal)
Central Excise Act, 1944	Excise Duty	1993 to 2001	5.15	Dy. Commissioner
		1994-2014	11.30	Commissioner (Appeal)
		1994-2011	106.67	Tribunal
Service tax (Finance Act 1994)	Service Tax	2001-08	40.29	Tribunal

- c. According to information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.

Place: Jebel Ali - UAE

Date: May 5, 2015

For **G.Basu & Co.**  
Chartered Accountants  
Firm's registration number: 301174E

**S Lahiri**  
Partner  
Membership number: 51717

# Balance Sheet

as at March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	As at March 31, 2015	As at March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	175.65	174.38
(b) Reserves and Surplus	4	2,160.54	1,727.96
<b>2. Non-current liabilities</b>			
(a) Deferred Tax Liabilities (Net)	5	50.35	42.64
(b) Long-term provisions	6	42.79	40.14
<b>3. Current Liabilities</b>			
(a) Short-term borrowings	7	129.13	44.29
(b) Trade payables	8	756.64	704.67
(c) Other current liabilities	9	170.22	147.30
(d) Short-term provisions	10	203.04	240.42
<b>Total</b>		<b>3,688.36</b>	<b>3,121.80</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets	11		
(i) Tangible assets		662.43	642.26
(ii) Intangible assets		20.09	11.39
(iii) Capital work-in-progress		12.22	16.73
(b) Non-current investments	12	1,407.00	554.75
(c) Long-term loans and advances	13	12.30	14.85
(d) Other non-current assets	14	2.00	-
<b>2. Current assets</b>			
(a) Current investments	15	371.17	563.67
(b) Inventories	16	550.60	558.20
(c) Trade receivables	17	338.79	323.12
(d) Cash and Bank Balances	18	123.94	297.47
(e) Short-term loans and advances	19	114.08	84.62
(f) Other current assets	20	73.74	54.74
<b>Total</b>		<b>3,688.36</b>	<b>3,121.80</b>
Summary of significant accounting policies	2		
Contingent liabilities, Capital and other commitments	21,22		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached  
for **G. BASU & CO.**

Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**

Partner  
Membership No. 51717

Place : Jebel Ali - UAE  
Date : May 5, 2015

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**  
Chairman  
DIN: 00056216

**LALIT MALIK**  
Chief Financial Officer

**P D NARANG**  
Whole Time Director  
DIN: 00021581

**A K JAIN**  
VP (Finance) & Company Secretary

**SUNIL DUGGAL**  
Whole Time Director  
DIN: 00041825

# Statement of Profit and Loss

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>I Gross Revenue from sale of products</b>		<b>5,493.30</b>	4,912.94
Less: Excise Duty		(74.38)	(56.14)
Net Revenue from sale of products		<b>5,418.92</b>	4,856.80
Sale of Services		<b>0.10</b>	0.17
Other Operating Revenues		<b>12.26</b>	13.11
Revenue from Operations	25	<b>5,431.28</b>	4,870.08
<b>II Other Income</b>	26	<b>137.85</b>	109.66
<b>III Total Revenue (I + II)</b>		<b>5,569.13</b>	4,979.74
<b>IV Expenses</b>			
Cost of materials consumed	27	<b>1,921.09</b>	1,817.98
Purchase of stock in trade	28	<b>937.25</b>	756.97
Changes in inventories of FG, WIP & Stock in trade:	29		
Finished Goods		(40.66)	(8.08)
Work in Progress		<b>11.29</b>	5.54
Stock in trade		(2.88)	(9.78)
Employee benefits expenses	30	<b>392.99</b>	343.93
Finance costs	31	<b>9.89</b>	19.35
Depreciation and Amortisation expenses	32	<b>65.97</b>	53.89
Other Expenses	33	<b>1,273.70</b>	1,137.89
<b>Total Expense</b>		<b>4,568.64</b>	4,117.69
<b>V Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>1,000.49</b>	862.05
<b>VI Exceptional Items</b> (Refer note 61)		(23.96)	-
<b>VII Profit before extraordinary items and tax (V - VI)</b>		<b>976.53</b>	862.05
<b>VIII Extraordinary Items</b>		-	(0.72)
<b>IX Profit before tax (VII - VIII)</b>		<b>976.53</b>	861.33
<b>X Tax expense</b>			
(1) Current tax		<b>204.69</b>	180.48
(2) Deferred Tax		<b>9.60</b>	8.46
(3) Earlier year tax		(0.34)	0.29
<b>XI Profit/(Loss) for the year from continuing operations (IX - X)</b>		<b>762.58</b>	672.10
<b>XII Earnings per equity share in Rs. (before extraordinary items)</b>			
(1) Basic	35	<b>4.35</b>	3.86
(2) Diluted		<b>4.32</b>	3.83
<b>XIII Earnings per equity share in Rs. (after extraordinary items)</b>			
(1) Basic	35	<b>4.35</b>	3.85
(2) Diluted		<b>4.32</b>	3.83
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached  
for **G. BASU & CO.**

Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**

Partner  
Membership No. 51717

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**  
Chairman  
DIN: 00056216

**LALIT MALIK**  
Chief Financial Officer

**P D NARANG**  
Whole Time Director  
DIN: 00021581

**A K JAIN**  
VP (Finance) & Company Secretary

**SUNIL DUGGAL**  
Whole Time Director  
DIN: 00041825

Place : Jebel Ali - UAE  
Date : May 5, 2015



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

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. Cash Flow From Operating Activities</b>		
Net Profit Before Tax	976.53	861.33
Add:		
Depreciation	65.97	53.89
Loss on Sale of Fixed Assets	0.78	0.66
Fixed Assets Discarded	0.85	0.39
Deferred Employees Compensation Amortised	39.20	23.70
Provision for Contingent Liability	7.51	2.25
Exceptional Items - H & B Writeoff	23.96	-
Interest	5.14	11.42
Unrealised Loss / (Gain) in Foreign Exchange	(0.87)	(1.31)
	1119.07	952.33
Less:		
Interest Received	107.59	81.75
Profit on Sale of Investment	17.95	17.02
Profit on Sale of Assets	0.52	0.23
Operating Profit Before Working Capital Changes	993.01	853.33
Working Capital Changes		
(Increase)/Decrease in Inventories	7.60	(57.88)
(Increase)/Decrease in Trade & Other Receivables	(42.98)	(52.47)
Increase/(Decrease) in Trade Payables And Other Payables	85.66	147.75
(Increase)/Decrease in Working Capital	50.28	37.40
Cash Generated From Operating Activities	1043.29	890.73
Tax Paid	204.09	178.50
<b>Cash Used(-)/(+)Generated From Operating Activities (A)</b>	<b>839.20</b>	<b>712.23</b>
<b>B. Cash Flow From Investing Activities</b>		
Acquisition of Fixed Assets	(111.06)	(96.18)
Sale of Fixed Assets	14.93	1.06
Purchases of Investment	(6,259.30)	(6,544.59)
Interest Received	84.67	85.62
Proceed of Sale of Investments	5,654.59	6,451.48
Payment (-)/Proceeds(+) From Loan to Subsidiaries	-	1.20
<b>Cash Used(-)/(+)Generated in Investing Activities (B)</b>	<b>(616.17)</b>	<b>(101.41)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds From Share Capital & Premium	45.50	0.05
Repayment(-)/Proceeds (+) of Long Term Loan	-	(0.84)
Repayment(-)/Proceeds(+) From Short Term Secured Loan	(2.05)	(4.68)
Repayment(-)/Proceeds(+) From Short Term Unsecured Loans	86.89	(191.77)
Payment of Dividend	(394.79)	(278.78)
Corporate Tax on Dividend	(67.16)	(47.41)
Interest Paid	(5.14)	(11.42)
<b>Cash Used(-)/(+)Generated in Financing Activities (C)</b>	<b>(336.75)</b>	<b>(534.85)</b>
<b>Net Increase(+)/Decrease (-) in Cash and Cash Equivalents (A+B+C)</b>	<b>(113.72)</b>	<b>75.97</b>
<b>Cash and Cash Equivalents Opening Balance</b>	<b>146.34</b>	<b>67.39</b>
<b>Unrealised Gain/(Loss) on Foreign Currency</b>	<b>3.21</b>	<b>2.98</b>
<b>Cash and Cash Equivalents Closing Balance</b>	<b>35.83</b>	<b>146.34</b>
<b>Cash and Cash Equivalents (Year End)</b>	<b>35.83</b>	<b>146.34</b>
<b>Balances with Banks with Restatement</b>	<b>33.10</b>	<b>141.75</b>
<b>Cheques / Drafts in Hand</b>	<b>1.91</b>	<b>4.20</b>
<b>Cash-in-Hand</b>	<b>0.82</b>	<b>0.39</b>

As per our report of even date attached for **G. BASU & CO.**Chartered Accountants  
Firm Regn. No. 301174E**S. LAHIRI**Partner  
Membership No. 51717Place : Jebel Ali - UAE  
Date : May 5, 2015For **DABUR INDIA LIMITED****DR. ANAND C BURMAN**  
Chairman  
DIN: 00056216**LALIT MALIK**  
Chief Financial Officer**P D NARANG**  
Whole Time Director  
DIN: 00021581**A K JAIN**  
VP (Finance) & Company Secretary**SUNIL DUGGAL**  
Whole Time Director  
DIN: 00041825

# Notes to the financial statements

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

## 1. Company Information

Dabur India Limited (the 'Company') is a domestic public limited company and is listed on the Bombay Stock Exchange Ltd. [BSE], National Stock Exchange of India Ltd. [NSE] and Metropolitan Stock Exchange of India Ltd. [mSXI] (formerly known as MCX). The company is one of the leading FMCG players dealing in consumer care and food products. The Company has manufacturing facilities across the length & breadth of the country and Research and Development center in U.P. (Sahibabad), selling arrangements being primarily in India through independent distributors except for institutional sales which are handled directly by the company.

## 2. 2.1. Significant Accounting Policies

### 2.1.1 Basis for preparation of accounts

The accounts have been prepared in accordance with the historical cost convention under accrual basis of accounting as per Indian GAAP. Accounts and Disclosures thereon comply with the Accounting Standards specified in Companies (Accounting Standard) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncement of ICAI, provisions of the Companies Act and guidelines issued by SEBI as applicable.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

### 2.1.2 Use of Estimates

Indian GAAP enjoins management to make estimates and assumptions that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to years, the financial statement relate to. Actual result could differ from such estimates. Any revision in accounting estimates 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.

## 2.2. Recognition of Income and Expenses

- a. Sales and purchases are accounted for on the basis of passing of title to the goods.
- b. Sales comprise of sale price of goods including excise duty but exclude trade discount and Sales Tax/Vat.
- c. Income/ loss from future trading of commodities, forming part of inputs, is recognized at the closing point of the contract. For open contracts loss, if any, accrues on balance sheet date is recognized. However profit, if any, accruing on open contracts on balance sheet date is ignored.
- d. All the other incomes have been accounted for on accrual basis except for those entailing recognition on realization basis under AS-9 on the ground of uncertainty factor.
- e. All expenses are provided on accrual basis unless stated otherwise.

## 2.3. Fixed Assets

- a. Fixed assets are stated at carrying amount i.e. cost less accumulated depreciation.
- b. Cost includes freight, duties, taxes and other expenses incidental to acquisition and installation.
- c. Depreciation on Fixed Assets has been provided on straight line method in terms of life span of assets specified in Schedule II of the Companies Act, 2013 except for Moulds which are depreciated in four years on straight line method based on technical advice.
- d. Patents and trademarks are being amortized over the period of ten years on straight line basis.
- e. Softwares are being amortized over the period of five years on straight line basis.
- f. For New Projects, all direct expenses and direct overheads (excluding services provided by employees in company's regular payroll) are capitalized.

- g. 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 after deduction of subsidy amount.
- h. On sale of fixed assets, any profit earned towards excess of sale value over gross block of assets (i.e. balancing charge) is transferred from profit & loss account to capital reserve.

#### 2.4. Impairment/discarding of Assets

- a. The company identifies impairable fixed assets based on cash generating unit concept for tangible fixed assets and asset specific concept for intangible fixed assets at the year-end in terms of Clause 5 to 13 of AS-28 and Clause 83 of 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.
- b. Apart from test of impairment within the meaning of AS-28, individual tangible fixed assets of various Cash Generating Units (CGUs) are identified for writing down/discarding on the ground of obsolescence, damage, redundancy & un-usability at the year end.
- c. Further the company has assessed recoverable value of each CGUs and each intangible asset based on value-in-use method. Such assessment indicated the value in use of corresponding assets higher than corresponding carrying cost of assets thereby ruling out the cause of further arriving at their net-selling-price and exigency of provision against impairment loss.
- d. CGUs include Narenderpur plant, Sahibabad plant, each of plants situated at Nashik, Baddi, Jammu, Rudrapur, Silvassa, Pitampur, Kanpur, Alwar, Newai and Jalpaiguri.
- e. Annual discount rate considered for arriving at value-in-use of assets of each CGU is 7.50% i.e. the average interest rate of external borrowing plus risk factor @ 2.00 % per annum.

(All amounts in ₹ crores, unless otherwise stated)

#### 2.5. Investment

Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current investments". All other investments are classified as "Non-current investments".

Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize a decline other than temporary, if any, in the value of Non current investments.

Investments in Subsidiaries, Joint Ventures and Associates are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

No profit or losses of subsidiaries are accounted for.

#### 2.6. Research and Development Expenditure

Revenue expenditure on research & development is expensed as incurred including contribution towards scientific research expenses.

#### 2.7. Inventories

Inventories are valued at the lower of cost or net realizable value. Basis of determination of cost remains as follows:

- a. Raw material, Packing Material, Stores & Spares : Moving Weighted Average basis
- b. Work-in-progress : Cost of Input plus overhead upto the stage of completion
- c. Finished Goods : Cost of input plus appropriate overhead

#### 2.8. Deferred Entitlement on Leave Travel Concession:

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

#### 2.9. Retirement Benefits

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

(All amounts in ₹ crores, unless otherwise stated)

**a. Defined Benefit Plans:**

- i. Leave Salary of employees on the basis of actuarial valuation as per AS-15.
- ii. Post separation benefits of Directors on the basis of actuarial valuation as per AS-15.
- iii. Gratuity Liability on the basis of actuarial valuation as per AS-15.

**b. Defined Contribution Plans:**

- i. Liability for superannuation fund on the basis of the premium paid to insurance company in respect of employees covered under Superannuation Fund Policy.
- ii. Provident fund & ESI on the basis of actual liability accrued and paid to trust / authority.

- b. Receivables/payables (excluding for fixed assets) in foreign currencies are translated at the exchange rate ruling at the year end date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- c. Increase / decrease in foreign currency loan on account of exchange fluctuation are debited / credited to Statement of profit and loss.
- d. Impact of exchange fluctuation is separately disclosed in notes to accounts.

## 2.10. Income Tax and Deferred Tax

The liability of company on account of income tax is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.

## 2.11. Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

## 2.12. Foreign Currency Translation

- a. Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-a-vis reporting currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.

## 2.13. Employee 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 with corresponding debit in deferred Employee Compensation under ESOP appearing as a negative item as part of shareholder's fund as per guidelines to the effect issued by SEBI.

- a. With the exercise of option and consequent issue of equity share, corresponding ESOP outstanding is transferred to share premium account.
- b. Employees' 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.
- c. Entitlement of option rises proportionately with the issuance of bonus. Nominal value of shares against enhanced options is financed by the company at the point of exercise of such option by employees against utilization of general reserve/security premium.
- d. Deferred employees compensation under ESOP is amortised on straight line method over the vesting period.

## 2.14. Mergers/Amalgamation

Merger / Amalgamation (of the nature of merger) of other company / body corporate with the company are accounted for on the basis of purchase method, the assets / liabilities being incorporated in terms of values of assets and

liabilities appearing in the books of transferor entity on the date of such merger / amalgamation for the purpose of arriving at the figure of goodwill or amalgamation reserve.

### 2.15. Segment Reporting

The Company identifies primary segments based on the pre-dominant sources of risk effects and returns depending on organization and of the management and internal financial reporting system. The operating segments are the segments for which separate financial information are available and operating profit/loss there from are evaluated regularly by the management for allocation of resources and assessment of performance.

Revenue, expenses, assets and liabilities which relate to the company as a whole which are not allocable to segments on direct and/or reasonable basis have been included under "unallocated revenue/ expenses/assets/liabilities".

(All amounts in ₹ crores, unless otherwise stated)

### 2.16. Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals for operating leases are charged to statement of profit & loss on accrual basis in accordance with the respective lease agreements.

### 2.17. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 3. Share Capital

Particulars	As at March 31, 2015	As at March 31, 2014
Authorized		
2070000000 [March 31, 2014 : 2070000000] equity shares of Re. 1 each	207.00	207.00
Issued, Subscribed and fully paid up		
1756511990 [March 31, 2014 : 1743813073] equity shares of Re. 1 each	175.65	174.38

#### a. Reconciliation of the number of shares

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares:				
Balance as at the beginning of the year	1,74,38,13,073	174.38	1,74,29,35,011	174.29
Add: Shares issued under ESOP scheme during the year	74,09,160	0.74	5,14,036	0.05
Add: Bonus shares issued under ESOP scheme during the year	52,89,757	0.53	3,64,026	0.04
Balance as at the end of the year	1,75,65,11,990	175.65	1,74,38,13,073	174.38

#### b. Rights, preference and restrictions attached to Equity Shares

- The Company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.



(All amounts in ₹ crores, unless otherwise stated)

## ii. Shares of the company are ordinarily transferable provided:

- Instrument of transfer is in form prescribed under the act & duly stamped and executed by/on behalf of transferor and transferee.
- Transferee consenting or replying affirmatively within specified period of his receipt of notice under Section 56(1) of Companies Act, 2013 issued by the company in respect of application of transfer of registration of shares made by the transferor.
- Transferee is not of unsound mind.
- Company does not have any lien on shares under application of transfer.

## c. Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the company

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Equity shares of Re.1 held by:</b>		
Chowdry Associates	21,79,41,800	21,79,41,800
VIC Enterprises Private Limited	21,77,34,000	21,77,34,000
Gyan Enterprises Private Limited	20,22,37,980	20,22,37,980
Puran Associates Private Limited	18,92,12,000	18,92,12,000
Ratna Commercial Enterprises Private Limited	15,54,63,430	15,52,33,430
Milky Investment and Trading Company	10,61,40,970	10,61,40,970

## d. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the reporting date

Number of equity shares issued under merger/amalgamation in last 5 years	13,84,620	13,84,620
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## e. Shares allotted as fully paid up bonus shares during the period of five years immediately preceding the reporting date

Number of equity shares issued in last 5 years as fully paid up bonus shares (Including shares issued under ESOP scheme for which entire consideration not received in cash)	87,71,28,782	87,18,39,025
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## f. Shares issued under ESOP scheme part of consideration not being received in cash

Shares issued under ESOP scheme part of consideration not being received in cash	1,17,97,378	68,97,799
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## g. Shares reserved for issue under Options

Number of equity shares reserved for issue under options contracts/commitment for sale for shares	1,40,95,570	1,66,23,020
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## Term therein:

Options granted to an employee are subject to cancellation under circumstances of his cessation of employment with the company on or before vesting date.

(All amounts in ₹ crores, unless otherwise stated)

**4. Reserves & Surplus**

Particulars	Details	As at March 31, 2015	Details	As at March 31, 2014
Capital Reserve (as per last accounts)		26.92		26.92
Securities Premium Account:				
Opening Balance	37.95		30.21	
Add: Addition during the period	128.32	166.27	7.74	37.95
Investment Revaluation Reserve:				
Opening Balance	-		4.49	
Addition during the period	-		0.57	
Reduction during the period	-	-	5.06	
ESOP Outstanding: (Read with note no. 55)	205.84		92.55	
Less: Deferred Employee compensation ESOP	154.15	51.69	3.63	88.92
General Reserve:				
Opening Balance	239.15		169.19	
Add: Addition during the year	80.00		70.00	
	319.15		239.19	
Less: Transferred to surplus	0.53	318.62	0.04	239.15
Surplus in Statement of Profit and Loss:				
Opening Balance	1,335.02		1,090.03	
Add: Profit/(Loss) for the year	762.58		672.10	
Transferred from General Reserve	0.53		0.04	
Total	2,098.13		1,762.17	
Less: Appropriations:				
Transitional adjustment on account of Depreciation (Net of Deferred Tax Rs 1.89, PY: Nil)	3.68			
Transferred to General Reserve	80.00		70.00	
Bonus shares	0.53		0.04	
Interim Dividend	219.55		130.79	
Proposed Final Dividend	131.74		174.38	
Corporate Tax on Final Dividend	26.82		29.64	
Corporate Tax on Interim Dividend	37.31		22.23	
Dividend adjustments of earlier years	1.25		0.06	
Dividend tax adjustment of earlier years	0.21	1,597.04	0.01	1,335.02
<b>Total</b>		<b>2,160.54</b>		<b>1,727.96</b>

**5. Deferred Tax Liabilities (Net)**

<b>Deferred Tax Liability :</b>				
Depreciation		74.30		66.96
<b>Less: Deferred Tax Assets :</b>				
Provision for Disputed Liabilities	4.13		1.57	
Provision for Service Benefits	13.81		12.40	
Provision for Doubtful Advances	0.43		0.43	
Provision for Doubtful Debts	5.15		4.56	
Others	0.43	23.95	5.36	24.32
<b>Net Deferred Tax Liability</b>		<b>50.35</b>		<b>42.64</b>
Deferred Tax Liability provided during year		9.60		8.46
Adjustment against Surplus on account of implementation of Schedule II of Companies Act, 2013		(1.89)		-
<b>(Decrease)/Accretion in Deferred Tax Liability</b>		<b>7.71</b>		<b>8.46</b>

(All amounts in ₹ crores, unless otherwise stated)

**6. Long Term Provisions**

Particulars	As at March 31, 2015	As at March 31, 2014
For Retirement Benefits of Directors'	42.79	40.14
<b>Total</b>	<b>42.79</b>	<b>40.14</b>

**7. Short-Term Borrowings**

Sl. No.	Nature of Borrowings	Total	Secured	Unsecured
i.	Cash Credits from Bank	As at March 31, 2015 15.74	15.74	-
		As at March 31, 2014 17.79	17.79	-
ii.	Packing Credit Loan from Banks	As at March 31, 2015 112.45	-	112.45
		As at March 31, 2014 26.50	-	26.50
iii.	Bank Overdrafts	As at March 31, 2015 0.94	-	0.94
		As at March 31, 2014 -	-	-
<b>Total</b>		As at March 31, 2015 129.13	15.74	113.39
		As at March 31, 2014 44.29	17.79	26.50

**Notes:**

1. There is no default in repayment of principal loan or interest thereon.
2. No Guarantee Bond has been furnished against any loan.
3. Cash Credits are secured by hypothecation of inventories and book debts to bankers in consortium ranking pari passu among Punjab National Bank, Standard Chartered Bank, Hongkong & Shanghai Banking Corporation Ltd., Royal Bank of Scotland, IDBI Bank Ltd., Citi Bank NA, HDFC Bank Ltd., Bank of Nova Scotia and Bank of Tokyo Mitsubishi UFJ Ltd.

