Ref: SEC/ SE/ 2019-20
Date: 02.08.2019

Corporate Relation Department
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001.

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (E) Mumbai – 400 051.

Sub: Submission of Annual Report 2018-19 (including Notice of AGM) & E-Voting information

Dear Sir,

Pursuant to Regulation(s) 34, 36 & 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the following documents/ information :-

A) **Regulation 34**
Annual Report for the FY 2018-19 including Notice of Annual General Meeting (AGM) of the Company scheduled to be held on 30/08/2019 is being submitted to you.

B) **Regulation 36:**
i) Soft copy of full version of the Annual Report for the FY 2018-19, including Notice of AGM of the Company scheduled to be held on 30/08/2019, is being sent to the shareholders electronically who have registered their email IDs. The same is also available at the Company's website at www.dabur.com.

ii) Hard copy of the abridged Annual Report for the FY 2018-19 including Notice of AGM of the Company scheduled to be held on 30/08/2019 is being sent to those shareholders who have not registered their e-mail IDs.

C) **Regulation 44**
The Company is providing e-voting facility to its shareholders in respect of resolutions to be passed at the AGM. The Company has engaged the services of Karvy Fintech Pvt. Ltd. (`Karvy`) as the authorized agency to provide remote e-voting facility. The remote e-voting facility shall be kept open from 9:00 a.m. on August 27, 2019 to 5:00 p.m. on August 29, 2019 for shareholders to cast their votes electronically. The cut-off date for voting (including remote e-voting) shall be August 23, 2019. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

The Company is providing one-way live webcast of the proceedings of the AGM which will be available to the shareholders on the e-voting website of Karvy at https://evoting.karvy.com by using their remote e-voting credentials.

Thanking you.
Yours faithfully
For **DABUR INDIA LIMITED**

(A K Jain)
E V P (Finance) & Company Secretary

Dabur India Limited
Annual Report 2018-19

THE SCIENCE OF Ayurveda

ABOUT THE REPORT

Dabur India Limited is pleased to present its Annual Report 2018-19, with adoption of integrated reporting framework as laid out by the International Integrated Reporting Council (IIRC). With this we continue to move forward on our journey focused on creating value for all our stakeholders.

Reporting scope and period

The Annual Report covers information on business operations of Dabur India Limited, aptly disclosed through six capitals as defined by International Integrated Reporting Council (IIRC). All the six capitals cover information on India and overseas operations. The Integrated Report considers the primary reporting period as April 01, 2018 to March 31, 2019. However, some of the sections of the report represent facts and figures of previous years to provide a comprehensive view to the stakeholders.

Reporting framework

The Annual Report follows the International <IR> Framework as developed by IIRC (www.integratedreporting.org) and should be read in conjunction with the financial statements included herein and the notes thereto. The financial and statutory data presented is in accordance with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws.

Key company information

Dabur India Limited
ISIN: INE016A01026
BSE Code: 500096
NSE Code: DABUR
CIN: L24230DL1975PLC007908

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Assurance

To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Report and have carried out the independent assurance on sustainability disclosures presented in the report. The statutory auditors, Walker Chandiok & Co LLP, Chartered Accountants have provided assurance on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this report.

INSIDE THE REPORT

Corporate Overview

Board & Management Reports

Financial Statements

CORPORATE INFORMATION

as at July 19, 2019

Board of Directors

Mr. Amit Burman, Chairman
Mr. Mohit Burman, Vice Chairman
Mr. Aditya Burman, Director
Dr. Ajay Dua, Director
Mr. Ajit Mohan Sharan, Director
Mrs. Falguni Nayar, Director
Mr. Mohit Malhotra, Whole-Time Director & CEO
Mr. P. D. Narang, Whole-Time Director
Mr. P. N. Vijay, Director
Dr. S Narayan, Director
Mr. Saket Burman, Director
Mr. Sanjay Kumar Bhattacharyya, Director
Mr. R C Bhargava, Director

EVP (Finance) & Company Secretary

Mr. A. K. Jain

Auditors

Walker Chandiok & Co. LLP

Internal Auditors

Pricewaterhouse Coopers Pvt. Ltd.

Bankers

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

Corporate Office

Dabur India Limited
Dabur Corporate Office, Kaushambi, Sahibabad, Ghaziabad-201010 (U.P.), India
Tel.: 0120-3962100
Fax: 0120-4374929
Website: www.dabur.com
Email: corpcomm@mail.dabur
Email for investors: investors@mail.dabur

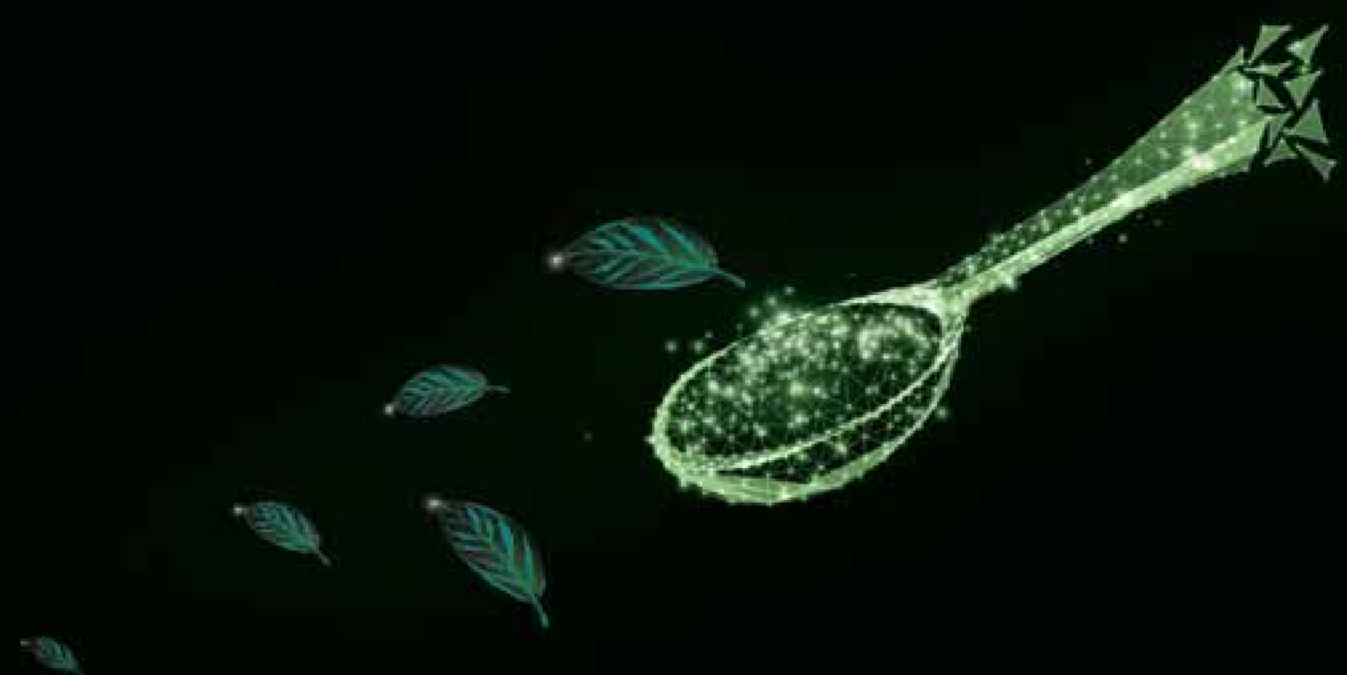
Registered Office

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

The cover design represents Dabur's philosophy of marrying age-old traditional knowledge of Ayurveda with modern-day Science. The creative rendition used represents the strong linkage between Science and Ayurveda, which forms an integral aspect for all products of Dabur.

This Report is also available online on **www.dabur.com**

Heritage, Trust and Knowledge are words that define the largest and oldest Ayurvedic and natural health care company of India – **Dabur**.



At Dabur, our business has always been marked by the right mix of tradition and innovation. With a philosophy to merge the distinguished and differential facets of the old and the new, we have been successful in effecting the combination of heritage and modernity.

With this philosophy, Dabur has successfully achieved a perfect balance between Ayurveda and modern science.