**8. Trade Payables**

Particulars	As at March 31, 2015	As at March 31, 2014
Creditors for Goods and services	636.44	575.10
Acceptances	120.20	129.57
<b>Total</b>	<b>756.64</b>	<b>704.67</b>

**9. Other Current Liabilities**

Unpaid Dividends	5.20	4.81
Security Deposits	6.35	5.37
Creditors for capital goods	3.89	5.03
Advances from Customers	6.54	7.05
Statutory Liabilities	83.01	63.14
Other Payables	65.23	61.90
<b>Total</b>	<b>170.22</b>	<b>147.30</b>

(All amounts in ₹ crores, unless otherwise stated)

**10. Short-Term Provisions**

Particulars	As at March 31, 2015	As at March 31, 2014
For Post Separation benefit of Directors'	0.34	0.35
For Taxation (net of advance Rs. 382.84, PY: Rs. 298.13)	3.45	2.87
For Liability Disputed	40.69	33.18
Proposed Dividend	131.74	174.38
For Dividend Distribution Tax	26.82	29.64
<b>Total</b>	<b>203.04</b>	<b>240.42</b>

**11. Fixed Assets**

Sl. No.	Particulars of Assets	Gross Block				Gross Balance as on 31.03.15	Depreciation / Amortisation			Net Block		
		Gross Cost / Value as on 01.04.14	Acquisition	Other Adjustment	Sub Total		Total as on 01.04.14	for the year	Sale during this year	Total as on 31.03.15	W.D.V as on 31.03.15	W.D.V as on 31.03.14
i)	<b>Tangible Assets</b>											
	Land: Leasehold	14.04	-	-	-	14.04	1.27	0.15	-	1.42	12.62	12.77
	Land: Freehold	36.97	-	6.87	6.87	43.84	-	-	-	-	43.84	36.97
	Building	360.25	11.44	0.88	12.32	367.91	83.01	10.72	1.21	92.52	275.39	277.24
	Plant & Equipment	494.24	59.99	7.95	67.94	534.40	214.90	44.28	16.46	242.72	291.68	279.34
	Furniture & Fixtures	45.55	8.53	0.40	8.93	53.59	28.83	4.26	0.44	32.65	20.94	16.72
	Vehicles	16.34	4.95	-	4.95	18.94	7.71	1.71	1.56	7.86	11.08	8.63
	Office Equipment	38.26	2.95	-	2.95	41.17	27.67	6.65	0.03	34.29	6.88	10.59
	<b>Total</b>	<b>1,005.65</b>	<b>87.86</b>	<b>16.10</b>	<b>103.96</b>	<b>1,073.89</b>	<b>363.39</b>	<b>67.77</b>	<b>19.70</b>	<b>411.46</b>	<b>662.43</b>	<b>642.26</b>
ii)	<b>Intangible Assets</b>											
	Brands/Trademarks	12.94	-	-	-	12.94	11.11	0.49	-	11.60	1.34	1.83
	Computer Software	23.60	12.47	-	12.47	36.07	14.04	3.28	-	17.32	18.75	9.56
	<b>Total</b>	<b>36.54</b>	<b>12.47</b>	<b>-</b>	<b>12.47</b>	<b>49.01</b>	<b>25.15</b>	<b>3.77</b>	<b>-</b>	<b>28.92</b>	<b>20.09</b>	<b>11.39</b>
iii)	Capital Work-in-progress	16.73	11.59	-	11.59	12.22	-	-	-	-	12.22	16.73
	<b>Grand Total (i+ii+iii)</b>	<b>1,058.92</b>	<b>111.92</b>	<b>16.10</b>	<b>128.02</b>	<b>1,135.12</b>	<b>388.54</b>	<b>71.54</b>	<b>19.70</b>	<b>440.38</b>	<b>694.74</b>	<b>670.38</b>
	Previous Year	976.18	92.53	10.38	102.91	1,058.92	342.53	53.91	7.90	388.54	670.38	633.65

**Note:**

- Addition to the above Tangible Fixed Assets includes 0.94 (Previous year 1.91) incurred at company's inhouse R&D facilities at Sahibabad.
- Leasehold Land relates to:
  - 94620 sq yards of land at Sahibabad taken on lease for a period of 90 years in the year of 1972.
  - 1059 sq yards of land at Sahibabad taken on lease for a period of 90 years in the year of 1985.
  - 6508 sq mtrs of land at Alwar taken on lease for a period of 99 years in the year of 1981.
  - 58 Kanals of land at Jammu taken on lease for a period of 90 years in the year of 2002.
  - 294.82 Katha of land at Pithampur taken on lease for a period of 30 years in the year of 1997.
  - 7972 sq mtrs of land at Nashik taken on lease for a period of 95 years in the year of 1990.
  - 3000 sq mtrs of land at Kaushambi taken on lease for a period of 90 years in the year of 1996.
  - 16122.35 sq mtrs of land at Kaushambi taken on lease for a period of 30 years in the year of 1997.
  - 100.53 acres of land at Sandila taken on lease for a period of 99 years in the year of 1999.
  - 3640 sq mtrs of land at Mumbai taken on lease for a period of 99 years in the year of 1964.
  - 67968.75 sq mtrs of land at Rudrapur taken on lease for a period of 90 years in the year of 2004.
  - 18000 sq mtrs of land at Pant Nagar taken on lease for a period of 81 years in the year 2014.
  - All lease arrangements are of the nature of operating lease.
- Depreciation charge amounting to Rs. 71.49 (PY: Rs. 53.91) allocated between statement of Profit and Loss Rs. 65.97 (PY: Rs. 53.91) and against Surplus Rs. 5.57 (PY: Nil), the latter being towards charging off overaged assets under new dispensation of Act.

(All amounts in ₹ crores, unless otherwise stated)

**12. Non-Current Investments**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>I) Trade Investment (unquoted):</b>		
<b>Investment in Fully paid equity Instruments</b>		
A. Forum I Aviation Pvt. Ltd. (Joint Venture) (CY: 5308334 shares, PY: 5308334 shares of face value of Rs. 10 each)	4.77	4.77
B. Sanat Products Ltd. (CY: 50000 shares, PY: 50000 shares of face value of Rs. 100 each)	1.05	1.05
C. Dabon International Ltd. * (CY: 270000 shares, PY: 270000 shares of face value of Rs. 10 each)	0.27	0.27
D. Shivalik Solid Waste Management Ltd. (CY: 18000 shares, PY: 18000 shares of face value of Rs. 10 each)	0.02	0.02
<b>II) Investment in subsidiaries in fully paid equity instruments (unquoted)</b>		
A. Dabur International Ltd. (CY: 1700000 shares, PY: 1700000 shares of face value of 1 PSTG each)	59.49	59.49
B. H & B Stores Ltd. (CY: 231493165 shares, PY: 431061873 shares of face value of Re 1 each)	23.15	43.11
C. Dermoviva Skin Essentials Inc. (CY: 565000 shares, PY: 565000 shares of face value of USD \$ 1 each)	2.54	2.54
<b>III) Other than trade</b>		
<b>a. Investment in Government or Trust Shares / Securities (unquoted)</b>		
A. National Saving Certificates	0.02	0.02
<b>b. Investment in Bonds (quoted) - Fully paid</b>		
A. Power Finance Corporation (CY: Nil units, PY: 142393 units of face value of Rs. 1000 each) (CY: Nil units, PY: 500 units of face value of Rs. 100000 each) (CY: 1400 units, PY: 350 units of face value of Rs. 1000000 each)	140.50	52.73
B. Rural Electrification Corporation (CY: Nil units, PY: 183715 units of face value of Rs. 1000 each) (CY: 1550 units, PY: 800 units of face value of Rs. 1000000 each)	151.57	98.78
C. NHAI Bonds (CY: Nil units, PY: 37086 units of face value of Rs. 1000 each)	-	3.71
D. Indian Railway Finance Corporation (CY: Nil units, PY: 158753 units of face value of Rs. 1000 each)	-	15.88
E. Exim Bonds (CY: 650 units, PY: 650 units of face value of Rs. 1000000 each)	63.30	63.30
F. Power Grid Corporation Bonds (CY: 700 units, PY: 200 units of face value of Rs. 1000000 each) (CY: 80 units, PY: 80 units of face value of Rs. 1250000 each)	80.12	29.32
G. HDFC Ltd. (CY: 100 units, PY: 100 units of face value of Rs. 1000000 each)	9.51	9.51
H. LIC Housing Finance Limited (CY: 850 units, PY: 150 units of face value of Rs. 1000000 each)	84.30	15.34
I. IDFC Limited (CY: 900 units, PY: Nil units of face value of Rs. 1000000 each)	93.52	-



(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at March 31, 2015	As at March 31, 2014
J. ICICI Bank Limited (CY: 100 units, PY: Nil units of face value of Rs. 1000000 each)	10.00	-
K. GOI Securities of the face value of Rs. 415 crores (PY : Face value of Rs. Nil crores)	466.33	-
L. Maharashtra SDL of the face value of Rs. 10 crores (PY : Face value of Rs. Nil crores)	10.36	-
M. Tamil Nadu SDL of the face value of Rs. 25 crores (PY : Face value of Rs. Nil crores)	25.50	-
N. DVC bonds (CY: 96 units, PY: Nil units of face value of Rs. 1000000 each)	9.55	-
O. NPCIL Bonds (CY: 200 units, PY: Nil units of face value of Rs. 1000000 each)	20.00	-
P. SBI Card payment (CY: 118 units, PY: Nil units of face value of Rs. 1000000 each)	12.35	-
<b>c. Investment in non-convertible debentures (unquoted)-Fully paid</b>		
A. NCD of Shriram Transport Finance Co. (CY : 23126 units, PY: 23126 units of face value of Rs. 1000 each ) (CY : Nil units, PY: 250 units of face value of Rs. 1000000 each )	2.31	27.31
B. NCD of Bajaj Finance Ltd. (CY: 5 units, PY: 5 units of face value of Rs. 10000000 each) (CY: 150 units, PY: Nil units of face value of Rs. 1000000 each)	19.93	5.22
C. NCD of Fullerton India Credit Co. Ltd. (CY: Nil units, PY: 100 units of face value of Rs. 1000000 each)	-	10.03
D. NCD of Sesa Sterlite Ltd. (CY: 250 units, PY: Nil units of face value of Rs. 1000000 each)	25.08	-
E. NCD of Air India Ltd. (CY: 62 units, PY: Nil units of face value of Rs. 1000000 each)	7.10	-
F. NCD of Reliance Capital Ltd. (CY: 250 units, PY: Nil units of face value of Rs. 1000000 each)	25.01	-
<b>d. Investment in Zero Coupon Bonds (unquoted)-Fully paid</b>		
A. Bajaj Finance Limited (CY: 250 units, PY: 250 units of face value of Rs. 1000000 each)	29.76	29.76
B. Tata Capital Financial Services Limited (CY: 250 units, PY: 250 units of face value of Rs. 1000000 each)	29.86	29.86
<b>e. Fixed Deposits with others (Unquoted)</b>		
A. FD with Mahindra & Mahindra	-	16.00
B. FD with IL&FS	-	37.00
<b>Total</b>	<b>1,407.27</b>	<b>555.02</b>
Less: Provision for diminution in carrying cost *	0.27	0.27
<b>Net Amount</b>	<b>1,407.00</b>	<b>554.75</b>

**Note:**

1. a. Aggregate cost of quoted investment	1,176.90	288.57
b. Aggregate market value of quoted investment	1,177.89	289.22
c. Aggregate amount of unquoted investments	230.37	266.46

(All amounts in ₹ crores, unless otherwise stated)

**13. Long term Loans & Advances**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured &amp; considered good</b>		
Capital Advances	4.88	6.89
Security Deposit with Govt Authorities	5.65	6.19
Advance Payment of Tax (Net of provision of Rs 272.73, PY: Rs 272.73)	1.77	1.77
<b>Total</b>	<b>12.30</b>	<b>14.85</b>

**14. Other Non Current Assets**

Long term deposit with banks maturing after 12 months since balance sheet date	2.00	-
<b>Total</b>	<b>2.00</b>	<b>-</b>

**15. Current Investments**

<b>A. Other than trade - Fully paid</b>		
<b>I. Mutual Funds (Quoted)</b>		
A. Reliance Mutual Fund (CY: Nil units, PY: 289773 units of face value of Rs. 1000 each) (CY: 10000000 units, PY: Nil units of face value of Rs. 10 each)	10.00	59.44
B. DWS Mutual Fund (CY: Nil units, PY: 2721178 units of face value of Rs. 10 each)	-	7.27
C. UNION KBC Mutual Fund (CY: 341975.94 units, PY: 77898 units of face value of Rs. 1000 each)	47.84	10.00
D. JM Financial Mutual Fund (CY: Nil units, PY: 4523889 units of face value of Rs. 10 each)	-	4.44
E. L&T Mutual Fund (CY: Nil units, PY: 60804 units of face value of Rs. 1000 each)	-	6.17
F. ICICI Prudential Mutual Fund (CY: 5000000 units, PY: Nil units of face value of Rs. 10 each)	5.00	-
G. Indiabulls Mutual Fund (CY: 552145.14 units, PY: Nil units of face value of Rs. 10 each)	75.00	-
H. Sundram Mutual Fund (CY: 13007554.78 units, PY: Nil units of face value of Rs. 10 each)	25.00	-
I. Baroda Pioneer Mutual Fund (CY: 599.583 units, PY: Nil units of face value of Rs. 1001.1191 each)	0.06	-
<b>II. Commercial Papers (Unquoted)</b>		
A. Reliance Capital Limited of the face value of Rs. 50 crores (PY: Face value of Rs. 50 crores)	45.60	45.41
B. Kotak Mahindra Prime Ltd. (PY: Face value of Rs. 25 crores)	-	22.68
C. Kotak Mahindra Investments Ltd. of the face value of Rs. 25 crores (PY: Face value of Rs. 50 crores)	22.78	46.78
D. Fullerton India Credit Co. Ltd. of the face value of Rs. 25 crores (PY: Face value of Rs. 75 crores)	22.79	68.34
E. IDFC Ltd. (PY: Face value of Rs. 25 crores)	-	24.20

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at March 31, 2015	As at March 31, 2014
F. Tata Capital (PY: Face value of Rs. 25 crores)	-	23.49
G. ICICI Securities Ltd. (PY: Face value of Rs. 25 crores)	-	22.71
<b>III. Certificate of Deposits (Unquoted)</b>		
A. Andhra Bank (PY: Face value of Rs. 50 crores)	-	48.84
<b>IV. Non-convertible debentures (unquoted)</b>		
A. NCD of LIC Housing Finance (CY : Nil units, PY: 400 units of face value of Rs. 1000000 each )	-	42.11
B. NCD of Reliance Capital Limited (CY : Nil units, PY: 250 units of face value of Rs. 1000000 each )	-	25.88
C. NCD of Shriram Transport Finance Co. (CY : Nil units, PY: 200 units of face value of Rs. 1000000 each )	-	20.91
<b>V. Fixed Deposits with others (Unquoted)</b>		
A. FD with IL&FS Financial Services Ltd.	50.00	50.00
B. FD with HDFC Ltd.	-	35.00
C. FD with PNB Housing Finance Ltd.	67.10	-
<b>Total</b>	<b>371.17</b>	<b>563.67</b>

**Footnote:**

1. a. Aggregate cost of quoted investment	162.90	87.32
b. Aggregate market value of quoted investment	164.27	88.04
c. Aggregate amount of unquoted investments	208.27	476.35

**16. Inventories**

Raw Materials	159.65	169.69
Packing Materials	65.38	95.18
Work-in-Progress	77.17	88.46
Finished goods	201.76	161.10
Stock-in-trade	45.78	42.90
Stores & spares	0.86	0.87
<b>Total</b>	<b>550.60</b>	<b>558.20</b>

Note: Finished goods includes transit stock 11.80 6.62

**17. Trade Receivables**

Particulars	Details	As at March 31, 2015	Details	As at March 31, 2014
<b>Unsecured:</b>				
Debts outstanding for a period exceeding six months since due date for payment considered good	6.37		15.17	
considered doubtful	15.16		13.41	
	21.53		28.58	
Less: Provision for doubtful debts	15.16	6.37	13.41	15.17
Other debts: considered good		332.42		307.95
<b>Total</b>		<b>338.79</b>		<b>323.12</b>

(All amounts in ₹ crores, unless otherwise stated)

**18. Cash & Bank Balances**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>A. Cash and Cash Equivalents</b>		
Cash in hand	0.82	0.39
Cheques / drafts in hand	1.91	4.20
<b>Balances with Banks</b>		
Current Accounts	22.90	73.95
Term Deposit maturing within three months	5.00	63.00
Unpaid Dividend account	5.20	4.80
<b>Total (A)</b>	<b>35.83</b>	<b>146.34</b>
<b>B. Other Bank Balances</b>		
Term Deposit maturing after three months but before twelve months	88.11	151.13
<b>Total (B)</b>	<b>88.11</b>	<b>151.13</b>
<b>C. Fixed Deposit maturing after 12 months</b>	<b>2.00</b>	<b>-</b>
<b>Total (A+B+C)</b>	<b>125.94</b>	<b>297.47</b>
<b>Less: Fixed Deposit maturing after 12 months</b>	<b>2.00</b>	<b>-</b>
<b>Total Cash &amp; Bank Balances</b>	<b>123.94</b>	<b>297.47</b>

**Footnote:**

1. Other Bank Balances include :-  
Other commitment (Fixed Deposits pledged with Govt Authorities) 0.08 0.08

**19. Short Term Loans & Advances**

Particulars	Details	As at March 31, 2015	Details	As at March 31, 2014
Advances to Suppliers	Considered good	10.47	13.46	
	Considered Doubtful	1.27	1.27	
		11.74	14.73	
	Less: Provision for doubtful advance	1.27	1.27	13.46
Advances to Employees	Considered good	3.15	2.72	
	Considered Doubtful	0.20	0.20	
		3.35	2.92	
	Less: Provision for doubtful advance	0.20	0.20	2.72
Balance with Government Authorities	Considered good	66.69		38.14
Deposit with Others	Considered good	14.87		14.33
Advance Payment of Tax (Net of provision of Rs. 4.70, PY: Rs. 4.70)	Considered good	1.30		3.61
Others	Considered good	17.60		12.36
<b>Total</b>		<b>114.08</b>		<b>84.62</b>

**Additional Disclosure as per Clause 32 of the Listing Agreement:**

	As at March 31, 2015	As at March 31, 2014
a. Loans and Advances to Domestic Subsidiary (interest free and without stipulation of repayment)		
H & B Stores Ltd.		
- Amount outstanding	-	-
- Maximum amount outstanding during the year	-	2.10

(All amounts in ₹ crores, unless otherwise stated)

**20. Other Current Assets**

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured & considered good:		
Interest accrued on FD's, CP's, CD's and Government Bonds	53.01	30.10
Excess of Planned assets towards leave encashment over obligations	0.29	0.66
Excess of Planned assets towards Gratuity over obligations	2.22	3.35
Export Incentives Receivable	4.40	3.83
Other Receivables	13.82	16.80
<b>Total</b>	<b>73.74</b>	<b>54.74</b>

**21. Contingent Liabilities**

<b>Claims against the company not acknowledged as debts:</b>		
1. Civil cases filed against the company	7.93	21.78
2. Claims by employees	0.86	0.72
3. Excise duty/service tax matters	133.24	136.53
4. Sales tax matters	44.89	17.91
5. Income tax matters	0.37	9.35
<b>Total</b>	<b>187.29</b>	<b>186.29</b>

**22. Capital and other Commitments**

<b>a. Capital Commitments</b>		
Estimated amount of Contract in capital account remaining to be executed and not provided for	27.52	30.96
<b>b. Other commitments</b>		
Guarantees furnished to bank/others in respect of borrowings of subsidiaries/jointly controlled entity/others	1,285.40	1,061.87
<b>c. Letter of credits</b>	<b>2.51</b>	<b>2.41</b>
<b>d. Bills discounted</b>	<b>51.08</b>	<b>23.34</b>
<b>Total</b>	<b>1,366.51</b>	<b>1,118.58</b>

**23. Information (Pursuant to AS-29) - Brief particulars of provision on disputed liabilities**

Nature of Liability	Particulars of dispute	Opening Provision	Provision made during the period	Provision adjusted during the period	Closing Provision
Sales Tax	Classification matter and rate difference	2.74	1.51	-	4.25
Entry Tax	Entry tax Difference-Orissa	0.52	-	-	0.52
Excise	Classification matter	1.39	6.00	-	7.39
Service Tax	Service Tax Distribution (ISD)	28.53	-	-	28.53
		<b>33.18</b>	<b>7.51</b>	<b>-</b>	<b>40.69</b>

- Resulting outflows against above liabilities, pending before Sales Tax DC/Tribunal/CCT's, if mature, are expected to be in succeeding financial year.
- Withdrawal of provision relates to crystallization of liability in actual term & subsequent payment made by company in relevant context.
- Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.
- Company presumes remote risk possibility of further cash outflow pertaining to contingent liabilities and commitments listed in point 21 & 22 above.



(All amounts in ₹ crores, unless otherwise stated)

**24. Proposed Dividend**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>The Final Dividend proposed for the year is as follows:</b>		
On Equity Shares of Re. 1 each		
Amount of Dividend proposed	<b>131.74</b>	174.38
Dividend per Equity Share (in Re.)	<b>0.75</b>	1.00

**25. Revenue from Operations**

A.	<b>Sale of Products (Read with note no. 36)</b>	<b>5,493.30</b>	4,912.94
	Domestic	<b>5,273.61</b>	4,671.49
	Export	<b>219.69</b>	241.45
B.	<b>Sale of Services</b>	<b>0.10</b>	0.17
C.	<b>Other Operating Revenues</b>	<b>12.26</b>	13.11
	Export Subsidy	<b>2.28</b>	3.70
	Sale of Scrap	<b>9.83</b>	9.25
	Miscellaneous Receipts	<b>0.15</b>	0.16
D.	<b>Less Excise Duty</b>	<b>(74.38)</b>	(56.14)
	<b>Total</b>	<b>5,431.28</b>	4,870.08

**26. Other Income**

A.	Interest Income	<b>107.59</b>	81.75
B.	Net gain/(loss) on sale of Current Investments (other than trade)	<b>17.95</b>	16.31
C.	Revaluation gain/ (loss) on Investments	-	0.72
D.	Gain on Sale of Fixed Assets	<b>0.52</b>	0.23
E.	Miscellaneous Receipts	<b>2.78</b>	1.62
F.	Bad Debts Provision written back	<b>0.09</b>	0.09
G.	Rent Received	<b>8.92</b>	8.94
	<b>Total</b>	<b>137.85</b>	109.66

**27. Cost of Materials Consumed**

A.	Raw material consumed ( Read with note no.38,39)	<b>1,222.62</b>	1,129.12
B.	Packing material consumed	<b>698.47</b>	688.86
	<b>Total</b>	<b>1,921.09</b>	1,817.98

**Note:** Cost of material consumed includes Rs. 1.28 (Rs. 1.09) towards research and development.

(All amounts in ₹ crores, unless otherwise stated)

**28. Purchase of Stock-In-Trade**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Shampoo	74.64	76.60
Tooth Powder & Paste	33.69	43.07
Hajmola	49.99	43.35
Fruit, Nectar & Drinks	435.87	369.78
Vegetable Pastes	20.80	21.40
Others	322.26	202.77
<b>Total</b>	<b>937.25</b>	<b>756.97</b>

**29. Changes In Inventories of Finished Goods, Work-In-Progress and Stock-in-trade**

<b>A. Opening Inventories</b>		
i. Finished Goods	161.10	153.02
ii. Work in Progress	88.46	94.00
iii. Stock-in-trade	42.90	33.12
<b>B. Closing Inventories</b>		
i. Finished Goods	201.76	161.10
ii. Work in Progress (Read with note no.37)	77.17	88.46
iii. Stock-in-trade	45.78	42.90
<b>Total</b>	<b>(32.25)</b>	<b>(12.32)</b>

**30. Employee Benefits Expenses**

A. Salaries, Wages and Bonus	313.16	283.76
B. Contribution to Provident and Other Funds	26.20	22.61
C. Workmen and Staff Welfare	14.43	13.86
D. ESOP Expenses (Amortisation of Deferred Employees Compensation under ESOP)	39.20	23.70
<b>Total</b>	<b>392.99</b>	<b>343.93</b>

**Note:** Employee benefit expenses includes Rs. 10.88 (Rs. 10.23) towards research and development.**31. Finance Cost**

A. Interest Expense	5.14	11.42
B. Bank Charges	1.03	1.07
C. Net (gain)/loss on foreign currency transaction & translation	3.72	6.86
<b>Total</b>	<b>9.89</b>	<b>19.35</b>

**32. Depreciation & Amortisation expenses**

Depreciation on Tangible fixed assets (Read with note no.11)	62.19	50.16
Amortisation of Intangible fixed assets (Read with note no.11)	3.78	3.73
<b>Total</b>	<b>65.97</b>	<b>53.89</b>

**Note:** Depreciation & Amortisation includes Rs. 1.25 (Rs. 0.61) towards research and development.

(All amounts in ₹ crores, unless otherwise stated)

**33. Other Expenses**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Increase/(Decrease) of excise duty on inventory	0.29	(0.24)
Power and Fuel	50.61	49.87
Stores and Spares Consumed	17.38	16.11
Repair to Building	3.88	3.64
Repair to Plant and Machinery	6.93	5.62
Repair to Others	11.09	7.77
Processing Charges	18.14	24.58
Rates and Taxes	3.76	3.82
Rent	42.23	38.29
Insurance	6.05	5.30
Sales Tax	11.51	10.24
Freight and Forwarding Charges	103.02	91.22
Commission, Discount and Rebate	37.64	35.73
Advertisement and Publicity	646.54	581.11
Travel and Conveyance	47.19	44.48
Legal and Professional	25.71	22.18
Telephone and Fax Expenses	4.60	4.05
Security Expenses	8.35	7.13
General Charges	181.02	163.43
Director's Fees	0.61	0.12
Auditor's Remuneration	1.08	0.98
Donation	11.48	10.23
Provision for Doubtful Advances	-	0.40
Provision for Doubtful Debts	1.84	0.81
Loss on Sale of Fixed Assets	0.78	0.66
Fixed Assets Discarded	0.85	0.39
Provision for Liabilities disputed	7.51	2.25
Corporate Social Responsibility	14.71	-
Other Expenses	8.90	7.72
<b>Total</b>	<b>1,273.70</b>	<b>1,137.89</b>

**34. Research and Development Expenditure**

Cost of Raw material (Refer note no. 27)	1.28	1.09
Employee Benefit Expenses (Refer note no. 30)	10.88	10.23
Depreciation (Refer note no. 32)	1.25	0.61
Other Expenses (Refer note no. 33)		
Power & Fuel	1.26	1.58
Repairs	1.78	1.17
Freight	0.01	0.06
General Expense	3.92	2.72
Rent	0.06	0.06
Rates & Taxes	0.11	0.05
Travel & Conveyance	0.73	0.67
Legal & Professional	0.21	0.74
Telephone	0.24	0.20
Security Charges	0.28	0.34
Donation	0.30	0.13
<b>Total</b>	<b>22.31</b>	<b>19.65</b>

(All amounts in ₹ crores, unless otherwise stated)

**35. Earning Per Share**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit After Tax	762.58	672.10
Add: Extra ordinary Expenses/Income	-	(0.72)
Profit before consideration of Extraordinary items	762.58	672.82
Weighted average number of Equity Shares outstanding	1,75,43,64,645	1,74,36,45,856
Basic Earnings Per Share [Face Value of Re. 1 each]	4.35	3.86
Add: Weighted number of potential equity shares on account of Employees Stock Options	1,17,63,461	1,21,81,008
Weighted average number of Equity Shares outstanding [inclusive dilutive ESOP shares outstanding]	1,76,61,28,106	1,75,58,26,864
Diluted Earnings Per Share [Face Value of Re. 1 each]	4.32	3.83
Profit after consideration of Extraordinary items	762.58	672.10
Basic Earnings Per Share [Face Value of Re. 1 each]	4.35	3.85
Diluted Earnings Per Share [Face Value of Re. 1 each]	4.32	3.83

**36. Category wise sales (including exports), Net of Excise Duty**

Health care	1,722.85	1,568.67
Home & personal care	2,610.03	2,358.08
Beverages & culinary	957.05	799.65
Others	128.99	130.40
<b>Total</b>	<b>5,418.92</b>	<b>4,856.80</b>

**37. Category wise Closing Work-in-progress**

Particulars	As at March 31, 2015	As at March 31, 2014
Chyawanprash	36.24	1.90
Asava-Arishta	2.63	2.93
Hair Oils	3.47	3.17
Hajmola	7.86	2.35
Tooth Powder & Paste	7.29	5.16
Honey	2.95	3.80
Others	16.73	69.15
<b>Total</b>	<b>77.17</b>	<b>88.46</b>

**38. Category wise raw material consumed**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Coconut Oil	94.02	59.63
Paradichlorobenzene	36.66	35.08
Liquid Liquid Parafin	81.50	88.12
Gold	27.57	27.89
Sorbitol Solution 70% IP	30.62	29.78
Amla Green	10.59	10.58
Others	941.66	878.04
<b>Total</b>	<b>1,222.62</b>	<b>1,129.12</b>

(All amounts in ₹ crores, unless otherwise stated)

**39. Imported material consumed**

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	%	Amount	%	Amount
<b>Raw Material</b>				
Imported	1.95%	23.88	0.86%	9.75
Indigenous	98.05%	1,198.74	99.14%	1,119.37
	100.00%	1,222.62	100.00%	1,129.12
<b>Packing Material</b>				
Imported	0.28%	1.98	0.10%	0.70
Indigenous	99.72%	696.49	99.90%	688.15
	100.00%	698.47	100.00%	688.85
<b>Stores &amp; Spares Consumed</b>				
Imported	0.12%	0.02	0.03%	0.01
Indigenous	99.88%	17.36	99.97%	16.10
	100.00%	17.38	100.00%	16.11

**40. Value of Import on CIF basis**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Materials	26.40	23.63
Stores & Spares (including packing material)	2.25	2.15
Finished Goods	37.66	12.08
Capital Goods	6.67	0.15
<b>Total</b>	<b>72.98</b>	<b>38.01</b>

**41. Purchase of major items of raw materials**

Coconut Oil	92.48	64.02
Paradichlorobenzene	35.85	37.06
Liquid Liquid Parafin	79.78	87.32
Gold	27.58	25.29
Sorbitol Solution 70% IP	30.47	29.27
Amla Green	10.28	10.28
Others	936.15	900.69
<b>Total</b>	<b>1,212.59</b>	<b>1,153.93</b>

**42. Earnings in Foreign Exchange**

Export Sales at FOB	199.92	219.72
<b>Total</b>	<b>199.92</b>	<b>219.72</b>

**43. Expenditure in Foreign Currency**

Professional, Consultation Fees & Others	1.94	2.33
Travelling & Conveyance	2.25	2.05
Royalty	0.12	0.12
Interest on PCFC Loan	0.23	0.85
<b>Total</b>	<b>4.54</b>	<b>5.35</b>



(All amounts in ₹ crores, unless otherwise stated)

**44. Net Dividend Remitted in Foreign Currency**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Amount of final dividend remitted	0.01	0.01
The year to which dividend relates	2013-14	2012-13
Total number of non-resident shareholders	40	43
Total number of shares held by them on which dividend was due	125,000	138,000
Amount of interim dividend remitted	0.02	0.01
The year to which dividend relates	2014-15	2013-14
Total number of non-resident shareholders	40	43
Total number of shares held by them on which dividend was due	125,000	138,000

**45. Buildings constructed on leasehold land included in the value of building shown in the Fixed Assets Schedule**

Particulars	As at March 31, 2015	As at March 31, 2014
Cost	212.60	206.78
Written Down	166.30	158.16

**46. Defined Benefit Plan**

Particulars		Gratuity (funded)	Leave salary (funded)	Post Separation benefits of Director	Total
<b>A. Defined Benefit Plan Expenses recognized during the period:</b>					
A. Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
B. Current Service Cost	CY	3.90	2.40	1.20	7.50
	PY	3.53	2.19	1.15	6.87
C. Interest Cost	CY	3.32	1.03	3.44	7.79
	PY	2.80	0.90	3.37	7.07
D. Expected return on Plan Assets	CY	(3.75)	(1.13)	-	(4.88)
	PY	(3.03)	(1.25)	-	(4.28)
E. Actuarial Loss/(Gain)	CY	0.65	1.06	(1.53)	0.18
	PY	(0.48)	0.24	(0.84)	(1.08)
F. Total expenses recognized during the year (A+B+C+D+E)	CY	4.12	3.36	3.11	10.59
	PY	2.82	2.08	3.68	8.58

(All amounts in ₹ crores, unless otherwise stated)

Particulars		Gratuity (funded)	Leave salary (funded)	Post Separation benefits of Director	Total
<b>B. Reconciliation of opening &amp; closing balances of obligations :</b>					
I. Obligation as on 01.04.2014	CY	39.08	12.09	40.49	<b>91.66</b>
	PY	34.97	11.29	39.63	<b>85.89</b>
II. Past service cost	CY	-	-	-	-
	PY	-	-	-	-
III. Current service cost	CY	3.90	2.40	1.20	<b>7.50</b>
	PY	3.53	2.19	1.15	<b>6.87</b>
IV. Interest cost	CY	3.32	1.03	3.44	<b>7.79</b>
	PY	2.80	0.90	3.37	<b>7.07</b>
V. Actuarial (Gain)/ Loss	CY	0.80	0.93	(1.53)	<b>0.20</b>
	PY	(0.21)	0.12	(0.84)	<b>(0.93)</b>
VI. Settlement	CY	(3.33)	(2.58)	(0.47)	<b>(6.38)</b>
	PY	(2.01)	(2.41)	(2.82)	<b>(7.24)</b>
VII. Obligation as on 31.03.2015	CY	43.77	13.87	43.13	<b>100.77</b>
	PY	39.08	12.09	40.49	<b>91.66</b>
<b>C. Change in Plan Assets :</b> (Reconciliation of opening and closing balances)					
I. Fair Value of Plan Assets as on 01.04.2014	CY	42.42	12.75	-	<b>55.17</b>
	PY	33.66	13.53	-	<b>47.19</b>
II. Expected Return on Plan Assets	CY	3.75	1.13	-	<b>4.88</b>
	PY	3.03	1.25	-	<b>4.28</b>
III. Actuarial Gain/ (Loss)	CY	0.15	(0.13)	-	<b>0.02</b>
	PY	0.27	(0.12)	-	<b>0.15</b>
IV. Employer Contribution	CY	3.00	3.00	-	<b>6.00</b>
	PY	7.47	0.50	-	<b>7.97</b>
V. Settlement	CY	(3.33)	(2.58)	-	<b>(5.91)</b>
	PY	(2.01)	(2.41)	-	<b>(4.42)</b>
VI. Fair value of Plan Assets as on 31.03.2015	CY	45.99	14.17	-	<b>60.16</b>
	PY	42.42	12.75	-	<b>55.17</b>
<b>D. Closing Obligation vis-a-vis Planned Assets</b>					
i. Obligation as on 31.03.2015	CY	43.77	13.87	43.13	<b>100.77</b>
	PY	39.08	12.09	40.49	<b>91.66</b>
ii. Fair value of planned assets as on 31.03.2015	CY	45.99	14.17	-	<b>60.16</b>
	PY	42.42	12.75	-	<b>55.17</b>
Deficit/(Surplus)	CY	(2.22)	(0.30)	43.13	<b>40.61</b>
	PY	(3.34)	(0.66)	40.49	<b>36.49</b>

**E. Investment details of plan assets as on 31.03.2015**

100% reimbursement right from insurance company for fund managed by it

(All amounts in ₹ crores, unless otherwise stated)

**F. Actuarial Assumption :****(i) Financial Assumption**

Discount Rate (%)	7.75%
Estimated rate of return on plan assets (%)	8.85%
Salary escalation ratio inflation (%)	9.25%

**(ii) Method of computation**

Projected unit credit method

**(iii) Demographic Assumption**

Life Expectancy IALM (2006-08)

- 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 increment.
- I.** Demographics assumptions take into account mortality factor as per IALM (2006-08) ultimate criteria, employees and normal retirement age at 58.
- J.** Particulars on planned assets have been ascertained on the basis of last confirmation from Insurance Company.
- K.** CY- Current year, PY - Previous year

**L. Defined Contribution Plan**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Provident Fund	11.91	10.54
Employees State Insurance	1.62	1.69
Employees Superannuation Fund	3.96	3.99
<b>Total</b>	<b>17.49</b>	<b>16.22</b>

**47. Auditors Remuneration**

Audit Fees	0.63	0.63
Certification and Others	0.16	0.11
Reimbursement of Expenses	0.29	0.24
<b>Total</b>	<b>1.08</b>	<b>0.98</b>

**48. Information pursuant to AS 19 issued by ICAI relating to Operating Lease (as Lessee)**

- | i) The future minimum lease payment under non-cancellable operating lease | Not Later than 1 year | Later than 1 year not later than 5 year | Later than 5 year |
|---------------------------------------------------------------------------|-----------------------|-----------------------------------------|-------------------|
| Building & Machine                                                        | 1.52                  | 0.57                                    | -                 |
|                                                                           | (1.04)                | (2.20)                                  | -                 |
| Cars                                                                      | 0.79                  | 0.86                                    | -                 |
|                                                                           | (0.68)                | (0.80)                                  | -                 |
- ii) Lease rent debited to Profit & Loss account of the year Rs 1.03 (Previous year Rs 0.99).
- iii) Irrevocable lease agreement relates to flat, machine & vehicle, lease period not exceeding five years in respect of any arrangement
- iv) Figures in bracket relates to previous year

(All amounts in ₹ crores, unless otherwise stated)

**49. Exposure in Foreign Currency**

Particulars	Foreign Currency			Local Currency		Nature of risk hedged
a) Outstanding overseas exposure hedged by forward option/ contract against adverse currency fluctuation:-						
i. Packing Credit Loan	CY	USD	1.80	INR	112.45	Adverse Currency Fluctuations
	PY	USD	-	INR	-	
ii. Off balance sheet exposure towards sale instrument of foreign exchange	CY	USD	-	INR	-	Adverse Currency Fluctuations
	PY	USD	0.15	INR	8.99	
b) Outstanding overseas exposure not being hedged against adverse currency fluctuation						
i. Export Receivable	CY	EUR	0.02	INR	1.46	
	PY	EUR	0.03	INR	1.55	
	CY	GBP	0.01	INR	0.88	
	PY	GBP	0.01	INR	0.58	
	CY	USD	0.61	INR	38.33	
	PY	USD	0.56	INR	31.81	
ii. Overseas Creditors	CY	AUD	-	INR	-	
	PY	AUD	0.01	INR	0.32	
	CY	EUR	0.00	INR	0.00	
	PY	EUR	0.00	INR	0.08	
	CY	GBP	0.00	INR	0.02	
	PY	GBP	0.00	INR	0.23	
	CY	JPY	-	INR	-	
	PY	JPY	0.03	INR	0.02	
	CY	SGD	-	INR	-	
	PY	SGD	0.00	INR	0.02	
iii. Advances to supplier	CY	USD	0.01	INR	0.54	
	PY	USD	-	INR	-	

**50. Investment in Joint Venture Information (Pursuant to AS-27)**

- The company is a party to joint venture agreement controlling the management of Forum 1 Aviation Private 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 aircraft. 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 shareholder's agreement.
- Share of the company in assets, outside liability, net worth, income and expenses not being accounted for herein works out to Rs 9.67 (Previous year 10.33), Rs 1.20 (Previous year 2.63), Rs 8.47 (Previous year 7.70), Rs 5.42 (Previous year 4.84) and Rs 4.63 (Previous year 4.12) respectively in respect of year under audit as per un-audited accounts of the JCE.
- Stake of the company in terms of percentage of total subscribed and paid up capital of JCE is 16.67%. Said amount Rs 4.77 (Rs 4.77) appears under investment head in balance sheet of the company.
- Company's commitment towards revenue expenditure of the JCE amounting to Rs 5.05 (Previous year Rs 4.68) has been charged to profit and loss account under the head general charges.
- The company has furnished guarantee bond for Rs 7.14 (previous year Rs 7.14) in respect of borrowing availed by the JCE for acquisition of aircraft which forms part of point 22 of these notes.
- No income from said investment, unless realized in cash, is recognized in this standalone account.

(All amounts in ₹ crores, unless otherwise stated)

**51. A. Related Party Disclosures:****(a) Related parties where control exists:-**

H & B Stores Limited	Domestic Wholly Owned Subsidiary
Dermoviva Skin Essentials Inc, USA	Foreign Wholly Owned Subsidiary
Asian Consumer care Pvt. Ltd., Dhaka	Foreign Subsidiary
Dabur Nepal Pvt. Ltd., Nepal	Foreign Subsidiary
Dabur Egypt Ltd., Egypt	Foreign Wholly Owned Subsidiary
Dabur (UK) Ltd., UK	Foreign Wholly Owned Subsidiary
Dabur International Ltd., UAE	Foreign Wholly Owned Subsidiary
African Consumer care Limited, Nigeria	Foreign Wholly Owned Subsidiary
Asian Consumer care Pakistan Pvt. Ltd., Pakistan	Foreign Subsidiary
Naturelle LLC, UAE	Foreign Wholly Owned Subsidiary
Dabur Egypt Trading Ltd., Egypt	Foreign Wholly Owned Subsidiary (ceased w.e.f. 29 <sup>th</sup> May,14)
Hobi Kozmetik, Turkey	Foreign Wholly Owned Subsidiary
Ra Pazarlama, Turkey	Foreign Wholly Owned Subsidiary
Namaste Laboratories LLC, US	Foreign Wholly Owned Subsidiary
Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria	Foreign Wholly Owned Subsidiary
Healing Hair Lab International LLC, USA	Foreign Wholly Owned Subsidiary
Urban Lab International LLC, USA	Foreign Wholly Owned Subsidiary
Dabur Lanka (Pvt.) Ltd., Sri Lanka	Foreign Wholly Owned Subsidiary
Namaste Cosmetics Ltda, Brazil	Foreign Wholly Owned Subsidiary
Dabur Consumer care Pvt. Ltd., Srilanka	Foreign Wholly Owned Subsidiary
Dabur Tunisie, Tunisia	Foreign Wholly Owned Subsidiary

**(b) Other related parties in transaction with the company:**

<b>(I) Joint Venture/Partnership</b>	: Forum 1 Aviation Private Limited
<b>(II) Key Managerial Personnel</b>	: 1. Mr. P D Narang, Whole Time Director 2. Mr. Sunil Duggal, CEO cum Whole Time Director 3. Mr. Lalit Malik, Chief Financial Officer (CFO) 4. Mr. A K Jain, VP (Finance) and Company Secretary
<b>(III) Directors</b>	: 1. Dr. Anand C Burman, Chairman 2. Mr. Amit Burman, Vice Chairman 3. Mr. Mohit Burman, Director 4. Mr. Saket Burman, Director 5. Mr. P. N. Vijay, Independent Director 6. Mr. R C Bhargava, Independent Director 7. Dr. S Narayan, Independent Director 8. Mr. Albert Wiseman Paterson, Independent Director (Ceased to be Director from 8-Sep-2014) 9. Dr. Ajay Dua, Independent Director 10. Mr. Sanjay Kumar Bhattacharyya, Independent Director 11. Mrs. Falguni Nayar, Independent Director (Appointed from 28-Jul-2014)

(All amounts in ₹ crores, unless otherwise stated)

**(IV) Others****a) Sharing/Directors in Common**

1. Jetways Travels Private Limited
2. Lite Bite Foods Private Limited

**b) Relatives of Directors**

1. Mr. Vivek Chand Burman
2. Mrs. Asha Burman

**B. Related Parties Transactions as on 31.03.2015**

Particulars	Subsidiary	Joint Venture	Key Managerial Personnel	Directors	Others	Total	Outstanding as on 31.03.2015
<b>A. Profit &amp; Loss A/c</b>							
1. Purchase of Goods/Services	447.49	-	-	-	9.89	457.38	-
	(396.65)	-	-	-	(9.11)	(405.76)	-
2. Sale of Goods	86.28	-	-	-	-	86.28	11.60
	(87.41)	-	-	-	-	(87.41)	(11.93)
3. Royalty Expense	0.12	-	-	-	-	0.12	0.36
	(0.12)	-	-	-	-	(0.12)	(0.24)
4. General Expenses	-	5.05	-	-	-	5.05	0.46
	-	(4.68)	-	-	-	(4.68)	(0.57)
5. Remuneration/Pension	-	-	17.36	-	-	17.36	-
	-	-	(15.01)	-	-	(15.01)	-
6. Post Separation Benefit	-	-	2.51	0.21	0.40	3.12	-
	-	-	(3.26)	(0.01)	(0.41)	(3.68)	-
7. Reimbursement of Expenses	-	-	0.31	-	-	0.31	-
	-	-	(0.25)	-	-	(0.25)	-
8. Employee Stock Option Scheme	5.85	-	22.52	-	-	28.37	-
	(2.66)	-	(9.93)	-	-	(12.59)	-
9. Interest Received on Sec. Deposit	-	0.02	-	-	-	0.02	-
	-	(0.02)	-	-	-	(0.02)	-
10. Sitting Fees	-	-	-	0.61	-	0.61	-
	-	-	-	(0.12)	-	(0.12)	-
<b>B Balance Sheet*</b>							
11. Loan Given	-	-	-	-	-	-	-
	(0.90)	-	-	-	-	(0.90)	-
12. Repayment of Loans given	-	-	-	-	-	-	-
	(2.10)	-	-	-	-	(2.10)	-
13. Equity Contribution	4.00	-	-	-	-	4.00	91.00
	(5.20)	(0.21)	-	-	-	(5.41)	(110.96)
14. Security Deposit	-	-	-	-	-	-	0.38
	-	-	-	-	-	-	(0.38)
<b>C. Off Balance Sheet Item*</b>							
15. Guarantees & Collaterals	(344.16)	-	-	-	-	(344.16)	1,245.62
	(544.52)	-	-	-	-	(544.52)	(1,045.26)

\*Previous Balance as on 31.03.2014

**Notes:**

- A. Item referred to in 1 above includes Purchases from Dabur Nepal Pvt. Ltd. Rs. 410.05 (Rs. 384.59).