This has enabled us to offer differentiated products which offer holistic health and well-being and are based on the principles of Ayurveda. Health is an underlying theme, which has always been relevant and shall remain so in the future. Our strong bedrock of offering healthy solutions for the varied Health and Personal Care needs of modern-day consumers through our diverse product portfolio provides multiple opportunities of growth and value creation.

01

ORGANISATIONAL Overview

ABOUT DABUR

The world's largest and leading Ayurvedic and Natural Health Care company, Dabur India Limited, offers over 250 products in over 100 countries across the globe.

With our 135 years of rich heritage and experience, Dabur has excelled at building brands and businesses with products that are tailored to suit the needs and aspirations of consumers across the globe. Our business is divided into three Strategic Business Units, i.e., Consumer Care Business, Foods Business and International Business.

The Consumer Care Business covers our interests in Health Care and Home & Personal Care.

We have been driving consumer engagement by leveraging our brands and offering high quality products across all our markets.

Our five Master Brands are:

Dabur
Master brand for Natural Health care products

Vatika
Premium Personal Care products

Real
Fruit-based beverages

Hajmola
Digestives

Fem
Fairness bleaches & Skin Care

Vision

Dedicated to the Health & Well-Being of every household

Principles

Ownership
This is our company. We accept personal responsibility, and accountability to meet business needs.

Passion for Winning
We all are leaders in our area of responsibility, with a deep commitment to deliver results. We are determined to be the best at doing what matters most.

People Development
People are our most important asset. We add value through result driven training, and we encourage & reward excellence.

Consumer Focus
We have superior understanding of consumer needs and develop products to fulfill them better.

Team Work
We work together on the principle of mutual trust & transparency in a boundary-less organisation. We are intellectually honest in advocating proposals, including recognising risks.

Innovation
Continuous innovation in products & processes is the basis of our success.

Integrity
We are committed to the achievement of business success with integrity. We are honest with consumers, with business partners and with each other.

OUR PRODUCTS
– A STRONG PORTFOLIO OF AYURVEDA AND NATURE-BASED PRODUCTS

What makes Dabur one of the most trusted and well-known Ayurvedic brands in the world is our unique product offerings. Dabur's portfolio features Ayurveda and nature-based products that are preferred by today's consumers. Our focus on innovation and brand building ensures our products resonate with our consumers, meet their unique needs, and drive our business sustainability.

India

Our India business comprises three key categories of Health Care; Home & Personal Care and Foods. We have a strong distribution network within the country, covering both urban and rural markets, with our products reaching nearly 6.7 million retail outlets.

Health care

₹ 1,667 crore → ₹ 1,894 crore

Net sales in FY 2017-18: 31.7% of our domestic FMCG business

Net sales in FY 2018-19: 32.3% of our domestic FMCG business

Health Supplements

Digestives

OTC & Ayurvedic ethical

OUR PRODUCTS
– A STRONG PORTFOLIO OF AYURVEDA AND NATURE-BASED PRODUCTS

Home & Personal Care

₹ 2,650 crore
Net sales in FY 2017-18

50.4%
of our domestic FMCG business

→

₹ 2,965 crore
Net sales in FY 2018-19

50.6%
of our domestic FMCG business

Hair care

Skin care

Oral care

Home care

Foods

₹ 946 crore
Net sales in FY 2017-18

18.0%
our domestic FMCG business

→

₹ 1,003 crore
Net sales in FY 2018-19

17.1%
of our domestic FMCG business

Fruit-based beverages

Culinary range

OUR
PRODUCTS
– A STRONG PORTFOLIO OF AYURVEDA AND NATURE-BASED PRODUCTS

Overseas

Our international business largely focuses on Natural Personal Care and we have been steadily expanding our presence in the global markets, both with new products and by venturing into new geographies. While this business has a brand architecture similar to India, the products under these brands are completely different and tailored for the local consumers of different countries. We have recently added fruit-based beverages to our global portfolio.

This business today operates in key geographies like Middle East, Africa, South Asia, USA and Turkey.

Americas

Accounts for

13.8 %

of our overseas business with a range of products targeting the African American population. We also cater to the diaspora here with a range of Dabur products

Europe

Accounts for

12.2 %

of our overseas business, covering markets like UK, Turkey etc

Middle East

Accounts for

27.1 %

of our International business, covering key markets like Saudi Arabia and UAE

Africa

Accounts for

22.1 %

of our International business, covering key markets in Egypt, Nigeria and South Africa

Asia

Accounts for

24.8 %

of our International business, covering key markets in South Asia like Nepal, Bangladesh, Pakistan, Myanmar and Sri Lanka

OUR PRESENCE

– STRONG MARKET POSITION ACROSS GEOGRAPHIES

Dabur has a strong presence across the globe with its products reaching consumers in over 100 countries. We have created a unique product portfolio, based on natural ingredients, and today command leadership position in several highly competitive categories across key markets. Our products enjoy good market shares in categories such as Hair Oils, Hair Creams, Hair Gels, Shampoos, Dental Care and Skin Care.

100+
Countries of market presence

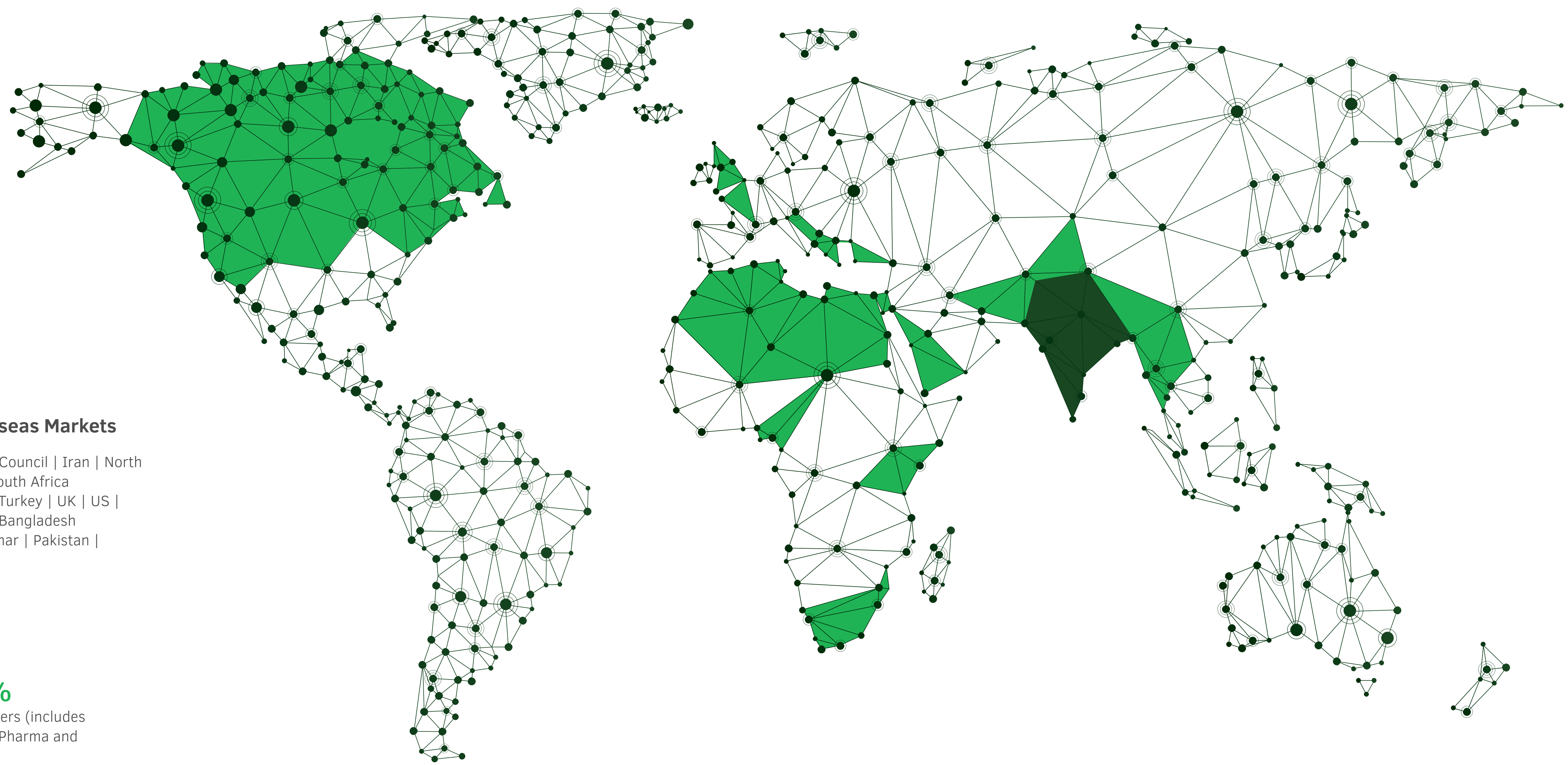
69.4%
Revenue from domestic business

27.1%
Revenue from international business

Our Key Overseas Markets

Gulf Cooperation Council | Iran | North Africa | Egypt | South Africa Nigeria | Kenya | Turkey | UK | US | Canada | Nepal | Bangladesh Sri Lanka | Myanmar | Pakistan | Afghanistan