(All amounts in ₹ crores, unless otherwise stated)

- B. Item referred to in 2 above includes Sales to Dabur International Ltd., Naturelle LLC, Asian Consumer Care Pakistan (Pvt) Ltd., Asian Consumer Care Ltd. Rs. 19.17, Rs. 23.85, Rs. 5.41, Rs. 12.39 respectively (Rs. 16.58, Rs. 26.86, Rs. 16.95, 10.11 respectively).
- C. Item referred to in 3 above relates to royalty paid to Dermoviva Skin Essentials Inc. Rs. 0.12 (Rs. 0.12).
- D. Item referred to in 4 above relates to joint venture expenses paid to Forum 1 Aviation Pvt. Ltd. Rs. 5.05 (Rs. 4.68).
- E. Item referred to in 8 above relates to ESOP given to Dabur International Ltd. Rs. 5.85 (Rs. 2.66).
- F. Item referred to in 9 above relates to interest received on security deposit from Forum 1 Aviation Pvt. Ltd. Rs. 0.02 (Rs. 0.02).
- G. Item referred to in 11 above relates to loan given to H & B stores Ltd. Rs. Nil (Rs. 0.90).
- H. Item referred to in 12 above relates to loan repaid by H & B stores Ltd. Rs. Nil (Rs. 2.10).
- I. Item referred to in 13 above relates to investment in equity shares of Forum 1 Aviation Pvt. Ltd. Rs. Nil (Rs. 0.21) and H & B Stores Ltd. Rs. 4.00 (Rs. 5.20).
- J. Figures in bracket relate to previous year.

**52.** The 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 lieu of acquired land. The company has filed a claim for compensation of Rs 5.72 before the Office of Special Land Acquisition Officer, Ghaziabad against the land so acquired. However, keeping in view the generally accepted accounting practice, the said claim has not been considered in the books of accounts.

**53.** Loans and Advances include Rs. 0.49 (Previous year Rs. 0.49 ) paid by the Company to Excise authorities on behalf of Sharda Boiron Laboratories Limited, now known as SBL Limited, in respect of excise duty demand of Rs 0.68 raised by the District Excise Officer, Ghaziabad, against the Company and Sharda Boiron Laboratories Limited. The Hon'ble Supreme Court of India had concurred with the order of the District Excise Officer, Ghaziabad.

The Company had filed the review petition before Division Bench of the Hon'ble Supreme Court of India, which was also decided against the Company. Pursuant to the indemnity bond executed by M/s Sharda Boiron Laboratories Limited in favour of the Company and as per the terms and conditions of the contract executed with them, the recovery proceedings have been initiated by the Company against Sharda Boiron Laboratories Limited for Rs. 0.49 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. 0.21 along with interest demanded by the Excise Authorities has been paid directly by Sharda Boiron Laboratories Limited to Excise Authorities. During the year 1991-92 the company had received a refund of Rs 0.06, pursuant to the decision of Hon'ble Supreme Court in this regard. Necessary adjustments in respect of recovery/refund will be made as per the arbitration proceedings.

(All amounts in ₹ crores, unless otherwise stated)

**54. Segment Information Pursuant to AS-17**

Particulars	Consumer Care Business		Foods		Others		Unallocated		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
<b>Revenue</b>										
External Sales	4,332.88	3,926.75	957.05	799.65	128.99	130.40	-	-	5,418.92	4,856.80
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>4,332.88</b>	<b>3,926.75</b>	<b>957.05</b>	<b>799.65</b>	<b>128.99</b>	<b>130.40</b>	<b>-</b>	<b>-</b>	<b>5,418.92</b>	<b>4,856.80</b>
<b>Result</b>										
Segment result	1,030.84	909.59	108.91	87.90	4.21	4.54	-	-	1,143.96	1,002.03
Unallocated corporate expenses	-	-	-	-	-	-	241.17	202.38	241.17	202.38
<b>Operating profit</b>	<b>1,030.84</b>	<b>909.59</b>	<b>108.91</b>	<b>87.90</b>	<b>4.21</b>	<b>4.54</b>	<b>(241.17)</b>	<b>(202.38)</b>	<b>902.79</b>	<b>799.65</b>
Interest expense	-	-	-	-	-	-	9.89	19.35	9.89	19.35
Interest income	-	-	-	-	-	-	(107.59)	(81.75)	(107.59)	(81.75)
Income Tax (Current + Deferred)	-	-	-	-	-	-	213.95	189.23	213.95	189.23
<b>Profit from ordinary activities</b>	<b>1,030.84</b>	<b>909.59</b>	<b>108.91</b>	<b>87.90</b>	<b>4.21</b>	<b>4.54</b>	<b>(357.42)</b>	<b>(329.21)</b>	<b>786.54</b>	<b>672.82</b>
Exceptional/ Extraordinary item	-	-	-	-	-	-	(23.96)	(0.72)	(23.96)	(0.72)
Minority Interest	-	-	-	-	-	-	-	-	-	-
<b>Net profit</b>	<b>1,030.84</b>	<b>909.59</b>	<b>108.91</b>	<b>87.90</b>	<b>4.21</b>	<b>4.54</b>	<b>(381.38)</b>	<b>(329.93)</b>	<b>762.58</b>	<b>672.10</b>
<b>Other Information</b>	<b>As on 31/03/15</b>	<b>As on 31/03/14</b>	<b>As on 31/03/15</b>	<b>As on 31/03/14</b>	<b>As on 31/03/15</b>	<b>As on 31/03/14</b>	<b>As on 31/03/15</b>	<b>As on 31/03/14</b>	<b>As on 31/03/15</b>	<b>As on 31/03/14</b>
Segment assets	1,444.85	1,193.49	240.81	273.17	31.72	32.41			1,717.38	1,499.07
Unallocated corporate assets	-	-	-	-	-	-	1,970.98	1,622.72	1,970.98	1,622.72
<b>Total assets</b>	<b>1,444.85</b>	<b>1,193.49</b>	<b>240.81</b>	<b>273.17</b>	<b>31.72</b>	<b>32.41</b>	<b>1,970.98</b>	<b>1,622.72</b>	<b>3,688.36</b>	<b>3,121.79</b>
Segment liabilities	421.27	323.08	73.58	110.84	8.53	8.50			503.38	442.42
Unallocated corporate liabilities	-	-	-	-	-	-	848.79	777.03	848.79	777.03
<b>Total liabilities</b>	<b>421.27</b>	<b>323.08</b>	<b>73.58</b>	<b>110.84</b>	<b>8.53</b>	<b>8.50</b>	<b>848.79</b>	<b>777.03</b>	<b>1,352.17</b>	<b>1,219.45</b>
<b>Capital Expenditure</b>	<b>70.64</b>	<b>62.19</b>	<b>1.13</b>	<b>2.17</b>	<b>0.96</b>	<b>1.07</b>	<b>38.33</b>	<b>30.75</b>	<b>111.06</b>	<b>96.18</b>
Depreciation	40.42	31.58	2.55	3.79	0.76	1.91	22.24	16.61	65.97	53.89
Non-cash expenses other than depreciation	-	-	-	-	-	-	39.20	23.70	39.20	23.70

(All amounts in ₹ crores, unless otherwise stated)

**55. A. Deferred Employee Compensation under ESOP**

Particulars	As at March 31, 2015	As at March 31, 2014
Opening Balance	3.63	29.17
Addition during the year	216.02	0.77
Less: Cancelled during the year	19.07	0.13
	200.58	29.81
Less: Amortisation related to subsidiary	7.23	2.48
Less: Amortised during the year	39.20	23.70
<b>Total</b>	<b>154.15</b>	<b>3.63</b>

**B. ESOP Outstanding**

Opening Balance	92.55	99.65
Addition during the year	216.02	0.77
	308.57	100.42
Less: Deletion during the Year	19.07	0.13
Less: Alloted during the year	83.67	7.74
<b>Total</b>	<b>205.83</b>	<b>92.55</b>

**56. Movement in provision****A. Movement in Provision for Doubtful Debts**

Opening Provision	13.41	12.69
Provision made during the year	1.84	0.81
	15.25	13.50
Excess provision withdrawn	0.09	0.09
Closing Provision	15.16	13.41

**B. Movement of Provision against inventories (netted with the value of inventories)**

Opening Provision	0.83	-
Provision made during the year	1.36	0.83
	2.19	0.83
Charged off during the year	0.83	-
Closing Provision	1.36	0.83

**C. Movement of Provision for Tax**

Opening Provision	578.43	487.99
Provision made during the year	204.69	180.48
	783.12	668.47
Adjustment during the year with advance tax	119.06	90.04
Previous year provision written back	0.34	-
Closing Provision	663.72	578.43

(All amounts in ₹ crores, unless otherwise stated)

**57.** Amount due to Micro & Small enterprises under MSMED Act, 2006 is Rs. 5.07 (previous year Rs. 7.89). Identification of such enterprises has been made on the basis of their disclosure in correspondences, bills to the effect as mandated for them. There was neither any default nor any delay in payment made to such enterprises, credit terms where of were within period prescribed under statute

**58.** Sale of Services Rs. 0.10 (previous year Rs. 0.17) relates to hiring charges paid by customers for using Company's machines.

**59.** Exchange gain works out to Rs. 5.07 (Previous Year Rs. 9.55) and exchange loss Rs. 8.79 (Previous year Rs. 16.41) and their net impact have been debited to Profit & Loss Account under the head "Finance Cost".

**60. Assets Discarded/Written Down**

	Current Year	Previous year
a. Fixed Assets discarded	0.85	0.39
b. Finished goods written down	34.15	29.23

**61.** Exceptional item relates to investment in H & B Stores Limited, a wholly owned subsidiary, written off during the year on account of Honourable High Court Delhi approving investee's application made under Section 100(1)(b) of Companies Act, 1956 for reduction of share capital against cancellation of 239568708 numbers of equity shares of Re. 1 each not being represented by available assets.

**62. Change in accounting practice**

Following change in assumption of lifespan of fixed assets under Schedule II of Companies Act, 2013, over aged fixed assets have been reduced to their residual values with consequent reduction amounting to Rs. 5.57 (Net off Rs. 1.89 towards deferred tax impact, thereon) has been charged to surplus under "Reserves and Surplus" head in balance sheet. In addition to above, remaining items of fixed assets have been subjected to depreciation charge at rates which reduce them to their residual values under their revised lifespan which led to decrease in profit by Rs. 3.88 vis-a-vis previous year's practice."

**63.** a. Figures for the previous year have been rearranged/regrouped as and when necessary in terms of current year's grouping.  
b. Figures are rounded off to nearest rupees in crores.

As per our report of even date attached  
for **G. BASU & CO.**

Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**

Partner  
Membership No. 51717

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**

Chairman  
DIN: 00056216

**LALIT MALIK**

Chief Financial Officer

**P D NARANG**

Whole Time Director  
DIN: 00021581

**A K JAIN**

VP (Finance) & Company Secretary

**SUNIL DUGGAL**

Whole Time Director  
DIN: 00041825

Place : Jebel Ali - UAE

Date : May 5, 2015

# Consolidated Financial Statements

## Independent Auditor's Report

To,  
The Members of Dabur India Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Dabur India Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its one jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the

audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entity as at 31<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other Matters

We did not audit the financial statements / financial information of one jointly controlled entity, whose financial statements / financial information reflect total assets of Rs. 8.48 crores as at 31<sup>st</sup> March, 2015, total revenues of Rs. 0.79 crores and net cash flows amounting to Rs. 0.20 crores for the year ended on that date, as considered in the consolidated financial statements. Said financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid, jointly controlled entity, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, one subsidiary company and one jointly controlled company incorporated in India, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books and accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the Directors of the Holding Companies and subsidiary (incorporated in India) as on 31<sup>st</sup> March, 2015 taken on record by the respective Board of Directors of the Holding and subsidiary company none of the Directors of such companies is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and jointly controlled entity – Refer Note 23 and 25 of the consolidated financial statements.
  - (ii) The Group and the jointly controlled entity did not have any material foreseeable losses on long term contracts including derivative contracts.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. Besides there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company and jointly controlled company incorporated in India.

For **G.Basu & Co.**

Chartered Accountants

Firm's registration number: 301174E

**S Lahiri**

Partner

Place: Jebel Ali - UAE

Date: May 5, 2015

Membership number: 51717



## Annexure to the Auditor's Report as per the Companies (Auditor's Report) Order, 2015

1. a. Proper records have been maintained showing full particulars including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the managements at reasonable intervals. As informed, no material discrepancies between book records and the physical inventories have been noticed on such verification.
2. a. The inventories have been physically verified at reasonable intervals during the year by the managements.
- b. The procedures of physical verification of inventories followed are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of the records of inventory, we are of the opinion that the proper records of inventory have been maintained. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.
3. No loan secured or unsecured has been granted to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of respective companies and the nature of their businesses for purchase of inventory and fixed assets and on the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal controls. We have not observed any continuing failure on the part of the company to correct major weakness in internal control system.
5. No deposit has been accepted from the public.
6. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 in respect of products covered under the rules under said section have been made and maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
7. a. According to information and explanations given to us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, to the extent applicable, were regularly deposited to appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date of becoming payable.
- b. The dues on account on Sales Tax, Income Tax, Excise Duty, Service Tax, Wealth Tax, Custom Duty, Value Added Tax and Cess disputed and not being paid, vis-à-vis forums where such disputes are pending are mentioned below:-

Name of the Statute	Nature of dues	Period	Amount (Rs in crs)	Forum where pending
Sales Tax and Vat Laws	Central Sales Tax, Local Sales Tax, Value Added Tax, Entry Tax, etc	2010-11, 2014-15	1.90	Assessing Officer
		1996-97 to 2013-14	27.27	DC, AC, DETC, REV, BOARD, AA, DETC (Commissioner's Level)
		1997-98 to 2003-04, 2005-06 to 2011-12	7.22	Appellate Tribunal
		1990-91 to 2000-01, 2006-07 to 2010-11 & 2012-13	8.75	High Courts
Income Tax Act, 1961	Income Tax	2010-11, 2012-13 to 2014-15	0.36	Assessing Officer
		2009-10	0.01	Commissioner (Appeal)
Central Excise Act, 1944	Excise Duty	1993 to 2001	5.15	Dy. Commissioner
		1994-2014	11.30	Commissioner (Appeal)
		1994-2011	106.67	Tribunal
Service Tax (Finance Act 1994)	Service Tax	2001-08	40.29	Tribunal

- c. According to information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. 'The Holding Company' does not have accumulated losses at the end of the financial year. The Companies under reference have not incurred cash losses in the financial year. The Holding Company and jointly controlled entity did not sustain cash loss in the immediately preceding financial year. The subsidiary sustained cash loss in the preceding year.
9. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that no default has been made in repayment of dues to any financial institution, bank or debenture holder.
10. No guarantee for loans taken by others from bank or financial institutions has been furnished.
11. The term loans were applied for the purpose for which the loans were obtained.
12. No fraud has been noticed or reported on or by the Company during the year.

For **G.Basu & Co.**

*Chartered Accountants*

Firm's registration number: 301174E

**S Lahiri**

*Partner*

Place: Jebel Ali - UAE

Date: May 5, 2015

Membership number: 51717

# Consolidated Balance Sheet

as at March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

S I. Particulars No.	Note	As at March 31, 2015	As at March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
(a) Share Capital	3	175.65	174.38
(b) Reserves and Surplus	4	3,178.49	2,481.58
<b>2. Minority Interest</b>	5	18.16	15.91
<b>3. Non-current liabilities</b>			
(a) Long-Term borrowings	6	210.57	260.40
(b) Deferred Tax Liabilities (Net)	7	58.71	44.83
(c) Long-term provisions	8	46.21	40.89
<b>4. Current Liabilities</b>			
(a) Short-term borrowings	9	522.99	447.74
(b) Trade payables	10	1,095.84	1,096.53
(c) Other current liabilities	11	543.64	479.42
(d) Short-term provisions	12	256.02	270.32
<b>Total</b>		<b>6,106.28</b>	<b>5,312.00</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed Assets	13		
(i) Tangible assets		1,234.36	1,132.99
(ii) Intangible assets		642.77	633.91
(iii) Capital work-in-progress		50.30	21.71
(b) Non-current investments	14	1,407.40	492.64
(c) Long-term loans and advances	15	20.75	24.54
(d) Other non-current assets	16	20.13	18.07
<b>2. Current assets</b>			
(a) Current investment	17	405.97	583.83
(b) Inventories	18	973.27	972.51
(c) Trade receivables	19	710.84	675.30
(d) Cash and Bank balances	20	276.04	519.38
(e) Short-term loans and advances	21	278.87	195.51
(f) Other current assets	22	85.58	41.61
<b>Total</b>		<b>6,106.28</b>	<b>5,312.00</b>
Summary of significant accounting policies	2		
Contingent Liabilities, capital and other commitments	23,24		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached  
for **G. BASU & CO.**

Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**

Partner  
Membership No. 51717

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**

Chairman  
DIN: 00056216

**LALIT MALIK**

Chief Financial Officer

**P D NARANG**

Whole Time Director  
DIN: 00021581

**A K JAIN**

VP (Finance) & Company Secretary

**SUNIL DUGGAL**

Whole Time Director  
DIN: 00041825

Place : Jebel Ali - UAE

Date : May 5, 2015

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>I. Gross Revenue from sale of products</b>		<b>7,885.54</b>	7,113.53
Less : Excise Duty		(79.17)	(59.44)
<b>Net Revenue from sale of products</b>		<b>7,806.37</b>	7,054.09
<b>Sale of services</b>		<b>0.10</b>	0.17
Other Operating Revenues		20.73	21.05
<b>Revenue from Operations</b>	26	<b>7,827.20</b>	7,075.31
<b>II. Other Income</b>	27	<b>158.05</b>	128.06
<b>III. Total Revenue (I + II)</b>		<b>7,985.25</b>	7,203.37
<b>IV. Expenses</b>			
Cost of materials consumed	28	3,002.63	2,739.04
Purchase of stock in trade	29	743.35	704.44
Changes in inventories of FG , WIP & Stock in Trade	30		
Finished Goods		(14.86)	(26.43)
Work in Progress		9.96	5.93
Stock in trade		(21.01)	(22.95)
Employee benefits expenses	31	689.56	607.67
Finance cost	32	40.12	54.15
Depreciation & Amortisation	33	114.98	97.49
Other Expenses	34	2,101.16	1,907.78
<b>Total Expense</b>		<b>6,665.89</b>	6,067.12
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>1,319.36</b>	1,136.25
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>1,319.36</b>	1,136.25
<b>VIII. Extraordinary Items</b>		-	(0.72)
<b>IX. Profit before tax (VII - VIII)</b>		<b>1,319.36</b>	1,135.53
<b>X. Tax expense</b>			
(1) Current tax		235.01	210.17
(2) Deferred Tax		16.22	8.62
(3) Earlier year tax		(0.34)	0.29
<b>XI. Profit/(Loss) for the year from continuing operations (IX - X)</b>		<b>1,068.47</b>	916.45
<b>XII. Minority Interest</b>		<b>2.64</b>	2.53
<b>XIII. Profit after Minority Interest</b>		<b>1,065.83</b>	913.92
<b>XIV. Earnings per equity share in Rs. (before extraordinary items)</b>	46		
(1) Basic		6.08	5.25
(2) Diluted		6.03	5.21
<b>XV. Earnings per equity share in Rs. (after extraordinary items)</b>	46		
(1) Basic		6.08	5.24
(2) Diluted		6.03	5.21
<b>Summary of Significant Account Policies</b>	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached  
for **G. BASU & CO.**

Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**

Partner  
Membership No. 51717

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**

Chairman  
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**LALIT MALIK**

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Whole Time Director  
DIN: 00021581

**A K JAIN**

VP (Finance) & Company Secretary

**SUNIL DUGGAL**

Whole Time Director  
DIN: 00041825

Place : Jebel Ali - UAE

Date : May 5, 2015

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

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	1,319.36	1,135.53
Add:		
Depreciation	114.98	97.49
Loss on Sale of Fixed Assets	2.97	1.70
Fixed Assets Discarded	0.84	0.57
Deferred Employees Compensation Amortised	46.37	26.36
Provision for Contingent Liability	9.16	3.12
Interest	40.12	32.97
Unrealised Loss/(Gain) in Foreign Exchange	(3.81)	14.55
	210.63	176.76
	1,529.99	1,312.29
Less:		
Interest Received	116.94	92.12
Profit on Sale of Investment	17.95	17.02
Profit on Sale of Assets	0.00	1.15
	134.89	110.29
Operating Profit Before Working Capital Changes	1,395.10	1,202.00
Working Capital Changes		
(Increase)/Decrease in Inventories	(0.76)	(127.86)
(Increase)/Decrease in Trade & Other Receivables	(142.50)	(187.02)
Increase/(Decrease) in Trade Payables And Other Payables	24.88	397.37
(Increase)/Decrease in Working Capital	(118.38)	82.49
Cash Generated From Operating Activities	1,276.72	1,284.49
Tax Paid	229.51	186.19
<b>Cash Used(-)/(+)Generated from Operating Activities (A)</b>	<b>1,047.21</b>	<b>1,098.30</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(267.04)	(215.44)
Sale of Fixed Assets	15.93	2.39
Purchases of Investment	(6,316.62)	(6,445.50)
Interest Received	95.98	95.31
Proceed of Sale of Investments	5,595.55	6,455.96
<b>Cash Used(-)/(+)Generated in Investing Activities (B)</b>	<b>(876.20)</b>	<b>(107.28)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Share Capital & Premium	45.50	0.05
Repayment(-)/Proceeds (+) of Long Term Loan	(49.82)	(279.52)
Repayment(-)/Proceeds(+) from Short Term Secured Loan	20.73	211.44
Repayment(-)/Proceeds(+) from Short Term Unsecured Loans	54.52	(375.14)
Payment of Dividend	(394.79)	(278.78)
Corporate Tax on Dividend	(67.16)	(47.41)
Interest Paid	(25.75)	(34.33)
<b>Cash Used(-)/(+)Generated in Financing Activities (C)</b>	<b>(416.77)</b>	<b>(803.69)</b>
<b>Net Increase(+)/Decrease (-) in Cash and Cash Equivalents (A+B+C)</b>	<b>(245.76)</b>	<b>187.33</b>
<b>Cash and Cash Equivalents Opening Balance</b>	<b>313.21</b>	<b>123.10</b>
<b>Unrealised Gain/(Loss) on Foreign Currency</b>	<b>0.30</b>	<b>2.78</b>
<b>Cash and Cash Equivalents Closing Balance</b>	<b>67.75</b>	<b>313.21</b>
<b>Cash and Cash Equivalents (Year End)</b>	<b>67.75</b>	<b>313.21</b>
<b>Balances with Banks with restatement</b>	<b>50.83</b>	<b>284.72</b>
<b>Cheques / drafts in hand</b>	<b>5.74</b>	<b>10.11</b>
<b>Cash-in-Hand</b>	<b>11.18</b>	<b>18.38</b>

As per our report of even date attached  
for **G. BASU & CO.**  
Chartered Accountants  
Firm Regn. No. 301174E

**S. LAHIRI**  
Partner  
Membership No. 51717

Place : Jebel Ali - UAE  
Date : May 5, 2015

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**  
Chairman  
DIN: 00056216

**LALIT MALIK**  
Chief Financial Officer

**P D NARANG**  
Whole Time Director  
DIN: 00021581

**A K JAIN**  
VP (Finance) & Company Secretary

**SUNIL DUGGAL**  
Whole Time Director  
DIN: 00041825

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2015

(All amounts in ₹ crores, unless otherwise stated)

## 1. Company Information

Dabur India Limited (the 'Company') is a domestic public limited company and is listed on the Bombay Stock Exchange Ltd. [BSE], National Stock Exchange of India Ltd. [NSE] and Metropolitan Stock Exchange of India Ltd. (mSXI). The company is one of the leading FMCG players dealing in consumer care and food products. The company has manufacturing facilities across the length & breadth of the country and Research and Development center in U.P. (Sahibabad), selling arrangements being primarily in India through independent distributors except for institutional sales which are handled directly.

## 2. 2.1. Significant Accounting Policies

### 2.1.1 Basis for preparation of accounts

The accounts have been prepared in accordance with the historical cost convention under accrual basis of accounting as per Indian GAAP. Accounts and Disclosures thereon comply with the Accounting Standards specified in Companies (Accounting Standard) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncement of ICAI, provisions of the Companies Act and guidelines issued by SEBI as applicable.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

### 2.1.2 Use of Estimates

Indian GAAP enjoins management to make estimates and assumptions that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to years, the financial statement relate to. Actual result could differ from such estimates. Any revision in accounting estimates 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.

## 2.2 Principles of consolidation

i. Consolidated herein are the accounts of:-

- Dabur India Limited (the parent company)
- 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)
- 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.)
- 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 subsidiary body corporate incorporated in Emirate of RAS Al Khaimah, 100% stake wherein is held by Dabur International Ltd.)



- Dermoviva Skin Essentials Inc (a wholly owned subsidiary body corporate incorporated in USA, 97.79% and 2.21% stakes wherein are held by Dabur International Ltd. & Dabur India Ltd. respectively)
  - Namaste Laboratories LLC (a wholly owned subsidiary body corporate, incorporated in USA, 100% right wherein is exercised by Dermoviva Skin Essentials Inc)
  - Urban Laboratories International LLC (a wholly owned subsidiary body corporate incorporated in USA, 100% right wherein is exercised by Namaste Laboratories LLC)
  - Hair Rejuvenation and Revitalization Nigeria Ltd. (a wholly owned subsidiary body corporate incorporated in Nigeria, 100% right wherein is exercised by Urban Laboratories International LLC)
  - Healing Hair Laboratories International LLC (a wholly owned body corporate incorporated in USA, 100% rights wherein is exercised by Namaste Laboratories LLC)
  - Namaste Cosmetics Ltda. (a wholly owned body corporate incorporated in Brazil, 100% rights wherein is exercised by Namaste Laboratories LLC)
  - Two wholly owned overseas subsidiary body corporate incorporated in Turkey named Hobi Kozmetik and RA Pazarlama, 100% stake in each is held by Dabur International Ltd
  - Dabur Lanka (Pvt.) Ltd. (a wholly owned subsidiary body corporate incorporated in Sri Lanka 100% stake wherein is held by Dabur International Ltd)
  - Dabur Consumer care Pvt. Ltd. (a wholly owned subsidiary body corporate incorporated in Sri Lanka 100% stake wherein is held by Dabur International Ltd)
  - Dabur Tunisie (a wholly owned subsidiary body corporate incorporated in Tunisia 99% stake wherein is held by Dabur International Ltd. and 1% held by Dabur (UK) Ltd.)
- ii. In addition to the above, proportionately consolidated herein is the accounts of Forum 1

(All amounts in ₹ crores, unless otherwise stated)

Aviation Pvt. Ltd. (a domestic corporate entity jointly controlled by parent company with others, stake of parent company being 16.67% therein) on the basis of un-audited results.

- iii. The consolidated financial statements have been prepared on the basis of AS-21, under pooling of interest method read with the following basic assumptions:
- a. 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.
  - b. Entities joining business combination during the year / earlier years were accounted for at immediate post merger / amalgamation / acquisition point in terms of note no. 2.16 which provides their initial basis of worth of assets, liabilities & reserves for consolidation. Subsequent accountal thereon remain on line to line basis.
  - c. 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.
  - d. 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 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.

(All amounts in ₹ crores, unless otherwise stated)

- iv. 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.
- v. 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 only. 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, along with other segments of reserve attributable to minorities has been disclosed in the consolidated financial statement separately from liability and equity of shareholders of parent company.

### 2.3. Translation of overseas subsidiaries from foreign currencies to reporting currency

- a. All 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 monthly rate respectively on the basis of non-integral operational approach under revised AS-11 there by accounting for aggregate of net impact in exchange fluctuation in these regards as exchange reserve shown under broad head of "Reserve and Surplus".
- b. Exchange difference arising on reporting of Long term foreign currency monetary items, pertaining to transactions among group companies/ branches, at rates different from those at which they were initially recorded are accumulated under exchange fluctuation reserve. Relevant component of exchange fluctuation reserve is amortisable as per para 46A of AS-11.

### 2.4. Recognition of Income and Expenses

- a. Sales and purchases are accounted for on the basis of passing of title to the goods.
- b. Sales comprise of sale price of goods including excise duty but exclude trade discount and Sales Tax/Vat.

- c. Income/loss from future trading of commodities, forming part of inputs, is to be recognized at the closing point of the contract. For open contracts, loss if any occurs on balance sheet date is recognized. However profit, if any, accruing on open contracts on balance sheet date is ignored.
- d. All the other incomes have been accounted for on accrual basis except for those entailing accounting on realization basis under AS-9 on the ground of uncertainty factor.
- e. All expenses are provided on accrual basis unless stated otherwise.

### 2.5. Fixed Assets

- a. Fixed assets are stated at carrying amount i.e. cost less accumulated depreciation.
- b. Cost includes freight, duties, taxes and other expenses incidental to acquisition and installation.
- c. Depreciation on Fixed Assets has been provided on straight line method in terms of life span of assets specified in Schedule II of the Companies Act, 2013 except for Moulds which are depreciated in four years on straight line method based on technical advice.
- d. Patents and trademarks are being amortized over the period of ten years on straight line basis.
- e. Softwares are being amortized over the period of five years on straight line basis.
- f. For New Projects, all direct expenses and direct overheads (excluding services provided by employees in company's regular payroll) are capitalized.
- g. 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 after deduction of subsidy amount.
- h. During sale of fixed assets, any profit earned towards excess of sale value over gross block of

assets (i.e. balancing charge) is transferred from profit & loss account to capital reserve.

- i. 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.
- j. 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 II of the Companies Act, 2013.
- k. Stores and fixtures in H & B Stores Limited are amortized over a period of eight years.
- l. Leasehold improvements in H & B Stores Ltd. are amortized over the lower of estimated useful life or lease period.

## 2.6. Impairment/discarding of Assets

- a. The company identifies impairable fixed assets based on cash generating unit concept for tangible fixed assets and asset specific concept for intangible fixed assets at the year end in terms of Clause 5 to 13 of AS-28 and Clause 83 of 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.
- b. Apart from test of impairment within the meaning of AS-28, individual tangible fixed assets of various Cash Generating Units (CGUs) are identified for writing down on the ground of obsolescence, damage, redundancy & unusability at the year end.
- c. Further the company has assessed recoverable value of each CGUs and each intangible asset based on value-in-use method. Such assessment indicated the value in use of corresponding assets higher than corresponding carrying cost

(All amounts in ₹ crores, unless otherwise stated)

of assets thereby ruling out the cause of further arriving at their net-selling-price and exigency of provision against impairment loss.

## 2.7. Investment

Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current investments". All other investments are classified as "Non-current investments".

Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Non current investments.

Investments in Subsidiaries, Joint Ventures and Associates are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

No profit or losses of subsidiaries are accounted for.

## 2.8. Research and Development Expenditure

Revenue expenditure on research & development is expensed as incurred including contribution towards scientific research expenses.

## 2.9. Inventories

Inventories are valued at the lower of cost or net realizable value. Basis of determination of cost remains as follows:

- a. Raw material, Packing Material, Stores & Spares : Moving Weighted Average basis
- b. Work-in-progress : Cost of Input plus overhead upto the stage of completion
- c. Finished Goods : Cost of input plus appropriate overhead

## 2.10. Deferred Entitlement on Leave Travel Concession

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

(All amounts in ₹ crores, unless otherwise stated)

## 2.11. Retirement Benefits

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

### a. Defined Benefit Plans:

- i. Leave Salary of employees on the basis of actuarial valuation as per AS-15.
- ii. Post separation benefits of Directors on the basis of actuarial valuation as per AS-15.
- iii. Gratuity Liability on the basis of actuarial valuation as per AS-15.

### b. Defined Contribution Plans:

- i. Liability for superannuation fund on the basis of the premium paid to insurance company in respect of employees covered under Superannuation Fund Policy.
- ii. Provident fund & ESI on the basis of actual liability accrued and paid to trust / authority.

## 2.12. Income Tax and Deferred Tax

The liability of company on account of income tax is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.

## 2.13. Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

## 2.14. Foreign Currency Translation

- a. 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 statement of profit and loss.
- b. Impact of currency fluctuation on current assets/ current or outside liabilities of individual entities with reference to currency of reporting in countries of their incorporation are charged to revenue.

## 2.15. Employee 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 with corresponding debit in deferred Employee Compensation under ESOP appearing as negative item as part of shareholder's fund as per guidelines to the effect issued by SEBI.

- a. With the exercise of option and consequent issue of equity share, corresponding ESOP outstanding is transferred to share premium account.
- b. Employees' 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.
- c. Entitlement of option rises proportionately with the issuance of bonus. Nominal value of shares against enhanced options is financed by the company at the point of exercise of such option by employees against utilization of general reserve/security premium.
- d. Deferred employees compensation under ESOP is amortized on straight line method over the vesting period.

## 2.16. Business combinations

### i. 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.

## ii. 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.

## iii. 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.

## 2.17. Segment Reporting

The Company identifies primary segments based on the pre-dominant sources of risk effects and

(All amounts in ₹ crores, unless otherwise stated)

returns depending on organization and of the management and internal financial reporting system. The operating segments are the segments for which separate financial information are available and operating profit/loss there from are evaluated regularly by the management for allocation of resources and assessment of performance.

Revenue, expenses, assets and liabilities which relate to the company as a whole which are not allocable to segments on direct and/or reasonable basis have been included under "unallocated revenue/ expenses/assets/liabilities".

## 2.18. Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals for operating leases are charged to statement of profit & loss on accrual basis in accordance with the respective lease agreements.

## 2.19. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 3. Share Capital

### Particulars of Shares:

Sl No.	Class of Shares	Face value of one share		Authorised Capital		Issued, Subscribed & Fully Paid up	
				Total no. of Shares	Total Value	Total no. of Shares	Total Value
(i)	Equity Shares	CY	Re. 1	2070000000	207.00	1756248783	175.65
		PY	Re. 1	2070000000	207.00	1743813073	174.38

(All amounts in ₹ crores, unless otherwise stated)

**4. Reserves & Surplus**

Particulars	As at March 31, 2015	As at March 31, 2014
Capital Reserve	29.13	21.59
Securities Premium Reserve	166.37	37.95
Legal Reserve	14.66	14.93
Special Fund	3.14	3.14
Employee Housing Reserve Fund	6.09	6.09
ESOP Outstanding (Net of Deferred Employee Compensation Rs.154.15 PY Rs. 3.63)	51.68	88.92
Exchange Fluctuation Reserve	(197.88)	(142.06)
General Reserve	257.26	180.12
Surplus / (deficit)	2,848.04	2,270.90
<b>Total</b>	<b>3,178.49</b>	<b>2,481.58</b>

**Note:**

- Legal reserve Rs. 14.93 & entire special reserve represent statutory reserve inherited from two subsidiaries all incorporated in Turkey, having joined the group during financial year 2010-11 which has been retained as above against corresponding debit in the amalgamation adjustment account.
- Reconciliation of Exchange Fluctuation reserve (pursuant to Clause 40(b) of AS-11)

	2014-15	2013-14
Opening Balance	(142.06)	(116.54)
Exchange Gain against translation of fixed assets *	6.38	22.65
Exchange Loss against others	(63.76)	(50.12)
	(199.44)	(144.01)
Transferred to Minority Interest	1.56	1.95
Closing Balance	(197.88)	(142.06)

\* Closing balance of fixed assets of overseas subsidiaries has been translated in terms of year end exchange rate thereby adding to exchange fluctuation reserve by Rs. 7.39 (PY Rs. 22.65)

- Reserve & surplus has been netted off by interim dividend Rs. 256.86 (PY Rs. 153.02), proposed dividend Rs. 158.56 (PY Rs. 204.02), bonus issue Rs. 0.53 (PY Rs. 0.04), Rs. 6.85 depreciation charge on over aged fixed assets (Note 48 ) and added by Rs. 2.33 towards deferred tax implication on depreciation charge.

**5. Minority Interest**

Particulars	As at March 31, 2015	As at March 31, 2014
Share Capital	7.77	7.77
Share Premium	0.09	0.09
General Reserve	0.11	0.11
Exchange Fluctuation Reserve	1.56	1.95
Surplus	8.63	5.99
<b>Total</b>	<b>18.16</b>	<b>15.91</b>



(All amounts in ₹ crores, unless otherwise stated)

**6. Long Term Borrowing**

Sl. No.	Nature of Borrowing	As at March 31, 2015			As at March 31, 2014		
		Secured	Unsecured	Total	Secured	Unsecured	Total
i)	Term loans - from Bank	210.57	-	210.57	194.92	-	194.92
ii)	Other loans & advances	-	-	-	-	65.48	65.48
	<b>Total</b>	<b>210.57</b>	<b>-</b>	<b>210.57</b>	<b>194.92</b>	<b>65.48</b>	<b>260.40</b>

**Note:** There is no default in repayment of principal loan or interest thereon.**7. Deferred Tax Liabilities (Net)**

Particulars	As at March 31, 2015		As at March 31, 2014	
<b>Deferred Tax Liability :</b>				
Depreciation		86.91		71.26
<b>Less: Deferred Tax Assets :</b>				
Provision for Disputed Liabilities	3.85		1.57	
Provision for Service Benefits	14.59		12.40	
Provision for Doubtful Advances	0.43		0.43	
Provision for Doubtful Debts	5.42		5.77	
Business Loss	3.48		0.90	
Others	0.43	28.20	5.36	26.43
<b>Net Deferred Tax Liability</b>		<b>58.71</b>		<b>44.83</b>
Deferred Tax Liability provided during year		16.22		8.62
Adjustment on account of implementation of Schedule II of Companies Act, 2013		(2.33)		-
<b>(Decrease)/Accretion in Deferred Tax Liability</b>		<b>13.88</b>		<b>8.62</b>

**Note:**

Deferred tax assets recognized against unabsorbed business loss relates to a US based subsidiary, having *inter-alia* other subsidiaries incorporated in USA, former being liable to fiscal obligation on profit/loss of subsidiaries apart from its own operating results.

Sustaining of loss is for temporary period part of which has regularly been offset by net surplus generated by its subsidiaries thereby virtually confirming realisability of loss at given period of time in future.

These attributes to recognition of deferred tax asset against relevant unabsorbed loss.

**8. Long-Term provisions**

Particulars	As at March 31, 2015	As at March 31, 2014
For Retirement Benefits (Directors)	42.79	40.14
For Severance Compensation	3.42	0.75
<b>Total</b>	<b>46.21</b>	<b>40.89</b>

(All amounts in ₹ crores, unless otherwise stated)

**9. Short-Term Borrowings**

Sl. No.	Nature of Borrowing	As at March 31, 2015			As at March 31, 2014		
		Secured	Unsecured	Total	Secured	Unsecured	Total
i)	Cash Credits from Bank	94.75	-	94.75	116.19	-	116.19
ii)	Packing Credit Loan from Banks	-	112.45	112.45	-	26.50	26.50
iii)	Other loans from Banks	145.74	154.94	300.68	117.74	187.25	304.99
iv)	Overdraft of Current Account	14.17	0.94	15.11	-	0.06	0.06
<b>Total</b>		<b>254.66</b>	<b>268.33</b>	<b>522.99</b>	<b>233.93</b>	<b>213.81</b>	<b>447.74</b>

**Note:** There is no default in repayment of principal loan or interest thereon.**10. Trade Payables**

Particulars	As at March 31, 2015	As at March 31, 2014
Creditors for Goods and Services	975.61	966.96
Acceptances	120.23	129.57
<b>Total</b>	<b>1,095.84</b>	<b>1,096.53</b>

**11. Other Current Liabilities**

Component of term loan repayable within a year	227.28	242.97
Unpaid dividends	5.20	4.81
Creditors for Capital Goods	11.51	9.32
Security Deposits	9.24	6.82
Advances from Customers	41.82	10.96
Interest accrued but not due on loans	2.13	2.33
Statutory Liabilities	154.82	92.68
Other payables	91.64	109.53
<b>Total</b>	<b>543.64</b>	<b>479.42</b>

**12. Short Term Provisions**

For Leave Encashment	8.36	6.53
For Gratuity Payable	13.00	7.38
For Post Separation Benefit of Directors	0.34	0.35
For Taxation (net of advance tax Rs. 460.13, PY Rs. 354.58)	22.06	9.39
For Others	0.46	3.73
For Disputed Liabilities	43.43	34.26
For Bonus	9.81	4.66
For Proposed Dividend	131.74	174.38
For Dividend Tax	26.82	29.64
<b>Total</b>	<b>256.02</b>	<b>270.32</b>

(All amounts in ₹ crores, unless otherwise stated)

**13. Fixed Assets**

Gross Block															Depreciation / Amortisation				Net Block	
Sl. No.	Particulars of Assets	Gross Cost /Value as on 01.04.14	Addition/ Acquisition	Business Combination	Other Adjustment	Sub Total	Sale / adjustment during this year	Exchange Gain/(Loss)	Gross Balance as on 31.03.2015	Total as on 01.04.14	Sale / for the Adjustment year during this year	Exchange (Gain)/ Loss	Total as on 31.03.15	W.D.V as on 31.03.15	W.D.V as on 31.03.14					
i.	Tangible Assets																			
	Land: Leasehold	23.73	-	-	-	-	-	-1.34	22.39	2.06	0.25	-	1.81	20.58	21.67					
	Land: Freehold	61.70	-	2.05	6.87	8.92	-	-0.92	69.70	-	-	-	-	69.70	61.70					
	Building	604.76	11.44	20.81	1.11	33.36	8.32	-8.08	621.72	130.21	20.07	4.82	137.99	483.73	474.55					
	Plant & Equipment	900.14	59.99	86.36	11.10	157.45	32.74	-40.09	984.76	389.87	72.59	18.46	397.38	587.38	510.27					
	Furniture & Fixtures	79.24	8.53	4.00	0.83	13.36	1.46	-10.63	80.51	43.45	6.51	0.63	35.94	44.57	35.79					
	Vehicles	27.13	4.95	1.99	-	6.94	2.66	-0.23	31.18	13.38	2.75	1.87	14.00	17.18	13.75					
	Office Equipment	48.47	2.95	2.25	0.06	5.26	0.63	0.15	53.25	33.21	8.90	0.34	42.03	11.22	15.26					
	Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
i.	Total	1,745.17	87.86	117.46	19.97	225.28	45.81	-61.14	1,863.51	612.18	111.07	26.20	629.15	1,234.36	1,132.99					
ii.	Intangible Assets																			
	Goodwill	621.45	-	-	-	-	-	-	621.45	0.05	-	-	0.05	621.40	621.40					
	Brands/Trademarks	14.87	-	-	-	-	-	-1.86	13.01	11.96	0.59	-0.93	11.62	1.39	2.91					
	Computer Software	31.30	12.47	0.10	-	12.57	-	-0.95	42.92	21.70	3.32	-2.08	22.94	19.98	9.60					
	Total	667.62	12.47	0.10	-	12.57	-	-2.81	677.38	33.71	3.91	-3.01	34.61	642.77	633.91					
iii.	Capital Work-in-progress																			
		21.71	11.59	37.55	-	49.14	19.97	-0.58	50.30	-	-	-	-	50.30	21.71					
	Grand Total (i+ii+iii)	2,434.50	111.92	155.11	19.97	287.00	65.78	-64.53	2,591.19	645.89	114.98	26.20	663.76	1,927.43	1,788.61					
	Previous year	2225.53	92.53	99.98	109.42	301.93	125.5	32.54	2434.5	551.08	97.49	12.53	645.89	1788.61	-					