3.5%
Revenue from Others (includes H&B Stores, Fem Pharma and Guar business)



OUR STRATEGY

The Company's strategy is based on the foundation of Ayurveda, validated by modern-day Science. With over 135 years of heritage and experience in Ayurveda, Dabur is known widely as the custodian of Science-based Ayurveda. We consider our health care portfolio a great repository of knowledge and a strong driver of profitable growth. The penetration of OTC products is currently very low in India. The rising disease burden, particularly lifestyle ailments, and the growing preference for alternative systems of medicines will ultimately provide enormous growth opportunities for Ayurveda and Ayurvedic remedies in the future.

The wisdom of Ayurveda, in fact, holds the answers to many lifestyle ailments that the modern generation is facing today. Dabur has always believed in the benefit of Ayurveda and has been investing behind validating the benefits of Ayurveda and Ayurvedic ingredients and products through a series of scientific interventions for over a century now.

The growing 'Back to Nature and Ayurveda' trend, today, provides Dabur a unique platform for offering products that encapsulate the goodness of Ayurveda and are in sync with consumer preferences. We have been pursuing a prudent growth strategy and have been tirelessly working towards making traditional Indian knowledge available in a form that appeals to the modern consumer. Even our Personal Care and Foods portfolios have Health and Wellness as the central binding theme and incorporate natural ingredients which are proven to be good for health and nurture healthy beauty from within.

Today, Dabur is the largest 'Science-based Ayurveda' company in the world. This amalgamation of age-old proven Ayurvedic formulations with modern science and contemporary formats is what helps us connect with younger consumers. To target the tech-savvy youth, we run specialised campaigns on their preferred digital platforms and complement these with enhanced presence and availability of products on e-commerce and online market

places. We aim to increase our focus on Ayurveda and nature-based products, going forward, offering modern and easy-to-use formats that are relevant and in sync with the needs of our modern-day consumers.

The approach is quite similar in the international markets. Dabur aims to expand its presence in its key overseas markets by investing strongly behind its brands, distribution and manufacturing capabilities. During fiscal 2018-19, We expanded our product portfolio by seeding Foods (fruit-based beverages) and Health care products in few of the international markets and will look forward to expand these in the future. Our brand architecture remains the same across markets, yet the products differ from country to country as they have been tailored to suit local tastes and preferences.

We have also embarked on improving our back-end and IT infrastructure and processes and have already started deriving positive results. Going forward, we will continue to build an even more efficient business model. We will continue to strategically focus on the 'herbal and natural' proposition as our core philosophy, both in India and abroad. In addition, the emphasis on health and wellness is our USP and makes Dabur a differentiated player in the consumer products market. Hence, we will continue to leverage this as a competitive advantage and means to increase market share in the categories where we operate.

02

FY 2018-19

Performance

CHAIRMAN'S MESSAGE

Dear Shareholders,

This is my first letter to all our esteemed shareholders, as Chairman of the Board of Directors of Dabur India Ltd. I am honoured and humbled as I write to you at the end of another eventful year in the history of Dabur. During the year 2018-19, your Company delivered a good performance with double-digit growth in its revenue while increasing its market share in highly competitive product categories.

The year would also go down in Dabur's corporate history as one of transition with Mr. Sunil Duggal stepping down as CEO of the company, after a highly successful tenure of more than 17 years. It would probably be one of the smoothest transitions ever witnessed in the history of Corporate India with Mr. Duggal handing over the baton to successor Mr. Mohit Malhotra, who has been a part of the Dabur family for over two decades now.

It was a proud moment for me personally to see a home-grown young leader take charge at the helm of the company at the end of a structured succession planning process. This gives further credence to our commitment to professional management and adherence to the highest corporate governance standards.

On the business front, we successfully navigated a rapidly changing regulatory landscape and intense competition in India, besides severe geopolitical headwinds and currency devaluations in parts of our international business. Despite these challenges, we succeeded in delivering a strong operating performance.

During the year under review, our Consolidated Revenue grew by 11% to ₹ 8,533 Crore from ₹ 7,748 Crore in the previous year, while Profit After Tax was up 6.5% to ₹ 1,442 Crore. We invested strongly behind our business infrastructure to drive strong revenue growth, due to which our operating costs were a tad higher during the year.

The year also saw Dabur enhance its distribution footprint to 6.7 million retail outlets across the country, with direct retail coverage increasing to 1.1 million. Direct coverage indicates the retail outlets which are serviced through our own network of sales personnel and distributors. The Company also expanded its presence through newer distribution channels such as Modern Trade and E-commerce. We consolidated our rural reach by strengthening the front-end teams and super-stockist and sub-stockist network. The year also marked the implementation of Project Lakshya, an initiative aimed at improving our value chain and front-end efficiencies in addition to making our supply chain future ready.

> **The year also saw Dabur enhance its distribution footprint to 6.7 million retail outlets across the country, with direct retail coverage increasing to 1.1 million.**

Ayurveda and Nature continue to be game changers in the consumer goods space, occupying prime space in the consumer's minds. As the pioneer of Ayurveda-based consumer products, Dabur continues to innovate and improvise the product offerings to delight our consumers, across generations. To further enhance engagement in this space, we pioneered the concept of 'Samvaad', a forum to discuss Ayurvedic products, processes and new developments in this field. The company organised a number of Health Camps and participated in Doctor Meets to display the efficacy of our products. We have also made rapid strides in our mission to not just protect but augment the population of rare herbs and medicinal plants through sustainable cultivation. Under our biodiversity initiative, we distributed nearly 17.50 lakh saplings of medicinal herbs free of cost to farmers across the country, encouraging them to take up cultivation of herbs as an additional income generation activity. Today, we have over 6,100 acres of land under cultivation of rare herbs and medicinal plants in India and Nepal.

Dabur has also been taking the lead in Plastic Waste Management as part of our mission to protect the environment and leave a greener planet for future generations. During the year 2018-19, Dabur has collected and recycled/processed near 4,000 MT of post-consumer plastic waste, which is around 20% of our plastic waste generation. This initiative, which was rolled out in six states during the year, is now being extended to cover 25 states across India and our endeavor is to recycle and treat hundred percent of the post usage plastic waste. This signifies our commitment to reducing the impact of our business on environment and be a responsible corporate citizen.

The Company also continues to make efforts to improve the lives of the communities around us by supporting education, sanitation and health care through our community outreach programmes.

As we move forward, we will continue to focus on building brands and meet the ever-changing needs of our consumers with innovative and relevant product offerings. We also remain committed in our endeavour to further strengthen the Company's financial position while continuing to make strategic investments to enhance our market leadership.

It is my honour and privilege to be at the helm as the Chairman of the Company, and I will do my utmost to live up to the responsibilities that come with this role. Looking forward to fiscal 2020 on a note of optimism, I would like to thank our nearly 7,500 employees worldwide for their sincere efforts and contribution to the growth and success of the company. I would also like to thank our suppliers, consumers, distributors, partners and, above all, our shareholders for their continuing faith and confidence in the company. We value your trust in our company and your confidence in our leadership to set a solid, stable course for the future. Dabur is all set for an exciting future with a clear vision to create value for our consumers, shareholders and investors.