(All amounts in ₹ crores, unless otherwise stated)

**14. Non-Current Investments**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>I. Trade Investment (unquoted):</b>		
<b>Investment in Fully paid equity Instruments</b>		
A. Sanat Products Ltd. (CY: 50000 shares, PY: 50000 shares of face value of Rs. 100 each)	1.05	1.05
B. Dabon International Ltd.* (CY: 270000 shares, PY: 270000 shares of face value of Rs. 10 each)	0.27	0.27
C. Shivalik Solid Waste Management Ltd. (CY: 18000 shares, PY: 18000 shares of face value of Rs. 10 each)	0.02	0.02
<b>II. Other than trade</b>		
<b>a. Investment in Government or Trust Shares / Securities (unquoted)</b>		
A. National Saving Certificates	0.02	0.02
<b>b. Investment in Bonds (quoted) -Fully paid</b>		
A. Power Finance Corporation (CY: Nil units, PY: 142393 units of face value of Rs. 1000 each) (CY: Nil units, PY: 500 units of face value of Rs. 100000 each) (CY: 1400 units, PY: 350 units of face value of Rs. 1000000 each)	140.50	52.73
B. Rural Electrification Corporation (CY: Nil units, PY: 183715 units of face value of Rs. 1000 each) (CY: 1550 units, PY: 800 units of face value of Rs. 1000000 each)	151.57	98.78
C. NHAI Bonds (CY: Nil units, PY: 37086 units of face value of Rs. 1000 each)	-	3.71
D. Indian Railway Finance Corporation (CY: Nil units, PY: 158753 units of face value of Rs. 1000 each)	-	15.88
E. Exim Bonds (CY: 650 units, PY: 650 units of face value of Rs. 1000000 each)	63.30	63.30
F. Power Grid Corporation Bonds (CY: 700 units, PY: 200 units of face value of Rs. 1000000 each) (CY: 80 units, PY: 80 units of face value of Rs. 1250000 each)	80.12	29.32
G. HDFC Ltd. (CY: 100 units, PY: 100 units of face value of Rs. 1000000 each)	9.51	9.51
H. LIC Housing Finance Limited (CY: 850 units, PY: 150 units of face value of Rs. 1000000 each)	84.30	15.34
I. IDFC Limited (CY: 900 units, PY: Nil units of face value of Rs. 1000000 each)	93.52	-
J. ICICI Bank Limited (CY: 100 units, PY: Nil units of face value of Rs. 1000000 each)	10.00	-
K. GOI Securities of the face value of Rs. 415 crores (PY : Face value of Rs. Nil crores)	466.33	-
L. Maharashtra SDL of the face value of Rs. 10 crores (PY : Face value of Rs. Nil crores)	10.36	-
M. Tamil Nadu SDL of the face value of Rs. 25 crores (PY : Face value of Rs. Nil crores)	25.50	-
N. DVC bonds (CY: 96 units, PY: Nil units of face value of Rs. 1000000 each)	9.55	-

(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at March 31, 2015	As at March 31, 2014
O. NPCIL Bonds	20.00	-
(CY: 200 units, PY: Nil units of face value of Rs. 1000000 each)		
P. SBI Card payment	12.35	-
(CY: 118 units, PY: Nil units of face value of Rs. 1000000 each)		
<b>c. Investment in Bonds (Unquoted)-Fully paid</b>		
A. Indian Overseas Bank	12.15	12.15
(CY: 18750 units, PY : 18750 units of face value Rs. 1631 each)		
B. Syndicate Bank	12.04	12.04
(CY: 18750 units, PY : 18750 units of face value Rs. 1631 each)		
C. Axis Bank	11.94	11.94
(CY: 18750 units, PY : 18750 units of face value Rs. 1631 each)		
D. Union Bank of India	11.67	11.67
(CY: 18750 units, PY : 18750 units of face value Rs. 1631 each)		
E. IDBI Bonds	42.55	-
(CY: 68000 units, PY : Nil units of face value Rs. 1701 each)		
<b>d. Investment in non-convertible debentures (unquoted)-Fully paid</b>		
A. NCD of Shriram Transport Finance Co.	2.31	27.31
(CY: 23126 units, PY: 23126 units of face value of Rs. 1000 each )		
(CY: Nil units, PY: 250 units of face value of Rs. 1000000 each )		
B. NCD of Bajaj Finance Ltd.	19.93	5.22
(CY: 5 units, PY: 5 units of face value of Rs. 10000000 each)		
(CY: 150 units, PY: Nil units of face value of Rs. 1000000 each)		
C. NCD of Fullerton India Credit Co. Ltd.	-	10.03
(CY: Nil units, PY: 100 units of face value of Rs. 1000000 each)		
D. NCD of Sesa Sterlite Ltd	25.08	-
(CY: 250 units, PY: Nil units of face value of Rs. 1000000 each)		
E. NCD of Air India Ltd.	7.10	-
(CY: 62 units, PY: Nil units of face value of Rs. 1000000 each)		
F. NCD of Reliance Capital Ltd.	25.01	-
(CY: 250 units, PY: Nil units of face value of Rs. 1000000 each)		
<b>e. Investment in Zero Coupon Bonds (unquoted)-Fully paid</b>		
A. Bajaj Finance Limited	29.76	29.76
(CY: 250 units, PY: 250 units of face value of Rs. 1000000 each)		
B. Tata Capital Financial Services Limited	29.86	29.86
(CY: 250 units, PY: 250 units of face value of Rs. 1000000 each)		
<b>f. Fixed Deposits with others (Unquoted)</b>		
A. FD with Mahindra & Mahindra	-	16.00
B. FD with IL&FS	-	37.00
<b>Total</b>	<b>1,407.67</b>	<b>492.91</b>
Less: Provision for diminution in carrying cost*	<b>0.27</b>	<b>0.27</b>
<b>Net Amount</b>	<b>1,407.40</b>	<b>492.64</b>

**Footnote:**

1. a. Aggregate cost of quoted investment	1,176.91	288.57
b. Aggregate market value of quoted investment	1,177.89	289.22
c. Aggregate amount of unquoted investments	230.76	204.34

(All amounts in ₹ crores, unless otherwise stated)

**15. Long Term Loans & Advances**

Particulars		As at March 31, 2015	As at March 31, 2014
Advance Payment of Tax (Net of provision of Rs. 272.73, PY: Rs. 272.73)	Considered good	1.77	1.77
Capital Advance	Considered Good	9.25	13.52
Security Deposits with Govt Authorities	Considered Good	9.73	9.25
<b>Total</b>		<b>20.75</b>	<b>24.54</b>

**16. Other Non Current Assets**

Amalgamation Adjustment Account	18.07	18.07
Bank Deposit maturing after 12 months	2.06	0.00
<b>Total</b>	<b>20.13</b>	<b>18.07</b>

**Note:** Amalgamation adjustment account refers to adjustment of retaining statutory and compulsory reserves of entities merged in the earlier years under Purchase method.

**17. Current Investments**

A. Other than trade - Fully paid			
I.	Mutual funds (Quoted)		
	A. Reliance Mutual Fund	10.00	59.44
	(CY: Nil units, PY: 289773 units of face value of Rs. 1000 each)		
	(CY: 10000000 units, PY: Nil units of face value of Rs. 10 each)		
	B. DWS Mutual Fund	-	7.27
	(CY: Nil units, PY: 2721178 units of face value of Rs. 10 each)		
	C. UNION KBC Mutual Fund	47.84	10.00
	(CY: 341975.94 units, PY: 77898 units of face value of Rs. 1000 each)		
	D. JM Financial Mutual Fund	-	4.44
	(CY: Nil units, PY: 4523889 units of face value of Rs. 10 each)		
	E. L&T Mutual Fund	-	6.17
	(CY: Nil units, PY: 60804 units of face value of Rs. 1000 each)		
	F. ICICI Prudential Mutual Fund	5.00	-
	(CY: 5000000 units, PY: Nil units of face value of Rs. 10 each)		
	G. Indiabulls Mutual Fund	75.00	-
	(CY: 552145.14 units, PY: Nil units of face value of Rs. 10 each)		
	H. Sundram Mutual Fund	25.00	-
	(CY: 13007554.78 units, PY: Nil units of face value of Rs. 10 each)		
	I. Baroda Pioneer Mutual fund	0.06	-
	(CY: 599.583 units, PY: Nil units of face value of Rs. 1001.1191 each)		
	J. UTI Floating Rate Plan	0.08	0.08
	(CY:4170.1758 units, PY: 4170.1758 units of face value of Rs. 10 each)		
II.	Commercial Papers (Unquoted)		
	A. Reliance Capital Limited of the face value of Rs. 50 crores	45.60	45.41
	(PY: Face value of Rs. 50 crores)		
	B. Kotak Mahindra Prime Ltd.	-	22.68
	(PY: Face value of Rs. 25 crores)		
	C. Kotak Mahindra Investments Ltd. of the face value of Rs. 25 crores	22.78	46.78
	(PY: Face value of Rs. 50 crores)		



(All amounts in ₹ crores, unless otherwise stated)

Particulars	As at March 31, 2015	As at March 31, 2014
D. Fullerton India Credit Co. Ltd. of the face value of Rs. 25 crores (PY: Face value of Rs. 75 crores)	22.79	68.34
E. IDFC Ltd. (PY: Face value of Rs. 25 crores)	-	24.20
F. Tata Capital (PY: Face value of Rs. 25 crores)	-	23.49
G. ICICI Securities Ltd. (PY: Face value of Rs. 25 crores)	-	22.71
<b>III. Certificate of Deposits (Unquoted)</b>		
A. Andhra Bank (PY: Face value of Rs. 50 crores)	-	48.84
<b>IV. Non-convertible debentures (unquoted)</b>		
A. NCD of LIC Housing Finance (CY : Nil units, PY: 400 units of face value of Rs. 1000000 each )	-	42.11
B. NCD of Reliance Capital Limited (CY : Nil units, PY: 250 units of face value of Rs. 1000000 each )	-	25.88
C. NCD of Shriram Transport Finance Co. (CY : Nil units, PY: 200 units of face value of Rs. 1000000 each )	-	20.91
<b>V. Investment in Bonds (unquoted) -Fully paid</b>		
A. Egyptian Treasury Bills	34.72	20.08
<b>VI. Fixed Deposits with others (Unquoted)</b>		
A. FD with IL&FS Financial Services Ltd.	50.00	50.00
B. FD with HDFC Ltd	-	35.00
C. FD with PNB Housing Finance Ltd.	67.10	-
<b>Total</b>	<b>405.97</b>	<b>583.83</b>

**Note:**

1. a) Aggregate cost of quoted investment	162.98	87.32
b) Aggregate market value of quoted investment	164.27	88.05
c) Aggregate amount of unquoted investments	242.99	496.51

**18. Inventories**

Raw Materials	295.37	311.74
Packing Materials	143.61	151.57
Work-in-Progress	88.80	98.76
Finished goods	336.92	322.28
Stock-in-trade	107.08	86.08
Stores & spares	1.49	2.08
<b>Total</b>	<b>973.27</b>	<b>972.51</b>

(All amounts in ₹ crores, unless otherwise stated)

**19. Trade Receivables**

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured:		
Debts outstanding for a period exceeding six months since due date for payment		
Considered good	6.37	15.17
Considered doubtful	26.51	21.75
	32.88	36.92
Less: Provision for doubtful debts	26.51	21.75
	6.37	15.17
Other debts : Considered good	704.47	660.13
<b>Total</b>	<b>710.84</b>	<b>675.30</b>

**20. Cash & Bank Balances**

<b>A. Cash and Cash Equivalents</b>		
Cash in hand	11.18	18.38
Cheques / drafts in hand	5.74	10.11
<b>Balances with Banks</b>		
Current Accounts	45.63	108.82
Term Deposit maturing within three months	-	171.10
<b>Total (A)</b>	<b>62.55</b>	<b>308.41</b>
<b>B. Other Bank Balances</b>		
Term Deposit maturing after three months but before twelve months	208.29	206.17
Unpaid Dividend account	5.20	4.80
<b>Total (B)</b>	<b>213.49</b>	<b>210.97</b>
<b>C. Fixed Deposit maturing after 12 months</b>	<b>2.06</b>	<b>0.00</b>
<b>Total (A+B+C)</b>	<b>278.10</b>	<b>519.38</b>
<b>Less: Fixed Deposit maturing after 12 months</b>	<b>2.06</b>	<b>0.00</b>
<b>Total Cash &amp; Bank Balances</b>	<b>276.04</b>	<b>519.38</b>

**Footnote:**

1. Other Bank Balances include:	0.08	0.08
Other commitment (Fixed Deposits pledged with Govt Authorities)		

**21. Short-Term Loans & Advances**

Advances to Suppliers	Considered good	55.56		22.41	
	Considered Doubtful	1.27		1.27	
		56.83		23.68	
	Less: Provision for doubtful advance	1.27	55.56	1.27	22.41
Advances to Employees	Considered good	13.59		8.03	
	Considered Doubtful	0.20		0.20	
		13.79		8.23	
	Less: Provision for doubtful advance	0.20	13.59	0.20	8.03
Balance with Govt Authorities	Considered good		138.51		101.64
Advance Payment of Tax (Net of provision of Rs. 4.70, PY: Rs. 4.70)	Considered good		1.30		3.61
Deposit with others	Considered good		21.18		20.93
Others	Considered good		48.73		38.89
<b>Total</b>			<b>278.87</b>		<b>195.51</b>

(All amounts in ₹ crores, unless otherwise stated)

**22. Other Current Assets**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured and Considered Good</b>		
Interest accrues on FDs, CP's, CD's and Govt Bonds	54.60	33.67
Export Incentives Receivables	4.40	3.84
Other Receivables	26.58	4.10
	<b>85.58</b>	<b>41.61</b>

**23. Contingent Liability**

<b>Claims against the company not acknowledged as debts</b>		
1) Civil cases filed against the company	9.08	22.93
2) Claims by employees	0.86	1.03
3) Excise duty/Service tax matters	133.24	136.53
4) Sales tax matters	49.32	20.43
5) Income tax matters	2.73	10.98
	<b>195.23</b>	<b>191.90</b>

**24. Capital Commitment**

<b>a. Capital Commitments</b>		
Estimated Amount of Contract in capital account remaining to be executed and not provided for	38.95	44.91
<b>b. Other commitments</b>		
Bank Guarantees	72.63	44.38
<b>c. Letter of credits</b>	34.92	53.62
<b>d. Bills discounted</b>	51.08	23.34
	<b>197.58</b>	<b>166.25</b>

**25. Information pursuant to AS-29**

Nature of Liability	Particulars of dispute	Opening Provision	Provision made during the period	Provision adjusted during the period	Closing Provision
<b>Sales Tax</b>	Classification matter and rate difference	2.74	1.51	-	4.25
<b>Entry Tax</b>	Entry tax Difference-Orissa	0.51	-	-	0.51
<b>Excise</b>	Classification matter	1.39	6.00	-	7.39
<b>Service Tax</b>	Service Tax Distribution (ISD)	28.53	-	-	28.53
<b>Income Tax</b>	Assessment Pending	1.10	1.01	-	2.11
<b>Misc Case</b>	Employee claim provision	-	0.64	-	0.64
		<b>34.27</b>	<b>9.16</b>	<b>-</b>	<b>43.43</b>

- Resulting outflows against above liabilities pending before Sales Tax DC/Tribunal/CCT's, if mature, are expected to be in succeeding financial year.
- Withdrawal of provision relates to crystallization of liability in actual & subsequently payment made by company in relevant context.
- Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.
- Remote risk possibility of further cash outflow is presumed pertaining to contingent liabilities listed in point 23 & 24 above.

(All amounts in ₹ crores, unless otherwise stated)

**26. Revenue from Operations**

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
<b>a. Sale of Products</b>		7,885.54		7,113.53
<b>b. Sale of Services</b>		0.10		0.17
<b>c. Other Operating Revenues</b>		20.73		21.05
Export Subsidy	2.28		4.43	
Sale of Scrap	15.78		14.17	
Display Income & Dealers Regs Fees	2.67		2.45	
<b>d. Less Excise Duty</b>		(79.17)		(59.44)
<b>Total</b>		<b>7,827.20</b>		<b>7,075.31</b>

**27. Other Income**

a. Interest Income	116.94	92.12
b. Net gain/(loss) on sale of Current Investments (other than trade)	17.95	16.31
c. Revaluation (gain)/ loss on Investments	-	0.72
d. Gain on Sale of Fixed Assets	0.00	1.15
e. Bad Debt Provision written back	0.09	0.09
f. Liability written back	3.07	5.99
g. Rent Received	9.78	9.72
h. Miscellaneous Receipts	10.22	1.96
<b>Total</b>	<b>158.05</b>	<b>128.06</b>

**28. Cost of Material Consumed**

A. Raw material consumed	<b>1,890.62</b>	1,708.47
B. Packing material consumed	<b>1,112.01</b>	1,030.57
<b>Total</b>	<b>3,002.63</b>	<b>2,739.04</b>

**29. Purchase of Stock in Trade**

Purchase of Goods	<b>743.35</b>	704.44
<b>Total</b>	<b>743.35</b>	<b>704.44</b>

**30. Changes In Inventories of Finished Goods, Work-In-Progress and Stock-in-trade**

<b>Opening Inventories</b>		
Finished Goods	<b>322.06</b>	295.63
Work in Progress	<b>98.76</b>	104.69
Stock-in-trade	<b>86.07</b>	63.12
<b>Closing Inventories</b>		
Finished Goods	<b>336.92</b>	322.06
Work in Progress	<b>88.80</b>	98.76
Stock-in-trade	<b>107.08</b>	86.07
<b>Total</b>	<b>(25.91)</b>	<b>(43.45)</b>

(All amounts in ₹ crores, unless otherwise stated)

**31. Employee Benefits Expenses**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A. Salaries, Wages and Bonus	550.12	493.51
B. Contribution to Provident and Other Funds	43.62	39.54
C. Workmen and Staff Welfare	28.99	29.07
D. Director's Remuneration	20.46	19.19
E. ESOP Expenses (Amortisation of Deferred Employees Compensation under ESOP)	46.37	26.36
<b>Total</b>	<b>689.56</b>	<b>607.67</b>

**32. Finance Cost**

A. Interest Expense	25.54	32.97
B. Bank Charges	7.05	6.63
C. Net (gain)/loss on foreign currency transaction	7.53	14.55
<b>Total</b>	<b>40.12</b>	<b>54.15</b>

**33. Depreciation and Amortisation**

Depreciation on Tangible Fixed Assets	111.07	93.51
Amortisation of Intangible Fixed Assets	3.91	3.98
<b>Total</b>	<b>114.98</b>	<b>97.49</b>

**34. Other Expenses**

Increase/(Decrease) in excise duty component of non duty paid inventory	0.29	(0.24)
Power and Fuel	90.35	80.47
Stores and Spares Consumed	26.36	23.72
Repair to Building	6.16	5.13
Repair to Plant and Machinery	15.76	12.46
Repair to Others	24.12	18.36
Processing Charges	23.62	30.15
Rates and taxes	9.59	11.22
Rent	76.56	54.96
Insurance	19.69	16.86
Sales Tax	31.71	17.19
Freight and Forwarding Charges	156.47	155.23
Commission, Discount and Rebate	67.23	91.24
Advertisement and Publicity	1,124.38	999.67
Travel and Conveyance	77.13	67.29
Legal and Professional	48.90	52.06
Telephone and Fax Expenses	9.95	8.85
Security Expenses	14.30	11.41
General Charges	228.48	226.20
Director's Fees	0.61	0.12
Auditor's Remuneration	3.06	2.56
Donation	11.78	10.41
Corporate Social Responsibility	14.94	-
Research & Development Expenditure	1.99	2.55
Provision for Doubtful Debts	4.76	4.12
Loss on Sale of Fixed Assets	2.97	1.70
Fixed Assets Discarded	0.84	0.57
Provision for Doubtful Advances	-	0.40
Provision for liabilities disputed	9.16	3.12
<b>Total</b>	<b>2,101.16</b>	<b>1,907.78</b>

(All amounts in ₹ crores, unless otherwise stated)

**35. Buildings constructed on leasehold land included in the value of building shown in fixed asset schedule.**

Particulars	As at March 31, 2015	As at March 31, 2014
Cost	212.60	206.78
Written Down	166.30	158.16

- 36.** Loan and Advances includes Rs 0.49 (Previous year Rs. 0.49) paid to Excise Authorities on behalf of Sharda Laboratories Limited, now known as SBL Limited, in respect of excise duty demand of Rs. 0.68 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 Bioron Laboratories Limited for Rs. 0.49 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 0.21 along with interest demanded by the Excise Authorities. During the year 1991-92 the parent company had received a refund of Rs. 0.06 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.

**37. Employee Related Dues AS-15**

Particulars		Gratuity	Leave Salary	Post Separation benefits of Director	Total
<b>A. Defined Benefit Plan</b>					
<b>Expenses recognized during the period:</b>					
A. Past Service Cost	CY	-	-	-	-
	PY	-	-	-	-
B. Current Service Cost	CY	7.71	5.23	1.20	14.14
	PY	6.39	4.59	1.15	12.13
C. Interest Cost	CY	4.48	1.65	3.44	9.57
	PY	3.50	1.46	3.37	8.33
D. Expected return on Plan Assets	CY	(3.95)	(1.15)	-	(5.10)
	PY	(3.25)	(1.27)	-	(4.52)
E. Accumulated Loss/(Gain)	CY	1.39	0.42	(1.53)	0.28
	PY	1.50	(1.32)	(0.84)	(0.66)
F. Total expenses recognized during the year (A+B+C+D+E)	CY	9.63	6.15	3.11	18.89
	PY	8.14	3.46	3.68	15.28
<b>B. Reconciliation of opening &amp; closing balances of obligations :</b>					
I. Obligation as on 01.04.2014	CY	54.73	19.44	40.49	114.66
	PY	45.90	18.27	39.63	103.80
II. Past service cost	CY	-	-	-	-
	PY	-	-	-	-
III. Current service cost	CY	7.71	5.23	1.20	14.14
	PY	6.60	4.59	1.15	12.34
IV. Interest cost	CY	4.48	1.65	3.44	9.57
	PY	3.65	1.46	3.37	8.48
V. Actuarial (Gain)/ Loss	CY	1.56	0.29	(1.53)	0.32
	PY	1.68	(1.44)	(0.84)	(0.60)



(All amounts in ₹ crores, unless otherwise stated)

Particulars		Gratuity	Leave Salary	Post Separation benefits of Director	Total
VI. Settlement	CY	(4.00)	(3.94)	(0.47)	(8.41)
	PY	(3.10)	(3.44)	(2.82)	(9.36)
VII. Obligation as on 31.03.2015	CY	64.48	22.67	43.13	130.28
	PY	54.73	19.44	40.49	114.66
<b>C. Change in Plan Assets :</b>					
(Reconciliation of opening and closing balances)					
I. Fair Value of Plan Assets as on 01.04.2014	CY	47.36	12.92	-	60.28
	PY	38.16	13.72	-	51.88
II. Expected Return on Plan Assets	CY	3.95	1.15	-	5.10
	PY	3.37	1.27	-	4.64
III. Actuarial Gain/ (Loss)	CY	0.16	(0.13)	-	0.03
	PY	0.18	(0.12)	-	0.06
IV. Employer Contribution	CY	3.39	3.00	-	6.39
	PY	8.30	0.50	-	8.80
V. Settlement	CY	(3.47)	(2.62)	-	(6.09)
	PY	(2.65)	(2.45)	-	(5.10)
VI. Fair value of Plan Assets as on 31.03.2015	CY	51.39	14.32	-	65.71
	PY	47.36	12.92	-	60.28
<b>D. Closing Obligation vis-a-vis Planned Assets</b>					
(i) Obligation as on 31.03.2015	CY	64.48	22.67	43.13	130.28
	PY	54.73	19.44	40.49	114.66
(ii) Fair value of planned assets as on 31.03.2015	CY	51.39	14.32	-	65.71
	PY	47.36	12.92	-	60.28
	CY	13.09	8.35	43.13	64.57
	PY	7.37	6.52	40.49	54.38

**E. Investment details of plan assets as on 31.03.2015:** 100% reimbursement right from insurance company for fund managed by it

**F. Actuarial Assumption :**

Discount Rate (%)	7.75%
Estimated rate of return on plan assets (%)	8.85%
Salary escalation ratio inflation (%)	9.25%
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 increment

**I.** Demographics assumptions take into account mortality factor as per IALM (2006-08) ultimate criteria, employees and normal retirement age at 58.

**J.** Particulars on planned assets have been ascertained on the basis of last confirmation from Insurance Company.

**K.** CY- Current year, PY - Previous year

(All amounts in ₹ crores, unless otherwise stated)

**L. Defined Contribution Plan**

Company's contribution to different defined contribution plans

Particulars	2014-15	2013-14
Provident Fund	12.16	11.96
Employees State Insurance	1.65	1.72
Employees Superannuation Fund	3.96	3.99
401K Match	1.40	1.40
	19.17	19.07

**38. Related Party Disclosures (Pursuant to AS-18)**

a. Related parties where control exists : None

b. Other related parties in transaction with the company :

I. Joint venture Forum 1 Aviation Private Limited

**II. Key Managerial Personnel**

- |                                                                  |                        |                          |
|------------------------------------------------------------------|------------------------|--------------------------|
| 1. PD Narang                                                     | 2. Sunil Duggal        | 3. R.S. Rana             |
| 4. Sidhartha Burman                                              | 5. Vijay Shanker       | 6. Jiten Doshi           |
| 7. Gaurav Burman                                                 | 8. Sukhpal Singh Sethi | 9. Alok Seth             |
| 10. Mohit Malhotra                                               | 11. A K Jain           | 12. Lalit Malik          |
| 13. Shahrukh Khan                                                | 14. Anoop Sharma       | 15. Manish Mathur        |
| 16. Arun Dhawan                                                  | 17. Clair Wilson       | 18. Amit Baijla          |
| 19. SK Das                                                       | 20. SK Srinivasan      | 21. Saidalavi Kannannari |
| 22. J.P Victoria (Ceased to be KMP from November 06, 2014)       |                        |                          |
| 23. Sanjay Kumar Munshi (Appointed as KMP from November 1, 2014) |                        |                          |

**III. Directors**

- |                                                                                                      |                    |                                   |
|------------------------------------------------------------------------------------------------------|--------------------|-----------------------------------|
| 1. Dr. Anand C Burman                                                                                | 2. Mr. Amit Burman | 3. Mr. Mohit Burman               |
| 4. Mr. Saket Burman                                                                                  | 5. Mr. P. N. Vijay | 6. Mr. R C Bhargava               |
| 7. Dr. S Narayan                                                                                     | 8. Dr. Ajay Dua    | 9. Mr. Sanjay Kumar Bhattacharyya |
| 10. Mr. Albert Wiseman Paterson, Independent Director (Ceased to be Director from September 8, 2014) |                    |                                   |
| 11. Mrs. Falguni Sanjay Nayar, Independent Director (Appointed from July 28, 2014)                   |                    |                                   |

**IV. Others**

- a) Sharing/Directors in Common
- |                                    |
|------------------------------------|
| 1. Jetways Travels Private Limited |
| 2. Lite Bite Foods Private Limited |
- b) Relatives of Directors
- |                           |
|---------------------------|
| 1. Mr. Vivek Chand Burman |
| 2. Mrs. Asha Burman       |

(All amounts in ₹ crores, unless otherwise stated)

**Related Parties Transactions Consolidated as on March 31, 2015**

Particulars	Joint Venture	Key Managerial Personnel	Directors	Others	Total	Outstanding As On March 31, 2015
<b>A. Profit &amp; Loss A/c</b>						
1. General Expenses	5.05	-	-	-	5.05	0.46
	(4.68)	-	-	-	(4.68)	(0.57)
2. Interest Received on Security	0.02	-	-	-	0.02	-
	(0.02)	-	-	-	(0.02)	-
3. Remuneration/Pension	-	36.31	-	-	36.31	-
	-	(24.33)	-	-	(24.33)	-
4. Post Separation Benefit	-	2.51	0.21	0.40	3.12	-
	-	(3.26)	(0.01)	(0.40)	(3.68)	-
5. Employee Stock Option Scheme	-	28.95	-	-	28.95	-
	-	(12.59)	-	-	(12.59)	-
6. Reimbursement of expenses	-	0.31	-	-	0.31	-
	-	(0.68)	-	-	(0.68)	-
7. Sitting Fees	-	-	0.61	-	0.61	-
	-	-	(0.12)	-	(0.12)	-
8. Purchase of Goods/Services	-	-	-	9.89	9.89	-
	-	-	-	(9.11)	(9.11)	-
<b>B. Balance Sheet*</b>						
9. Security Deposit	-	-	-	-	-	0.38
	-	-	-	-	-	(0.38)
<b>C. Off Balance Sheet Item*</b>						
10. Guarantees & Collaterals	-	-	-	-	-	7.14
	-	-	-	-	-	(7.14)

\*Previous Balance as on 31.03.2014

## Footnotes:

- A. Item no. 1 refers to Joint Venture Expenses to JCE (Forum I Aviation Pvt. Ltd.).
- B. Item no. 2 refers to interest on security deposit given by Forum 1 Aviation Pvt. Ltd.
- C. Item no. 3 refers to remuneration paid to Key Managerial Personnel.
- D. Item no. 4 refers to post separation benefits payable to the Directors, Key Managerial Personnel and relatives of Directors.
- E. Item no. 5 refers to ESOP paid to Key Managerial Personnel.
- F. Item no. 6 refers to reimbursement paid to Key Managerial Personnel.
- G. Item no. 7 refers to sitting fees paid to Directors.
- H. Item no. 8 refers to services received from Jetways Travels Private Limited amounting to Rs. 9.13 (PY Rs. 9.11).
- I. Item no. 9 refers to security deposit given to JCE (Forum 1 Aviation Pvt. Ltd.).
- J. Item no. 10 relates to guarantee bond furnished by parent company on behalf of Forum 1 Aviation Pvt. Ltd.

39. The 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 lieu of acquired land. The company has filed a claim for compensation of Rs 5.72 before the Office of Special Land Acquisition Officer, Ghaziabad against the land so acquired. However, keeping in view the generally accepted accounting practice, the said claim has not been considered in the books of accounts.

(All amounts in ₹ crores, unless otherwise stated)

**40. Information (To the Extent Applicable) Pursuant to AS-19 Issued by ICAI**

i. The future minimum lease payment under non-cancellable operating lease	Not Later than 1 year	Later than 1 year not later than 5 year	Later than 5 year
Building & Machine	15.94 (14.34)	14.22 (55.41)	16.68 (66.51)
Cars	0.79 (0.68)	0.86 (0.80)	0.00 0.00

ii. Lease rent debited to Profit & Loss account of the year Rs. 15.81 (Previous year Rs. 4.92)

iii. Irrevocable lease agreement relates to machine & vehicle, lease period not exceeding five years in respect of any arrangement

iv. Figures in bracket relates to previous year

**41.** Exchange gain works out to Rs. 20.17 (Previous Year Rs. 33.87) and exchange loss Rs. 27.70 (Previous year Rs 48.42) and their net impact have been debited to Profit & Loss Account under the head "Finance Cost".

**42. Investment in Joint Venture**

- The parent company is a party to joint venture agreement controlling the management of Forum 1 Aviation Private 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 aircraft. 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 shareholder's agreement. The stake of the company in the joint venture arrangement is 16.67% (PY 16.67%)
- Parent company's commitment towards revenue expenditure of the JCE amounting to Rs. 5.05 (Previous year Rs. 4.68) has been charged to profit and loss account under the head general charges.
- Incorporated in CFS on proportionate basis are the assets and liabilities as on 31.03.2015 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 & Liabilities of JCE as on March 31, 2015 is incorporated herein**

Particulars	March 31, 2015		March 31, 2014	
Secured Loan		0.32		1.60
Creditors		0.50		0.65
Security Deposits		0.38		0.38
Fixed Assets	6.35		6.92	
Investment	0.08		0.08	
Advance to employee	0.01		0.01	
Cash & Bank	0.20		0.31	
Debtors	0.37		0.27	
Other Advances	2.66		2.75	

(All amounts in ₹ crores, unless otherwise stated)

**Income and Expenses for the year ended as on 31<sup>st</sup> March, 2015 is incorporated herein**

Particulars	March 31, 2015	March 31, 2014
Income		
Misc Receipt (include revenue from flying Rs 5.41, previous year Rs 4.83)	5.42	4.84
<b>Total</b>	<b>5.42</b>	4.84
<b>Expenses</b>		
Operation Expenses	1.89	1.43
Payment to and provision for employees	0.75	0.67
Administrative Expenses	1.85	1.75
Financial Expenses	0.15	0.27
<b>Total</b>	<b>4.63</b>	4.12
Profit (forms part of profit in consolidated Profit & Loss A/c)	<b>0.79</b>	0.72

- d. Parent company has furnished guarantee bond for Rs. 7.14 to banks of the JCE against its share of Commitment against loan obtained by the JCE for acquisition of aircraft.

**43. A. Deferred Employee Compensation under ESOP**

	As at March 31, 2015	As at March 31, 2014
Opening Balance	3.63	29.17
Addition during the year	216.02	0.77
Less: Cancelled during the year	19.07	0.13
	200.58	29.81
Amortized during the year	46.43	26.18
<b>Total</b>	<b>154.15</b>	3.63

**B. ESOP Outstanding**

Opening Balance	92.55	99.65
Addition during the year	216.02	0.77
	308.57	100.42
Less: Deletion during the Year	19.07	0.13
Less: Allotted during the year	83.67	7.74
<b>Total</b>	<b>205.83</b>	92.55

(All amounts in ₹ crores, unless otherwise stated)

**44. a. Information Pursuant to First Proviso to Sub Section (3) of Section 129 of Companies Act, 2013****Form AOC-I**

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part A : Subsidiaries**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of Subsidiary	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of share-holding
		Currency	Rate											
1.	H & B Stores Ltd	NA	INR	23.15	(1.28)	41.77	41.77	-	91.48	(1.22)	-	(1.22)	-	100%
2.	Dermovia Skin Essentials Inc	NA	USD	62.47	114.89	(43.51)	493.97	493.97	469.59	-	11.04	(2.58)	13.62	100%
3.	Dabur International Ltd	NA	AED	17.01	12.95	693.41	1,036.91	1,036.91	636.44	1,082.61	219.86	0.11	219.75	100%
4.	Naturelle LLC	NA	AED	17.01	3.93	7.01	231.41	231.41	-	513.21	0.11	-	0.11	100%
5.	Dabur Egypt Ltd.	NA	EGP	46.15	0.10	156.91	251.48	251.48	34.85	285.10	52.54	17.26	35.28	100%
6.	African Consumer Care Ltd	NA	Naira	0.31	18.47	16.61	49.89	49.89	-	42.10	(3.05)	0.32	(3.37)	100%
7.	Dabur Nepal Pvt. Ltd.	NA	NPR	0.63	4.87	175.13	449.60	449.60	-	589.25	56.13	11.26	44.87	97.5%
8.	Asian Consumer Care Pakistan Pvt. Ltd.	NA	PKR	0.61	5.40	3.68	28.40	28.40	-	46.42	5.31	1.49	3.82	99.99%
9.	Asian Consumer Care Pvt. Ltd.	NA	Takka	0.46	24.20	18.98	112.85	112.85	-	93.19	10.29	2.51	7.78	76%
10.	Hobi Kozmetik	NA	TRL	23.47	41.02	67.32	160.08	160.08	-	198.39	4.71	1.15	3.56	100%
11.	RA Pazarlama	NA	TRL	23.47	2.48	6.21	44.41	44.41	-	162.10	6.57	1.39	5.18	100%
12.	Dabur Lanka (Pvt.) Ltd., Sri Lanka	NA	LKR	0.47	41.18	(8.99)	105.05	105.05	-	39.89	(6.33)	-	(6.34)	100%
13.	Namaste Laboratories LLC	NA	USD	62.47	-	134.86	184.88	184.88	1.16	452.32	(0.51)	-	(0.51)	100%
14.	Namaste Cosmetics Ltda	NA	USD	62.47	1.16	(3.80)	0.02	0.02	-	0.06	(1.04)	-	(1.04)	100%
15.	Urban Laboratories International LLC	NA	USD	62.47	-	(25.27)	9.68	9.68	0.41	22.46	(3.62)	-	(3.62)	100%
16.	Hair Rejuvenation & Revitalization Nigeria Ltd	NA	USD	62.47	0.41	(0.04)	0.42	0.42	-	-	(0.02)	-	(0.02)	100%
17.	Healing Hair Laboratories International LLC	NA	USD	62.47	-	-	-	-	-	-	-	-	-	100%
18.	Dabur (UK) Ltd.	NA	USD	62.47	2.52	(1.04)	0.35	0.35	0.34	-	(1.26)	-	(1.26)	100%
19.	Dabur Consumer Care Pvt. Ltd., Sri Lanka	NA	LKR	0.47	0.94	(1.16)	2.09	2.09	-	2.22	(0.80)	0.00	(0.80)	100%
20.	Dabur Tunisie	NA	TND	31.47	7.26	(2.40)	10.43	10.43	-	4.91	(1.29)	-	(1.29)	100%

**b. Part B: Associates and Joint Ventures**

(Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

	Name of Joint Venture	Forum 1 Aviation Private Limited
1	Latest audited Balance Sheet Date	March 31, 2015
2	Shares of Joint Venture held by the company on the year end	
	No.	530,833
	Amount of Investment in Joint Venture	4.77
	Extent of Holding (%)	16.67
3	Description of how there is significant influence	Not Applicable
4	Reason why the Joint venture is not consolidated	Not Applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet	8.48
6	Profit/Loss for the year (Share of Group)	0.79
	i. Considered in Consolidation	0.79
	ii. Not Considered in Consolidation	-



(All amounts in ₹ crores, unless otherwise stated)

**c. Additional information pursuant to Schedule III of the Companies Act, 2013**

Name of Entity	Net Assets, i.e. Total assets minus Total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit or loss	Amount
1	2	3	4	5
Dabur India Limited	60.80%	2,336.19	70.94%	762.58
<b>Subsidiaries</b>				
<b>Indian</b>				
H & B Stores Ltd.	0.57%	21.87	-0.11%	(1.22)
<b>Foreign</b>				
Dabur International Ltd.	18.38%	706.36	20.44%	219.75
African Consumer Care Ltd.	0.91%	35.08	-0.31%	(3.37)
Dabur Egypt Ltd.	4.09%	157.01	3.28%	35.29
Dabur (UK) Ltd.	0.04%	1.48	-0.12%	(1.26)
Hobi Kozmetik	2.82%	108.34	0.33%	3.56
RA Pazarlama	0.23%	8.69	0.48%	5.19
Dabur Lanka Pvt. Ltd.	0.84%	32.19	-0.59%	(6.32)
Namaste Laboratories LLC	3.51%	134.86	-0.05%	(0.51)
Urban Laboratories International LLC	-0.66%	(25.27)	-0.34%	(3.62)
Namaste cosmetics Ltd.	-0.07%	(2.64)	-0.10%	(1.04)
Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria	0.01%	0.37	0.00%	(0.02)
Healing Hair Laboratories International LLC	0.00%	-	0.00%	-
Dabur Consumer Care Ltd. Lanka	-0.01%	(0.23)	-0.07%	(0.80)
Dabur Tunisie, Tunisia	0.13%	4.85	-0.12%	(1.29)
Dermovia Skin Essentials Inc, USA	1.86%	71.37	1.27%	13.63
Dabur Nepal Pvt. Ltd.	4.81%	184.80	4.17%	44.87
Asian Consumer Care Pvt. Ltd.	1.47%	56.55	0.72%	7.79
Naturelle LLC	0.28%	10.94	0.01%	0.11
Asian Consumer Care Pakistan Pvt. Ltd.	0.24%	9.08	0.36%	3.82
<b>Minority Interests:</b>				
<b>Subsidiaries</b>				
<b>Foreign</b>				
Dabur Nepal Pvt. Ltd.	-0.13%	(4.81)	-0.10%	(1.12)
Asian Consumer Care Pvt. Ltd.	-0.35%	(13.36)	-0.17%	(1.87)
Asian Consumer Care Pakistan Pvt. Ltd.	0.00%	-	0.00%	-
<b>Joint Ventures (As per proportionate consolidation)</b>				
<b>Indian</b>				
Forum 1 Aviation Private Limited	0.22%	8.48	0.07%	0.78
	<b>100.00%</b>	<b>3,842.20</b>	<b>100.00%</b>	<b>1,074.91</b>

(All amounts in ₹ crores, unless otherwise stated)

**45. Information Pursuant to AS - 17 Issued by ICAI**

Particulars	Consumer Care Business		Foods		Retail		Others		Unallocated		Total Consolidated	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
<b>Revenue</b>												
External Sales	6526.69	5968.90	1053.79	878.25	91.48	71.71	134.41	135.23	-	-	7806.37	7054.09
Inter-segment sales	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6526.69	5968.90	1053.79	878.25	91.48	71.71	134.41	135.23	-	-	7806.37	7054.09
<b>Result</b>												
Segment result	1343.64	1189.36	157.55	129.34	(1.79)	(4.64)	5.13	5.50	-	-	1504.53	1319.56
Unallocated corporate expenses	-	-	-	-	-	-	-	-	261.99	221.28	261.99	221.28
Operating profit	1343.64	1189.36	157.55	129.34	(1.79)	(4.64)	5.13	5.50	(261.99)	(221.28)	1242.54	1098.29
Interest expense	-	-	-	-	-	-	-	-	40.12	54.15	40.12	54.15
Interest income	-	-	-	-	-	-	-	-	(116.94)	(92.12)	(116.94)	(92.12)
Income Tax(Current + Deferred)	-	-	-	-	-	-	-	-	250.89	219.08	250.89	219.08
Profit from ordinary activities	1343.64	1189.36	157.55	129.34	(1.79)	(4.64)	5.13	5.50	(436.06)	(402.40)	1068.47	917.17
Exceptional item/Extraordinary Items	-	-	-	-	-	-	-	-	-	(0.72)	-	(0.72)
Minority Interest	-	-	-	-	-	-	-	-	2.64	2.53	2.64	2.53
Net profit	1343.64	1189.36	157.55	129.34	(1.79)	(4.64)	5.13	5.50	(438.70)	(404.21)	1065.83	913.92
<b>Other Information</b>	As on 31/03/15	As on 31/03/14	As on 31/03/15	As on 31/03/14	As on 31/03/15	As on 31/03/14	As on 31/03/15	As on 31/03/14	As on 31/03/15	As on 31/03/14	As on 31/03/15	As on 31/03/14
Segment assets	2,544.02	2,339.43	656.29	620.86	41.77	31.93	42.44	44.89	-	-	3,284.52	3,037.11
Unallocated corporate assets	-	-	-	-	-	-	-	-	2,821.76	2,274.89	2,821.76	2,274.89
Total assets	2,544.02	2,339.43	656.29	620.86	41.77	31.93	42.44	44.89	2,821.76	2,274.89	6,106.28	5,312.00
Segment liabilities	508.53	727.38	316.34	310.05	19.90	12.79	10.77	13.28	-	-	855.55	1,063.50
Unallocated corporate liabilities	-	-	-	-	-	-	-	-	1,914.66	1,610.61	1,914.66	1,610.61
Total liabilities	508.53	727.38	316.34	310.05	19.90	12.79	10.77	13.28	1,914.66	1,610.61	2,770.21	2,674.11
Capital Expenditure	164.98	131.50	56.42	46.90	1.84	0.95	1.46	1.69	42.34	34.40	267.04	215.44
Depreciation	69.90	55.95	17.65	18.46	1.36	1.31	1.33	2.45	24.74	19.32	114.98	97.49
Non-cash expenses other than depreciation	-	-	-	-	-	-	-	-	46.37	26.36	46.37	26.36

**46. Earning Per Share**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Profit After Tax	1,065.83	913.92
Add: Extra ordinary Expenses/Income	-	-0.72
Profit before consideration of Extraordinary items	1,065.84	914.64
Weighted average number of Equity Shares outstanding	1,754,364,645	1,743,645,856
Basic Earnings Per Share [Face Value of Re. 1 each]	6.08	5.25
Add: Weighted number of potential equity shares on account of Employees Stock Options	11,763,461	12,181,008
Weighted average number of Equity Shares outstanding [inclusive dilutive ESOP shares outstanding]	1,766,128,106	1,755,826,864
Diluted Earnings Per Share [Face value of Re. 1 each]	6.03	5.21
Profit after consideration of Extraordinary items	1,065.83	913.92
Basic Earnings Per Share [Face Value of Re. 1 each]	6.08	5.24
Diluted Earnings Per Share [Face value of Re. 1 each]	6.03	5.21

(All amounts in ₹ crores, unless otherwise stated)

**47. Assets Discarded/Written Down**

	Current Year	Previous year
a. Fixed Assets discarded	0.85	0.39
b. Finished goods written down	45.97	29.23

**48. Change in Accounting Practice**

Following change in assumption of lifespan of fixed assets under Schedule II of Companies Act, 2013, over aged fixed assets have been reduced to their residual values with consequence reduction amounting to Rs. 6.85 (Net of Rs. 2.33 towards deferred tax impact, thereon) has been charged to surplus under "Reserve and Surplus" head in balance sheet. In addition to above, remaining items of fixed assets have been subjected to depreciation charge at rates which reduce them to their residual values under their revised lifespan which led to decrease in profit by Rs. 7.72 vis-a-vis Previous year's practice.