Sincerely,

Mr. Amit Burman
Chairman

Q&A WITH MR. MOHIT MALHOTRA

CEO, (effective, 1st April 2019)

? You have been with Dabur for over two decades now. How was your transition to being the CEO of Dabur?

A It has been an exciting journey, having joined the Company as a Management Trainee and now leading it as the CEO. The transition has been smooth, and this is being viewed as probably the smoothest succession planning by any company. The successful implementation of our internal succession plan is also a reinforcement of the promoter family's commitment to strong Corporate Governance. I am excited to lead Dabur into the next phase of its corporate journey. I can assure all investors that the entire Dabur management is committed and focused to take Dabur to greater heights of success.

? How was fiscal 2018-19 for Dabur?

A Overall, the year 2018-19 has been a good year, with Dabur demonstrating resilience from various headwinds and posting double-digit revenue growth. Dabur ended FY 2018-19 with an 11% volume growth in the India FMCG business with strong gains in Market Shares across key categories. The performance of our International Business was, however, relatively muted due to a challenging macro-economic environment and currency devaluations. However, the business reported strong growth in local currency terms. It is a clear demonstration of the strength of our long-term strategy. The end of the fiscal did show signs of a slowdown in demand, led by macro-economic factors and agrarian distress in the domestic market. However, we believe these factors are temporary and we expect a revival in consumption during FY 2019-20. Going forward, we will continue to invest behind our brands to successfully tap the significant growth opportunities and deliver profitable volume-led growth.

? Dabur has been at forefront of new product launches and innovation. How do you plan to continue the legacy?

A Innovation is the backbone of our business and it will continue to be one of our key focus areas going forward. We have a robust New Product Development (NPD) programme in place and have been investing in research and development of new products as well as improvement and renovation of existing products, with herbal and ayurvedic formula blended with science as a solid foundation.

> **Overall, the year 2018-19 has been a good year, with Dabur demonstrating resilience from various headwinds and posting double-digit Revenue growth.**

On the distribution front, it is vital for us to establish a deeper and closer connect with our consumers in both rural and urban markets. We have strengthened our efforts to penetrate untapped regions, both in urban and rural India. We intend to engage more with our consumers across demographics, locations and income groups and fulfil their unmet needs by offering high quality, innovative and unique products.

? Dabur is known to be home to a boutique of brands. What is your strategy going forward for leveraging this asset?

A Dabur has a diverse and distinct portfolio of brands and sub-brands across the verticals of Home and Personal care, Health Care and Foods. We have taken a two-pronged approach when it comes to leveraging our key assets, our brands. On one hand, we are adopting a consolidation strategy by focusing on Power Brands like Dabur Red Paste, Dabur Amla Hair Oil, Real, Dabur Honey and Dabur Chywanprash which has already started delivering healthy returns. Going forward, we intend to create more value through extensions and innovation.

On the other hand, we have also initiated a strategy for scaling up smaller but high potential brands particularly in the Health Care space to ride the opportunities in the segments they operate in. This is going to be a continuous initiative, wherein we intend to take up three to four brands each year and put disproportionate investment behind them to scale up through marketing and visibility initiatives, distribution, expansion and innovation with an intent to make each of them a ₹100-crore brand. This will enable some of our gems, which may be currently small, to go to the next level of growth and capture opportunities in Ayurvedic healthcare space, where we have a right to win.

? With the change of leadership, should one expect a change in the direction of the business

A The core of Dabur is Ayurveda and it will always remain so. Dabur started its business by providing Ayurvedic specialities, which is the consumer health products vertical with Ayurveda and natural ingredients as its base. Going forward, we would like to continue this legacy and will be introducing more advanced and radical innovation combining Ayurveda with modern science. Our main objective will be to make Ayurveda mainstream and capitalise on the growing consumer inclination towards Ayurvedic and natural products. I would also like to increase our connect with the millennial and centennial generation by making Ayurveda more modern, contemporary and relevant for them.

? What is your outlook for the fiscal year 2020?

A I expect the economy to grow at a healthy pace this year. With a strong new government at the Centre, I am hopeful that we would see some fruitful reforms and stimulus for the rural consumers, which should ease the headwinds and stabilise the macro economic situation in India. At the company level, I expect Dabur to continue to deliver profitable volume-led growth.

I am optimistic about the year ahead. We have a strong product portfolio and a reinvigorated new product pipeline. There is a strong determination within the company to continue with expansion and growth and create value for all our stakeholders.

FINANCIAL HIGHLIGHTS

Revenue from operations
(₹ in Crore)

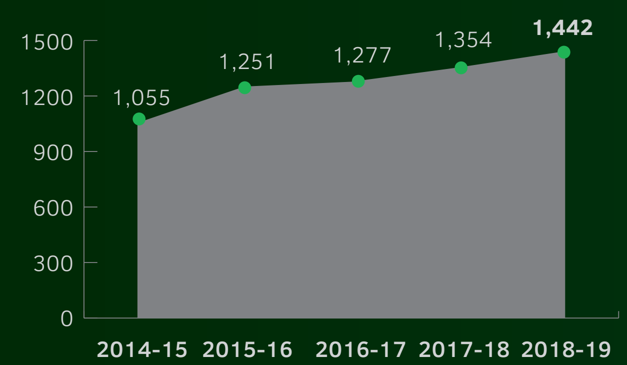
11.0% adjusted growth

Operating Profit
(₹ in Crore)

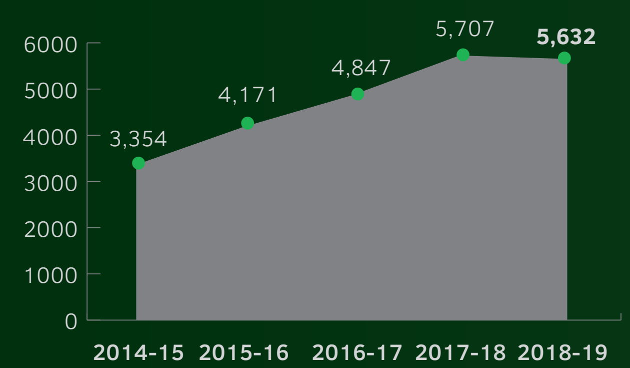
7.6% growth

Profit after Tax
(₹ in Crore)

6.5% growth



Shareholder's fund
(₹ in Crore)



10-Year Highlights

in ₹ Crores (except per share data)	FY10	FY11^^	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Financial Results										
Revenue from Operations	3,403	4,105	5,305	6,169	7,094	7,827	7,869	7,701	7,748	8,533
Other Income	35	32	57	109	128	158	217	298	305	296
Operating Profit	642	800	890	987	1,179	1,305	1,518	1,509	1,617	1,740
Operating Margins (%)	18.9%	19.5%	16.8%	16.0%	16.6%	16.7%	19.3%	19.6%	20.9%	20.4%
Profit Before Tax (PBT)	601	708	790	948	1,155	1,308	1,554	1,611	1,693	1,725
Taxes	100	139	146	183	219	251	300	330	335	279
Tax Rate (%)	16.7%	19.6%	18.5%	19.3%	19.0%	19.2%	19.3%	20.5%	19.8%	16.2%
Profit After Tax (PAT)	501	569	645	763	933	1,055	1,251	1,277	1,354	1,442
PAT Margins (%)	14.7%	13.9%	12.1%	12.4%	13.2%	13.5%	15.9%	16.6%	17.5%	16.9%
Financial Position										
Net Fixed Assets (incl. Goodwill)	677	1,531	1,668	1,674	1,789	1,927	1,773	2,001	2,070	2,033
Current Assets, Loans & Advances	1,106	4,171	2,315	2,689	3,056	2,731	3,229	3,126	3,453	3,618
Current Liabilities & Provisions	920	1,458	1,384	1,414	1,887	1,942	2,169	2,278	2,491	2,734
Share Capital	87	174	174	174	174	176	176	176	176	177
Reserves & Surplus	848	1,217	1,543	1,921	2,482	3,178	3,995	4,671	5,530	5,455
Shareholders Funds	935	1,391	1,717	2,095	2,656	3,354	4,171	4,847	5,707	5,632
Equity Share Data										
Earnings Per Share	5.8	3.3	3.7	4.4	5.2	6.1	7.1	7.2	7.7	8.2
Dividend Per Share	2.0	1.2	1.3	1.5	1.8	2.0	2.3	2.3	7.5	2.8
Book Value per Share (BVPS)	10.8	8.0	9.9	12.0	15.2	19.1	23.7	27.5	32.4	31.9
No of Shares (In Crs)	86.9	174.1	174.2	174.3	174.4	175.7	175.9	176.2	176.2	176.6
Share Price (unadjusted)	159	96	106	137	180	266	250	277	327	411
Market Cap	13,782	16,722	18,536	23,887	31,310	46,653	43,961	48,856	57,602	72,586

^^ Bonus Issue of 1:1 during the year
Share price and market capitalisation as on end of fiscal
FY 2017-18 and FY 2018-19 is as per IndAS and takes into account GST
FY 2015-16 and FY 2016-17 are as per IndAS
FY 2009-10 to FY 2014-15 is basis IGAAP

AWARDS AND RECOGNITION

Dabur was awarded 18th **ICSI National Award for Excellence in Corporate Governance: Best Governed Companies**

Dabur India Ltd has bagged PHDCCI Award for **Outstanding Contribution to Social Welfare** for its community development initiatives

Dabur was ranked 37 in **Responsible Business Rankings 2018** - India's Top Companies for Sustainability and CSR

Dabur was awarded the **SABERA Responsible Business Award** for its community development initiatives in the field of Hygiene and Sanitation

Dabur Red Paste and Hajmola were amongst the country's Top 100 **Most Trusted Brands 2018** list, released by The Economic Times Brand Equity

Dabur won the **Gold Award in the Ayurvedic category**, according to the Reader's Digest Trusted Brand Survey, 2018

Réal was ranked **No. 1 in the Juices category by Consumer Voice** magazine

Réal won the **Gold Award in the Packaged Juice** category, according to Reader's Digest Trusted Brand Survey, 2018

Dabur GlycoDab bagged the **Best Ayurvedic Medicine in Diabetes Management award** at the 'Nutrition & Wellness 2018' conference

Dabur Honey Squeezy pack and Dabur Gulabari 30ml LUP pack were awarded **Stars Of The Industry Packaging Excellence awards**

Activations by three Dabur brands - Vatika, Pudin Hara and Dashmularishta - bagged the **Silver at RMAI Flames Asia Awards**

03

BUSINESS MODEL AND STAKEHOLDER Engagement

Manufactured Capital
Financial Capital
Human Capital
Social and Relationship Capital
Natural Capital
Intellectual Capital

BUSINESS MODEL
– OUR VALUE CHAIN ANALYSIS

At Dabur, we strive towards achieving sustainability along the entire value chain. It is our objective to secure highest value for our products while creating opportunities for growth and fulfilling the needs of our consumers with our natural and innovative products.

Inputs

Manufactured capital
Manufactured facilities equipped with state-of-the-art technology and equipment

Financial capital
An appropriate mix of debt and equity funding

Human capital
Skilled, diverse and motivated workforce supervised by experienced leadership team

Social and Relationship capital
Strong relationship with our suppliers, customers, investors, and society at a large

Natural capital
We are directly dependent on natural resources and make efforts towards reducing environmental footprint

Intellectual capital
Our capabilities to innovate and offer new and improved products backed by highly qualified scientists

Our Value Chain

Innovation
We aim to fulfill the growing demand for high quality, efficacious Ayurvedic and nature-based products by using our expertise in natural ingredients, our heritage in Ayurvedic science and product and packaging design to introduce new and exciting products in modern-day formats. These innovations build our strong brands and create sustainable future.

Sourcing
We procure our inputs from reliable and sustainable sources and ensure steady supply of natural ingredients which go into our products

Production and logistics
With 20 production sites in 9 countries, we strive to achieve an efficient and streamlined operations. We ensure that our products and manufacturing sites conform to world-class food safety standards and reach our consumers in time.

Consumers
Our brands and products cater to the needs of consumers in more than 100 countries across the globe, providing them the opportunity to live a healthy and balanced lifestyle. Our extensive product portfolio caters to a broad range of consumer preferences and needs.

Value created
A competitive price structure creates sustainable growth prospects for our shareholders. In order to achieve this, we create value through pro-active price management, innovation, cost-saving initiatives, and economies of scale.

Outputs

Key segments and products

Health care
- Health Supplements (Chyawanprash, Honey, Glucose)
- Digestives (Hajmola, Pudin Hara, Natural care)
- OTC and Ethicals (Honitus, Dashmularishta Asav, Ashokarishta Asav, Dabur Lal Tail, Shilajit, GlycoDab, a range of prescription medicines)

Home and Personal Care
- Hair Care (Hair Oils, Shampoos, Hair Creams and Gels under Dabur Amla and Vatika brands, Anmol Hair Oil, Almond Hair Oil)
- Oral Care (Dabur Red paste, Meswak, Babool, Dabur Herbal Toothpaste and Lal Dant Manjan)
- Skin Care (Gulabari, OxyLife and Fem Bleach; OxyLife Salon range,Dermoviva and Vatika range)
- Home Care (Odomos mosquito repellent, Odonil air fresheners, Sanifresh toilet cleaners and Odopic dish washer)

Foods
- Réal and Activ juices and fruit-based beverages
- Hommade culinary pastes

International Business
- Hair Care
- Skin Care
- Oral Care
- Healthcare and Foods

Flip to See

Outcomes

Manufactured Capital
Operational excellence with a focus on continuous improvement

71.5% Overall Equipment Efficiency level

10% Increase in production

₹ 219.2 crore CAPEX invested in Property, Plant and Equipment

Financial Capital
Maximise shareholder's value and sustain long-term **profitability and growth**

₹ 8,533 crore Revenue from operations

₹ 8.14 Diluted Earnings per share

₹ 1,740 crore EBITDA

40.6% Dividend payout ratio

₹ 1,442 crore PAT

Human Capital
Our employees are engaged, competent and committed, and are offered growth opportunities through career progression and rotation

7,458 Total employees across our operations

22 Different nationalities working at Dabur

1,21,461 Hours of training provided to employees

Social and Relationship Capital
Build a **long-term sustainable relationships** with our partners and customers.

Contribute towards **development of communities** around our operations

6.7 million retail outlets where Dabur products are sold

1.1 million retail outlets covered directly

3,881 super-stockists and distributors

11,670 sub-stockists

44,068 villages in India covered by Dabur

₹ 26.35 crore Spent on CSR activities

9,62,000 Beneficiaries of CSR programmes

Natural Capital
Minimise our **impact on environment** by focusing on reducing our carbon footprint and gas emissions, reduce dependency on non-renewable resources and optimising energy consumption. We are taking long-term actions to reduce our GHG emissions jointly with our suppliers and business associates.

17% Reduction in greenhouse gas emission over last year

58% reduction in Ozone Depleting Substances over last year

21% Reduction in raw water consumption over last year

53% Reduction in Sox emission

20% Post-Consumer Plastic Waste generated by Dabur products collected, processed and recycled

Intellectual Capital
Establish strong **brand equity and trust**

18 Total patents filed till date

6 Research Observations published in FY 2018-19

Actions to improve outcomes

M
- Better capacity utilisation
- Efficiency enhancement

F
- Continued cost optimisation
- Strengthening our balance sheet
- Optimising the capital structure

H
- Continued implementation of training and development programmes
- Continued focus on gender diversity and transformation
- Retention of skilled and talented employees
- Policies to offer better Work-Life balance

S
- Continuous stakeholder engagement and management of their interests
- Enhanced focus on the socio-economic development of the communities where we operate

N
- Continuous mitigation of the negative impact of our operations on the environment through responsible waste management and disposal
- Compliance with applicable environmental law
- Continued investment in initiatives to minimise the environmental impact of our businesses
- We source Palm Oil only from suppliers who are members of the Roundtable on Sustainable Palm Oil (RSPO)
- For our paper pulp requirement, we are working with suppliers who are part of the Rainforest Alliance and are certified for Forest Stewardship Council (FSC)

I
- Enhancing engagement with customers, both on physical and digital platforms
- Increasing the brand value of the company

*All the figures are for FY 2018-19 unit otherwise specified

STAKEHOLDER ENGAGEMENT

At Dabur, we believe that success of our business depends on strong relationships. This belief fosters an inclusive approach towards all stakeholders and is aimed at understanding the needs, interests and expectations of all our stakeholders, enabling us to create better value for them and the business.