- 49.** (a) Grouping and heads of accounts of the subsidiaries have been rearranged in terms of Presentation of those of parent company as and when necessary.  
 (b) Figures for the previous year have been rearranged/ regrouped as and when necessary in terms of current year's grouping.  
 (c) Figures are rounded off to nearest rupees crores.

for **G. BASU & CO.**  
 Chartered Accountants  
 Firm Regn. No. 301174E

**S. LAHIRI**  
 Partner  
 Membership No. 51717

Place : Jebel Ali - UAE  
 Date : May 5, 2015

For **DABUR INDIA LIMITED**

**DR. ANAND C BURMAN**  
 Chairman  
 DIN: 00056216

**LALIT MALIK**  
 Chief Financial Officer

**P D NARANG**  
 Whole Time Director  
 DIN: 00021581

**A K JAIN**  
 VP (Finance) & Company Secretary

**SUNIL DUGGAL**  
 Whole Time Director  
 DIN: 00041825

# Notice

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting (AGM) of the members of Dabur India Limited will be held on Tuesday, the 21<sup>st</sup> July, 2015 at Air Force Auditorium, Subroto Park, New Delhi – 110010 at 11.00 AM to transact the following business:

## ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2015, the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2015 and the report of Auditors thereon.
2. To confirm the interim dividend already paid and declare final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2015.
3. To appoint a Director in place of Mr. Amit Burman (DIN: 00042050) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Saket Burman (DIN: 05208674) who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s G. Basu & Co., Chartered Accountants (Firm Registration No. 301174E) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## SPECIAL BUSINESS :

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Ramanath Iyer & Co., Cost Accountants, having Firm Registration No. 000019, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2014-15, amounting to

Rs.4.43 Lakhs (Rupees Four lakh Forty three thousand only) per annum plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Falguni Sanjay Nayar (DIN: 00003633), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 28<sup>th</sup> July, 2014 pursuant to provisions of Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the said Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years commencing from the date of her appointment as Additional Director i.e. 28<sup>th</sup> July, 2014 up to the conclusion of Annual General Meeting (AGM) to be held in the calendar year 2019 or 27<sup>th</sup> July, 2019, whichever is earlier.”

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

“RESOLVED THAT in accordance with the provisions of Sections 188, 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Sunil Duggal (DIN: 00041825) as a Whole Time Director of the Company, designated as Chief Executive Officer, for a period of 5 (five) years with effect from 31<sup>st</sup> July, 2015, not subject to retirement by rotation, on the terms and conditions

including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Sunil Duggal, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date: May 5, 2015  
Place: Jebel Ali, UAE

By Order of the Board  
for **DABUR INDIA LIMITED**

Regd. Office:  
8/3, Asaf Ali Road,  
New Delhi - 110 002

(A K JAIN)  
V P (Finance) & Company Secretary

#### NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item nos. 6 to 8 of the Notice set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ATTACHED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 40<sup>TH</sup> ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Every member entitled to vote at the meeting, or on any resolution to be moved there at, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days notice in writing of the intention so to inspect is given to the company.
5. The Share Transfer Books and Register of Members of the Company will remain closed from Wednesday, 1<sup>st</sup> July, 2015 to Wednesday, 8<sup>th</sup> July, 2015 (both days inclusive) for the purpose of payment of final dividend, if declared at the AGM.
6. A. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company Karvy Computershare Pvt. Ltd., 305, New Delhi House, 27, Barakhamba Road, New Delhi-110001:-
  - i. their bank account details in order to receive payment of dividend through electronic mode,
  - ii. their **email id**, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,
  - iii. any change in their address/e-mail id/ECS mandate/ bank details,
  - iv. share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
- B. Members holding shares in dematerialized form are requested to notify to their Depository Participant:
  - i. their email id.
  - ii. all changes with respect to their address, email id, ECS mandate and bank details.
- C. Kindly note that as per SEBI Circular CIR/MRD/DP/10/2013 dated March 21, 2013 it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/RTA/ Depository Participant, as the case may be.
7. The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are

required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferees of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.

8. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
9. In accordance with Section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report 2014-15 is being sent to all the members whose email address (es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in accordance with Listing Agreement and Section 136 of the Companies Act, 2013 including Rule 10 of the Company (Accounts) Rules, 2014 the hard copies of Abridged Annual Report 2014-15 is being sent to all other members who have not registered their email address(es).

Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest by submitting the duly filled in "e-Communication Registration Form" (available on Company's website [www.dabur.com](http://www.dabur.com) in the Investor Centre Section) to the Company/RTA. Members can also submit their form along with Attendance Slip at the Registration Counter at AGM. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

The Notice of 40<sup>th</sup> Annual General Meeting and the Annual Report 2014-15 will also be available on the Company's website [www.dabur.com](http://www.dabur.com) for download by the members. The Notice of AGM will also be available on the website of RTA- Karvy Computershare Pvt. Ltd. at <https://evoting.karvy.com> The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.

10. The Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with this Report, duly completed and signed, for admission to the meeting hall.

However, in case of non-receipt of Notice of AGM, members are requested to write to the Company at its Registered Office for issuing the duplicate of the same or download the same from Company's website [www.dabur.com](http://www.dabur.com).

11. In case you have any query relating to the Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the management to keep the information ready for replying at the meeting.
12. Pursuant to provisions of Section 205C of the Companies Act, 1956 the amount of dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unclaimed and unpaid amount pertaining to dividends declared up to the financial year 2007-08 (only interim for FY 2007-08). Members who have not yet encashed their dividend warrants for the financial year 2007-08 (final dividend) onwards are requested to make their claims to the Company immediately. Members may please note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

Further, the information regarding unclaimed dividends in respect of the dividends declared up to the financial year 2013-14 and updated upto the date of 39<sup>th</sup> AGM held on 22<sup>nd</sup> July, 2014 has been uploaded on the website of the Company under 'Investor Centre'. The said information was also filed with the Ministry of Corporate Affairs (MCA). MCA has also uploaded details of the same on its website at [www.iepf.gov.in](http://www.iepf.gov.in). Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they are requested to lodge their claim, duly supported by relevant documents to the Company before expiry of seven years from the date it is lying in the unpaid dividend account.



13. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are, therefore, requested to bring their own copies of the Annual Report to the meeting.
14. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the AGM, is separately annexed hereto. The Directors seeking appointment/re-appointment have furnished the declaration under Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as required under Section 164(2) of the Companies Act, 2013 and other requisite declarations for their appointment / re-appointment.
15. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of AGM. The Register of Directors and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which Directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.
16. The certificate from Auditors of the Company certifying that the Employee Stock Option Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed by the General Body Meetings will be placed at the AGM.
17. Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the Registrar & Transfer Agents of the Company the prescribed Form SH.13 for nomination and Form SH.14 for cancellation/ variation as the case may be. The Forms can be downloaded from Company's website [www.dabur.com](http://www.dabur.com). Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.
18. **Voting through electronic means**
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
  - The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
  - The Company shall also provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
  - The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - The Board of Directors have appointed Mr. Sanjay Agarwal, Chartered Accountant in practice and Partner of M/s Agarwal & Ahluwalia, Chartered Accountants, C-60, First Floor, South Extension, Part – I, New Delhi – 110049 as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner.
  - The cut-off date for the purpose of voting (including remote e-voting) is 14<sup>th</sup> July, 2015.**
  - Members are requested to carefully read the instructions for remote e-voting before casting their vote.
  - The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:
- |                                        |                                          |
|----------------------------------------|------------------------------------------|
| <b>Commencement of remote e-voting</b> | <b>09:00 a.m. (IST) on July 18, 2015</b> |
| <b>End of remote e-voting</b>          | <b>05:00 p.m. (IST) on July 20, 2015</b> |
- The procedure and instructions for remote e-voting are as under:**
    - Open your web browser during the voting period by typing the URL: <https://evoting.karvy.com>

- b. Enter the login credentials (i.e. User ID and password mentioned in the email forwarding the Notice of AGM or mentioned on the attendance sheet accompanying the Notice of AGM in case email id is not registered and physical copy of the Annual Report is being received by you. **The said login credentials shall be valid only in case you continue to hold the shares on the cut-off date**). Your Folio No./DP ID Client ID will be your User ID. However, if you hold shares in demat form and you are already registered with Karvy for remote e-voting, you shall use your existing User ID and password for casting your vote.
- c. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and is holding shares as on the cut-off date i.e. 14<sup>th</sup> July, 2015, may obtain the User id and password by sending a request at Karvy's email id [evoting@karvy.com](mailto:evoting@karvy.com) / [srikrishna.p@karvy.com](mailto:srikrishna.p@karvy.com) or at Company's email id [investors@dabur.com](mailto:investors@dabur.com) or by writing to the Company or Karvy. However, if you are already registered with Karvy for remote e-voting, you shall use your existing User ID and password for casting your vote without any need for obtaining any new User ID and password.
- d. After entering these details appropriately, click on "LOGIN".
- e. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- f. You need to login again with the new credentials.
- g. On successful login, the system will prompt you to select the Event Number for Dabur India Limited.
- h. On the voting page you will see the Resolution Description and the options "FOR/AGAINST/ABSTAIN" for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.
- i. You may then cast your vote by selecting an appropriate option and click on "Submit".
- j. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- k. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- l. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: [ana.cafirm@yahoo.co.in](mailto:ana.cafirm@yahoo.co.in) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- m. Once the vote on a resolution is casted by a Member, the Member shall not be allowed to change it subsequently. **Further, the Members who have casted their vote through remote e-voting shall not be allowed to vote again at the Meeting.**
- n. In case of any query pertaining to remote e-voting, please contact Karvy's toll free no. 1800-345-4001 or visit the FAQ's section available at Karvy's website <https://evoting.karvy.com>
- o. In case of grievances connected to the remote e-voting, please contact Mr. Srikrishna P.,

Manager at Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032 at email id [srikrishna.p@karvy.com](mailto:srikrishna.p@karvy.com), contact no. 040-67161516.

#### 19. Poll at the Meeting

After the items of the Notice have been discussed, the Chairman will order poll in respect of the items. Poll will be conducted under the supervision of the scrutinizer appointed for remote e-voting and poll as stated above. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date of 14<sup>th</sup> July, 2015 and who have not casted their vote by remote e-voting, and being present in the AGM, either personally or through proxy, only shall be entitled to vote at the AGM.

20. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being Tuesday, 14<sup>th</sup> July, 2015.
21. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting, and thereafter unblock the vote cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, not later than 3 days of the conclusion of AGM, i.e. on or before 24<sup>th</sup> July, 2015, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall countersign the same and the Chairman, or in his absence the Group Director – Corporate Affairs, shall declare the result forthwith.
22. The Scrutinizer's decision on the validity of the vote shall be final and binding.
23. The result declared along with the Scrutinizer's report shall be placed on the website of the Company ([www.dabur.com](http://www.dabur.com)) and on Karvy's website (<https://evoting.karvy.com>) immediately after the result is declared and shall simultaneously be forwarded to the Stock Exchanges where the Company's shares are listed.
24. The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

## EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Ramanath Iyer & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31<sup>st</sup> March, 2015.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2014-15 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 6 of the Notice for approval by the members.

### Item No. 7

Mrs. Falguni Sanjay Nayar who has been appointed as an Additional Director in the category of non-executive Independent Director of the Company under Section 161 (1) of the Companies Act, 2013 w.e.f. 28<sup>th</sup> July, 2014 holds office upto the date of this Annual General Meeting and is eligible for appointment as Director.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member along with a deposit of Rs.1 lakh signifying his intention to propose the candidature of Mrs. Falguni Sanjay Nayar for the office of Independent Director of the Company.

The Company has received declaration from Mrs. Falguni Sanjay Nayar that she meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under Clause 49 of the Listing Agreement with the Stock Exchanges. Further, she has also confirmed that she is not disqualified from being appointed as Director under Section 164 of the said Act and has given her consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mrs. Falguni Sanjay Nayar, is a women of integrity and possesses relevant expertise and experience and is eligible for the position of an Independent Director of the Company and fulfils the conditions specified by the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges and that she is independent of the management of the Company. The Board considers that her association as Director will be beneficial and in the best interest of the Company.

Her brief resume, the nature of her expertise in specific functional areas, names of companies in which she hold Directorship, Committee Memberships/ Chairmanships, her shareholding etc., are separately annexed hereto.

A copy of draft letter of appointment of Mrs. Falguni Sanjay Nayar as Non-Executive Independent Director setting out the terms and conditions of her appointment is available for inspection by members at the Registered Office of the Company.

The Board of Directors recommend the ordinary resolution for your approval.

She is not related to any of the Directors or Key Managerial Personnel (including relatives of the Directors and Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Mrs. Falguni Sanjay Nayar herself, is concerned or interested, financially or otherwise, in this resolution.

## Item No. 8

Mr. Sunil Duggal was re-appointed as a Whole Time Director of the Company for a period of 5 years w.e.f. 31<sup>st</sup> July, 2010 on the remuneration and other terms and conditions as approved by the members of the Company in the Annual General Meeting held on 31<sup>st</sup> August, 2010.

As the existing tenure of Mr. Sunil Duggal as Whole Time Director of the Company will expire on 30<sup>th</sup> July, 2015 the Board of Directors of the Company in its meeting held on 5<sup>th</sup> May, 2015 has, subject to the approval of members, re-appointed him as a Whole Time Director designated as Chief Executive Officer (CEO) of the Company for a further period of five years w.e.f. 31<sup>st</sup> July, 2015 on the remuneration and terms and conditions, as detailed hereunder in Section 1.

The Nomination and Remuneration Committee of the Board in its meeting held on 5<sup>th</sup> May, 2015 has considered and

recommended the aforesaid re-appointment of Mr. Sunil Duggal to the Board for their approval.

## Section 1

### A. Basic Salary

Rs.2.85 crores to Rs.6 crores per annum for the period w.e.f. 31.07.2015 till 30.07.2020, with an authority to the Board to increase the same from time to time in accordance with the limits specified in Schedule V of the Companies Act, 2013, as amended from time to time. The annual or other increments will be merit based and will take into account the Company's performance.

### B. Special Allowance

Upto Rs. 3 crores per annum for the period w.e.f. 31.07.2015 till 30.07.2020 with authority to the Board to fix his special allowance within these limits from time to time.

### C. Performance linked incentive

As per rules of the Company as determined by the Board of Directors.

### D. Perquisites & Allowances

In addition to the prescribed basic salary, special allowance and performance linked incentive, Mr. Sunil Duggal will also be entitled to perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof, house maintenance allowance, medical reimbursement, coverage under medical and personal accident insurance scheme, leave travel allowance/ concession for self and his family, special allowance, contribution to PF, superannuation fund and payment of gratuity, club fees, tax u/s 192 (1A) of Income Tax Act, paid by employer on behalf of employee within the rules of the Company or as may be agreed to by the Board with Mr. Sunil Duggal, provided that such perquisites and allowances will be subject to 400% of the basic salary.

For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per income tax rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

However, the following perquisites & allowances shall not be included in the computation of perquisites and allowances for the purpose of calculating the ceiling of 400% of the basic salary:

- Provision for use of the Company's car with driver for official duties and telephones at residences (including payment of local calls and long distance calls, mobile phone, internet facility, any other communication facility);
- Encashment of unavailed leave as per the rules of the Company;
- Long service award as per the rules of the Company.

**E.** In addition to the above, Mr. Sunil Duggal will also be entitled for Stock Options as may be decided from time to time by the Nomination and Remuneration Committee in terms of Employees Stock Options Scheme of the Company.

**F. General**

- i. The Chief Executive Officer shall perform his duties as such with regard to all the work of the Company and shall manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects.
- ii. The Chief Executive Officer shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.
- iii. The Chief Executive Officer shall adhere to the Company's Code of Ethics & Conduct.

Mr. Sunil Duggal satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief resume of Mr. Sunil Duggal, nature of his expertise in specific functional areas, names of companies in which he holds Directorships and Memberships / Chairmanships

of Board Committees, his shareholding etc., are separately annexed hereto.

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of aforesaid Director, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances to the said Director subject to compliance with the applicable provisions of Schedule V of the Companies Act, 2013 and if necessary, with the approval of Central Government.

The above remuneration payable to Mr. Sunil Duggal is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 10% of the net profits collectively payable to all the managerial personnel as calculated in accordance with Section 197 and 198 of the Companies Act, 2013 or any amendment thereto or any other provision as may be applicable.

Mr. Sunil Duggal does not belong to the Promoters family. Besides, he is not related to any other Director of the Company in terms of Section 2(77) of the Companies Act, 2013.

The copy of resolution passed by the Board of Directors of the Company in its meeting held on 5<sup>th</sup> May, 2015 approving the aforesaid proposal along with other documents is available for inspection by the members at the registered office between 11:00 AM to 1:00 PM on all working days till the date of the Annual General Meeting.

Mr. Sunil Duggal is interested in this resolution which pertains to his re-appointment and remuneration payable to him.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR JULY 21, 2015**

<b>Name of the Director</b>	<b>Mr. Amit Burman</b>	<b>Mr. Saket Burman</b>	<b>Mrs. Falguni Sanjay Nayar</b>	<b>Mr. Sunil Duggal</b>
<b>Date of Birth</b>	16.07.1969	10.03.1977	19.02.1963	17.07.1957
<b>Date of Appointment</b>	01.11.2001	31.01.2012	28.07.2014	31.07.2000
<b>Qualification</b>	MBA, Cambridge University, England	BBA in Marketing and Finance from the University of Wisconsin, Madison	MBA (IIM, Ahmedabad)	BE, MBA (IIM, Kolkata)
<b>Expertise in specific functional area</b>	He is responsible for the growth of foods business of the Company which under his dynamic leadership has achieved a phenomenal growth. He has got rich experience in Foods Business.	He has started up a number of companies in different industries in the UAE. He also serves as a member or as an advisor on a number of entrepreneurial and angel investing groups.	Mrs. Nayar has a wide and varied experience in investment banking. She was the Managing Director and CEO of Kotak Investment Bank from 2006 to 2012. She is also the founder and CEO of Nykaa, which is an on-line shopping website. She was recognized as Top Woman in Business by Business Today in 2009 and 2011. She has also received FICCI Ladies Organization Award for Top Woman Achiever in the field of banking in 2008.	He served as GM-Sales & Marketing in Wimco Ltd. and then moved to Pepsi Foods Ltd. in 1994 as GM- Sales & Marketing before joining Dabur in 1995. He played a key role in redefining Sales & Marketing function at Dabur and making it more efficient and is at the helm of affairs at Dabur as CEO since 2001.
<b>List of Public Companies in which outside Directorship held (including Foreign Companies)</b>	<ol style="list-style-type: none"> <li>1. QH Talbros Limited</li> <li>2. PVR Limited</li> <li>3. H &amp; B Stores Limited</li> <li>4. Jetage Infrastructure Limited</li> <li>5. Talbros Automotive Components Ltd.</li> <li>6. Micromax Informatics Limited</li> <li>7. Dabur International Limited</li> <li>8. Hobi Kozmetik</li> <li>9. Dermoviva Skin Essentials Inc.</li> </ol>	<ol style="list-style-type: none"> <li>1. Dabur International Limited</li> <li>2. Dabur Egypt Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Tata Motors Limited</li> <li>2. ACC Limited</li> <li>3. Aviva Life Insurance Co. India Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. H &amp; B Stores Limited</li> <li>2. Dabur International Limited</li> <li>3. Hobi Kozmetik</li> <li>4. African Consumer Care Limited</li> <li>5. Dabur Tunisie</li> <li>6. Dermoviva Skin Essentials Inc.</li> <li>7. Dabur (Lanka) Private Limited</li> <li>8. Dabur Consumer Care Private Ltd.</li> <li>9. Asian Consumer Care Private Ltd.</li> <li>10. Dabur Nepal Private Limited</li> </ol>



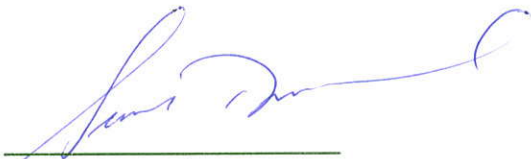


Name of the Director	Mr. Amit Burman	Mr. Saket Burman	Mrs. Falguni Sanjay Nayar	Mr.Sunil Duggal
<b>Chairman/ Member of the Committee of Board of Directors of Public Companies</b>	<b>Audit Committee</b> 1. Talbros Automotive Components Ltd. 2. QH Talbros Limited 3. PVR Ltd. 4. Micromax Informatics Ltd.  <b>Nomination &amp; Remuneration Committee</b> 1. Talbros Automotive Components Ltd. 2. QH Talbros Limited 3. PVR Ltd. 4. Micromax Informatics Ltd.  <b>CSR Committee</b> 1. Talbros Automotive Components Ltd. 2. QH Talbros Limited 3. Micromax Informatics Ltd.  <b>Stakeholders Relationship Committee</b> 1. Talbros Automotive Components Ltd	-	<b>Audit Committee</b> 1. Tata Motors Limited 2. Aviva Life Insurance Co. India Ltd.  <b>CSR Committee</b> 1. Tata Motors Limited 2. ACC Limited  <b>Stakeholders Relationship Committee</b> 1. Tata Motors Limited  <b>Risk Management Committee</b> 1. ACC Limited	
<b>Shareholding in the Company</b>	Nil	Nil	Nil	38,40,000 equity shares of Re.1/- each



**Dabur India Limited,  
8/3, Asaf Ali Road, New Delhi - 110002,  
India Website: [www.dabur.com](http://www.dabur.com) , Email: [corpcomm@dabur.com](mailto:corpcomm@dabur.com)  
Email for investors: [investors@dabur.com](mailto:investors@dabur.com)**

# FORM A

## Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	Dabur India Limited
2	Annual financial statements for the year ended.	31 <sup>st</sup> March 2015
3	Type of Audit observation	Un-qualified / Matter of Emphasis
4	Frequency of observation	Whether appeared first time ...../ repetitive ...../since how long period  N/A
5	To signed by –	
	*CEO/Managing Director	 Mr Sunil Duggal , CEO
	* CFO	 Mr Lalit Malik, CFO
	* Auditor of the Company	 Mr S Lahiri, Partner of M/s G Basu & Company, Auditors
	*Audit Committee Chairman	 Mr P.N. Vijay, Audit Committee Chairman