Stakeholders	How we create value	Material matters	Our response and outcome
Employee	Attraction and retention of best talent are managed through competitive remuneration and benefits, learning and growth opportunities in personal and professional space and by offering cross-border experience.	• Skill development • Well-being • Retention • Employee satisfaction • Performance management	• Understand employee needs and create a conductive work environment • Talent management and succession planning • Learning and development strategy • Transformation strategy to encourage diversity and inclusivity in the workplace • Health and safety management
Customers	Delivering high quality, innovative, healthy and cost-effective products to consumers.	• Product satisfaction and awareness • Brand awareness • Sustainability and viability of the organisation • Information sharing • Market dynamics • Consumer complaints and grievances	• Understand consumer needs, improve and design products based on these specific needs • Effective claims and complaints management system established • Entrench a culture of fair treatment of consumers throughout the organisation
Shareholders and Investors	Improvement in Revenue and Profits, resulting in growth in share value and creating long-term sustainability	• Good Corporate Governance • Sustainability of the business • Strategy implementation • Inclusivity and transformation	• Sound and transparent Corporate Governance policies • Timely engagement with shareholders on the broader mandate • Regularly monitoring of the implementation of strategic plan • Development of business through organic and inorganic growth
Business Partners	Proper and timely disclosure about the business functioning and new initiatives undertaken	• Product awareness • Brand awareness • Visibility and relationship management • Service satisfaction	• Strategic brand and product awareness approach • Strategic stakeholder management with an inclusive approach
Community	Sustainable development of the society through direct and indirect participation.	• Investment in CSR programmes • Focus on sustainability	• Empowering communities by creating employment and self-employment opportunities • Upliftment of underprivileged sections of the society • Reducing the environment impact of our operations
Government / Regulatory Authorities	Adhering to relevant laws and regulations of the country in which we operate. Conducting business ethically and responsibly	• Identify regulatory developments • Compliance	• Regular interaction with relevant authorities • Zero tolerance to non-compliance • Sound Corporate Governance practices • Supporting government initiatives (such as digitalisation)
Media	Communicating accurate information about the business	• Information on the impact of events • Reputation • Performance • Public Relations	• Improve media engagement • Efficient management of media relations and coverage • Communicating on regular intervals

04

RISK MANAGEMENT AND Opportunity

RISK MANAGEMENT

– MANAGING RISKS TO REDUCE UNCERTAINTIES

As with any business, Dabur operates in an environment that's filled with volatility, uncertainty, complexity and ambiguity (VUCA). Hence, we maintain a robust and disciplined focus on operational excellence and effective risk management. This enables us to understand and manage our risks, which in turn leads to achieving our objectives.

Our risk management process is designed to identify and mitigate risks that have the potential to materially impact our business objectives. The Risk Management committee maintains the balance between managing risk and capitalising opportunities. Our response to identified risks includes acceptance, avoidance, transfer and mitigation. The diagram alongside describes our risk assurance model that informs the Board, Audit and Risk Committee's assessment of internal controls.

Risk Governance structure

Risk Management Committee

A Risk Management Committee was established under the Board of Directors to regularly monitor the emerging risks and the initiatives to mitigate the same.

COMPOSITION OF RISK MANAGEMENT COMMITTEE

Dr. Ajay Dua
- Chairman
- Independent Director

Mr. Amit Burman
- Member
- Non-Executive Promoter Director

Mr. Mohit Malhotra
- Member
- Executive Director

Mr. P.D. Narang
- Member
- Executive Director

Mr. P.N. Vijay
- Member
- Independent Director

Mr. Lalit Malik
- Member & Joint Chief Risk Officer
- Chief Financial Officer & Joint Chief Risk Officer

Mr. A K Jain
- Member & Joint Chief Risk Officer
- Executive VP (Finance) and Company Secretary and Joint Chief Risk Officer

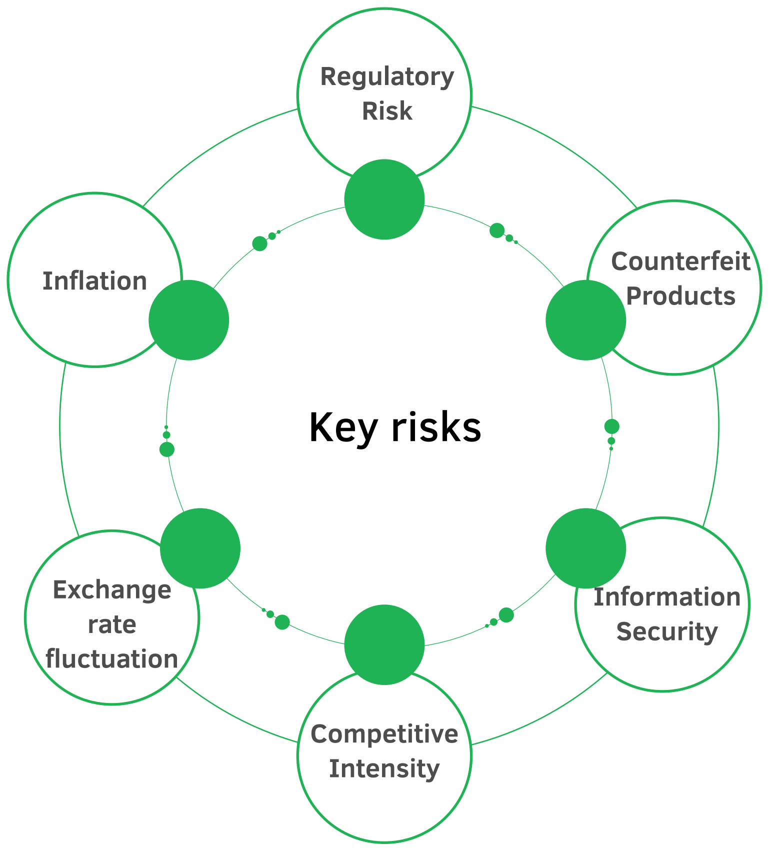
- Company Designation
- Category of Director

RISK MANAGEMENT
– MANAGING RISKS TO REDUCE UNCERTAINTIES

The Risk Management Committee is responsible for ensuring the effectiveness of the company's risk management framework, focusing on the strategic risks and reviewing the progress of the mitigation plan. It meets every quarter to assess and review the various risks and the actions taken to mitigate those risks. It reviews, assesses the quality, integrity and effectiveness of the Risk Management plan and systems. It also ensures that the risk policies and strategies are effectively managed and that risks taken are within the agreed tolerance and appetite levels.

Risks & Concerns

The company closely monitors the potential risks and opportunities that arise from Political, Economic & Regulatory environment, Exchange Rate fluctuations, Technology Changes, Environment and Competition. Following are some of the risks identified by us from a business perspective and our approach towards addressing them.



REGULATORY RISK

GST

Challenge

Major structural federal tax change influencing the fundamentals of trade dynamics in various items/ commodities

Mitigation Strategy

- Easily adopted the new regime through collaborative engagement with different stakeholders in the supply chain.
- Adhering to all the statutory and regulatory requirement on timely basis

Result

- Seamless transition to the new tax regime and robust business growth without any major incidents
- Maintained our brand reputation as a sound governed company

Capital Affected

S

Plastic Waste Management

Challenge

Put in place an effective waste collection system in order to collect post-consumer plastic waste generated by Dabur's products

Mitigation Strategy

- As a responsible organisation, we have joined hands with Central Pollution Control Board (CPCB) approved recyclers and processors to collect all types of post-consumer plastic waste and process/recycle them
- This initiative has been successfully rolled out in 6 states in FY 2018-19 and is now being extended to 25 states
- The recyclable waste is sent for recycling whereas the non-recyclable waste is transported to Waste-to-Energy Plants and cement kilns for incineration
- We have also formed a consortium with other corporates to put together the system for collecting post-consumer plastic waste, particularly non-recyclable multi-layer plastics (MLP)

Result

- Increase in collection of plastic waste and MLP
- Created value for all stakeholders especially for the community in which we operate

Capital Affected

S

N

COUNTERFEIT PRODUCTS

Challenge

Counterfeit or spurious products lead to loss of consumer confidence in the Brand and are also a major drain on the exchequer

Mitigation Strategy

- Multi-prolonged strategy adopted by Dabur to target spurious and counterfeit products manufacturers including label printers, in collaboration with local authorities across states

Result

- Our strategy resulted in over 200 raids by local authorities across 19 states
- Seizure of goods worth over ₹10 Crores

Capital Affected

S

M

RISK MANAGEMENT
– MANAGING RISKS TO REDUCE UNCERTAINTIES

INFORMATION SECURITY

Challenge
Leak or misuse of sensitive data and information, including production plans, investment strategies and new product launches. There is also risk of losing important information over the internet

Mitigation Strategy
- Robust IT security system in place to safeguard all our sensitive information
- Strict vigilance maintained in all offices and manufacturing locations regarding entry of laptops, mobile phones, hard drives and pen drives to ensure no leak of information
- Spreading awareness of our employees about managing information
- Implemented policy regarding use of social media in office
- Real time back-up of SAP and e-mail data is undertaken to ensure business continuity

Result
- Protection of sensitive information
- Reduction in loss of data leading to smooth functioning of business

Capital Affected
H

I

COMPETITIVE INTENSITY

Challenge
Entry of new players in the domestic and international markets may lead to loss of revenue and consumers

Mitigation Strategy
- We have married old-age Ayurvedic knowledge with state-of-the-art scientific prowess to develop products that are unique and difficult to substitute
- Strong in-house research team focused on "bush-to-brand" approach
- We ensure all the individual ingredients and products meet consumer needs and expectations and are compliant with regulatory standards

Result
- Sustained Revenue and Profitability
- Increased consumer reach
- Known as the most trusted Ayurvedic brand in India

Capital Affected
S

F

EXCHANGE RATE FLUCTUATION

Challenge
Being a transnational company, we are exposed to foreign exchange risks that may have an adverse impact on our business

Mitigation Strategy
- Keeping in view the position of Rupee in the market vis-a-vis foreign currency, Dabur has been taking forward cover for foreign currency exports and imports from time to time
- The foreign currency borrowings are fully hedged at the time of inception itself as per the Forex policy framework
- Driving growth in local markets abroad to drive Revenue and Profitability of businesses in individual geographies

Result
- Reduced impact by exchange rate fluctuation on the profitability

Capital Affected
F

INFLATION

Challenge
We are subject to market risk with respect to commodity price fluctuations in a wide range of materials which are drawn from the agriculture and petroleum value chains

Mitigation Strategy
- We hedge exposure to commodity risks through a judicious mix of long term contracts in seasonal items and strategic buying initiatives in other commodities
- A robust governance framework is in place to safeguard the business from market volatility in terms of price and availability

Result
- Managed impact of commodity price fluctuation on Profitability and cost

Capital Affected
F

S Social and Relationship Capital	M Manufactured Capital	H Human Capital
F Financial Capital	N Natural Capital	I Intellectual Capital

FINANCIAL CAPITAL

At Dabur, we aspire to create value for all our stakeholders, resulting from a strong business momentum and leveraging our capabilities in our brands, markets, products and distribution channels. To achieve this, we strive to manage our Financial Capital in an astute and diligent manner to harness the emerging opportunities with long-term sustainable economic growth.

FY 2018-19 Results

In FY 2018-19, Dabur achieved a strong double-digit Revenue growth, with Revenue from Operations at ₹ 8,533 Crore, up 11% over the previous year on a like-to-like basis, adjusted for GST.

Dabur's Consolidated Business

International Business

India Business

Others

Home and Personal care

Full-year Net Sales grew by **13**% on an adjusted basis, touching ₹**2,965** crore in FY 2018-19

This growth was on account of strong double-digit growth in the Hair Care and Skin Care portfolios

Foods

Full-year Net Sales grew by **8.1**% on an adjusted basis, touching ₹**1,003** crore in FY 2018-19

The growth was impacted towards the end of the year on account of prolonged winter season in North India.

Health care

Full-year Net Sales grew by **14.7**% on an adjusted basis, touching ₹**1,894** crore in FY 2018-19

This growth was on the back of strong performance of the three categories of Health Supplements, Digestives and OTC & Ethicals

FINANCIAL
CAPITAL

Key Indicators on a Consolidated basis

Revenue from operations
(₹ in Crore)

11.0% adjusted growth

FY 2018-19	**8,533**
FY 2017-18	7,748
FY 2016-17	7,701

PAT
(₹ in Crore)

6.5% growth

FY 2018-19	**1,442**
FY 2017-18	1,354
FY 2016-17	1,277

Operating Profit
(₹ in Crore)

7.6% growth

FY 2018-19	**1,740**
FY 2017-18	1,617
FY 2016-17	1,509

Net Cash*
(₹ in Crore)

FY 2018-19	**3,066**
FY 2017-18	3,176
FY 2016-17	2,571

Net Worth
(₹ in Crore)

FY 2018-19	**5,663**
FY 2017-18	5,733
FY 2016-17	4,872

Earnings per share
(in ₹)

FY 2018-19	**8.17**
FY 2017-18	7.69
FY 2016-17	7.25

Operating Cash Flow*
(₹ in Crore)

FY 2018-19	**1,506**
FY 2017-18	1,088
FY 2016-17	1,227

Current Ratio**
(in times)

FY 2018-19	**1.35**
FY 2017-18	1.41
FY 2016-17	1.40

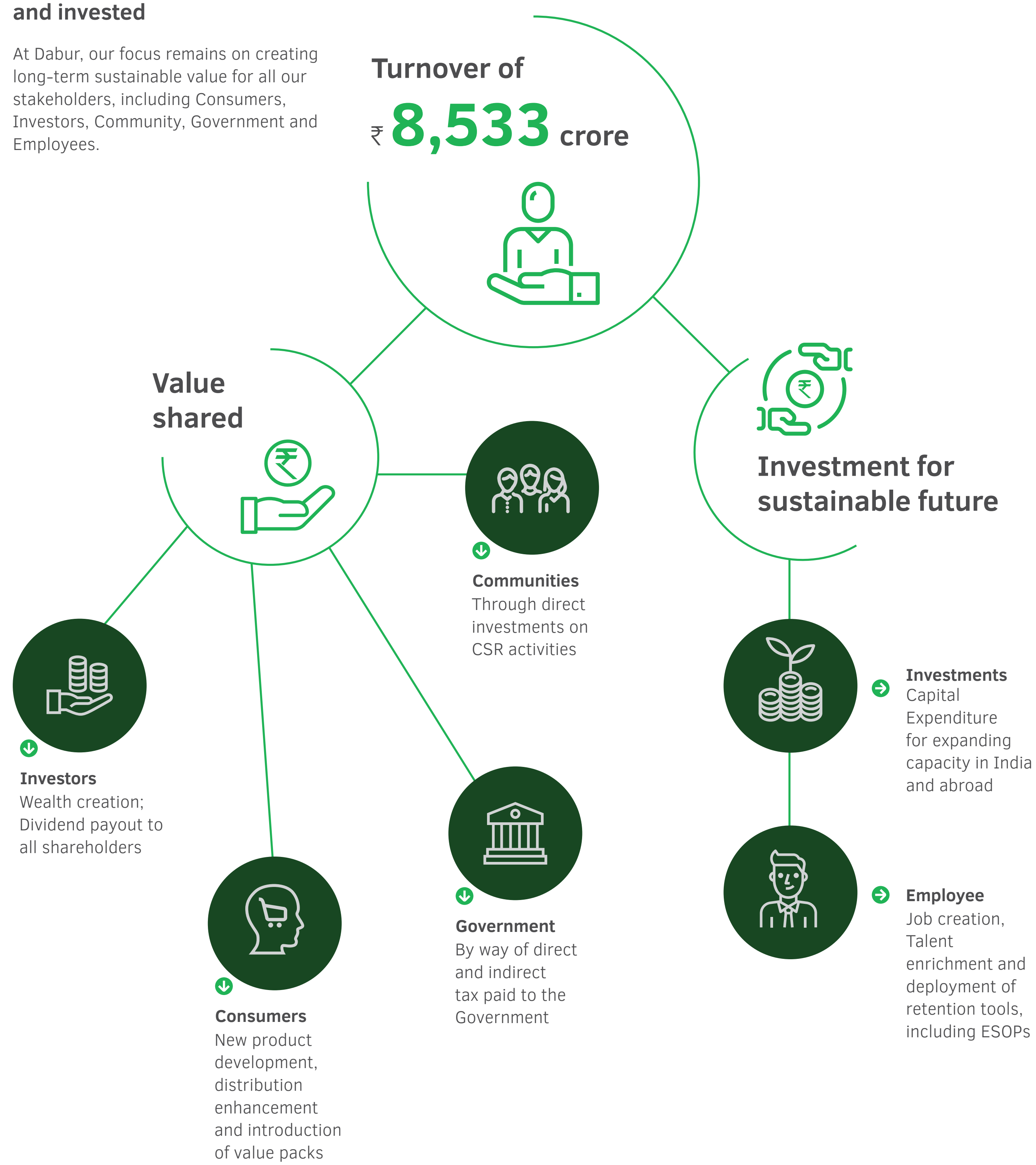
Investment in Brand building** (₹ in Crore)

FY 2018-19	**608**
FY 2017-18	607
FY 2016-17	646

*Net Cash refers to total cash and investments minus the total debt
**Investment in Brand Building refers to Advertisement and Publicity spends

The value created, shared and invested

At Dabur, our focus remains on creating long-term sustainable value for all our stakeholders, including Consumers, Investors, Community, Government and Employees.



MANUFACTURED CAPITAL

Our focus on developing a product portfolio that delights our consumers is an essential part of our manufacturing value-chain. Our procurement policies ensure that only the best quality raw materials go into our manufacturing process. Our state-of-the-art manufacturing facilities ensure the goodness of our products remains intact and our robust supply chain assures they are delivered to even the remotest corners of the country in-time to meet the ever-changing needs and aspirations of our consumers.

Manufactured sites

20
manufacturing units at **12** locations in India and **8** overseas

90%
Production Efficiency achieved in FY 2018-19

10%
Increase in production over previous year

Carrying and Forwarding agents*

28
C&F agents as on March 31, 2019

Warehouse*

30
Warehouses

Stockists & Sub-Stockists*

3,881
Super stockists and distributors

11,670
Sub-Stockists

The strategic location of our manufacturing units

Our high-performing manufacturing units in 20 locations, 12 in India and eight abroad, are strategically placed to ensure minimum time from 'factory-to-consumer'.

1. Bangladesh
2. Egypt
3. Nepal
4. Nigeria
5. South Africa
6. Sri Lanka
7. Turkey
8. UAE

- a Alwar
- b Baddi
- c Jammu
- d Katni
- e Narendrapur
- f Nasik
- g Newai
- h Pantnagar
- i Pithampur
- j Sahibabad
- k Silvasa
- l Tezpur

* Figures mentioned are on Standalone basis

MANUFACTURED CAPITAL

Strengthening capabilities

At Dabur, we put a lot of emphasis on our manufacturing capability to ensure that our supply chain conforms to the highest standards of quality. We have been continuously investing in our manufacturing units, introducing technologies and operational efficiencies to maintain our competitiveness. Currently, our manufacturing units are aligned to our existing and future commercial strategies and product pipeline. Our manufacturing value-chain is streamlined and structured to offer a wide range of products. We blend the traditional knowledge of Ayurveda with modern-day Science to develop products that not only offer holistic benefits but are also in sync with the changing needs of today's consumer preferences across geographies. Our product portfolio cuts across categories like Health care, Home Care, Personal Care and Foods in domestic as well as international markets.

CAPEX
(₹ in Crore)

2018-19	**219.2**
2017-18	239.2
2016-17	419.8

Project Lakshya
- Supply chain efficiency model

Excellence in Supply Chain operations is one of the key factors for driving our market leadership. The ability to deliver on time with high levels of quality has been one of our greatest strengths. The roll-out of Project Lakshya further strengthened our capabilities in managing the challenges in a fast-changing consumer market with agility while reducing our supply chain costs.

Project Lakshya focuses on improving our servicing levels for various distribution channels while optimising costs across the supply chain. One of the early benefits of Project Lakshya has been the increase in Range Availability (RA) at the C&FA level from 78% to 92%. This initiative has also resulted in Modern Trade fill rates (OTIFs) moving up from 87% to 94%; C&FA locations were reduced from 32 to 28 and inventory levels came down from 38 days to 31 days. In addition, the Factory, SKU & Depot (FSD) combination was re-worked which generated significant savings and reduction in SLOB. As part of this project, the company is adopting a replenishment-based supply model which is expected to improve availability of our products at the distributor level and reduce lost sales.

Benefits derived

- Improved Overall Equipment Efficiency (OEE) by 2.5% (From 69% in FY 2017-18) to 71.5% (in FY 2018-19)
- Recorded delivery matrix improvement and reduction in logistics costs
- Fresh stock and improved range available at distributors and C&FAs
- Reduction in lead times and stockholdings at the distributor level
- Fill rate improvements achieved

Summarising the technology that forms the backbone of our improved supply chain levels

- Implemented in-mold labelling for small pack sizes of Dabur Gulabari rose water. The use of pre-labelled Gulabari bottles eliminates the entire label application operation, use of adhesives and liners. This is coupled with a bottle orientation unit and coding station to inspect the bottles by camera and orient appropriately for coding. This has improved operational efficiency and packaging quality
- Introduced online laser coding on corrugated wrap-around trays in Dabur Nepal to replace screen printing, leading to lower inventory and aiding flexibility in operations
- Started using counter pressure retort process for packing Real Activ Tender Coconut Water and molding bottles in IBM process. This has resulted in more number of bottles being processed at a time, thereby improved productivity by 70%. Use of counter pressure has also helped reduce the weight of bottles by 20% while use of IBM helped reduce inline rejections from 3.5% to 1.8%
- Developed and commercially implemented local shrink films with additive that make them biodegradable after 18 months
- Shifted from conventional cold glue to hot glue application in Glucose CEKA pack to reduce quality defect and wastage of carton
- Installed dangler machine at Pantnagar and Baddi units to produce Dabur Red Paste low units packs in a dangler format. This has helped us increase the output and have greater flexibility in catering to various combination/pack sizes without any major change in machine

Use of Artificial Intelligence in our overseas operations

To increase the efficiency of our manufacturing units, we have been investing in automation and robotics for various purposes including:

- 3 ABB robots used in packaging of toothpaste, Hair Oil and Shampoo
- Automatic capping machine installed for Vatika Hair cream, Lotions and Shampoo lines.
- Automatic orientation machine installed for flip top caps
- Automatic sealing and capping machine installed for Herbolene

HUMAN CAPITAL

Dabur consists of a team of nearly 7,500 committed, responsible, dynamic and solution-oriented individuals who collectively represent our Human Capital. Rooted in the foundation of strong Core Values and committed to our Code of Conduct, we strive to create an environment that is safe, challenging and rewarding for all our employees.

Male Employees

7,014

Female Employees

444

Profile of our diversity

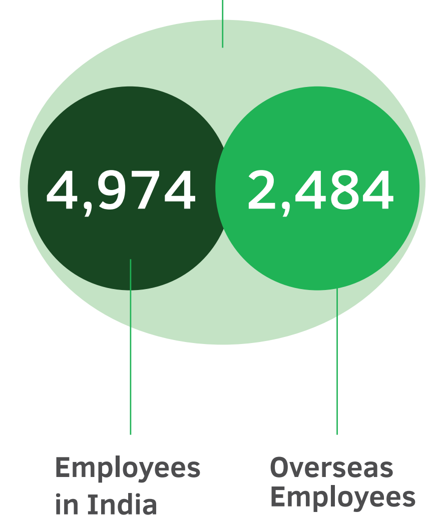
We believe that diversity has the power to boost an organisation's competitiveness. With a team that has diverse genders, races, origins, opinions and culture, we have set sail on the road to broadening perspectives and viewpoints in the decision-making process.

Mix of nationalities working in Dabur

22

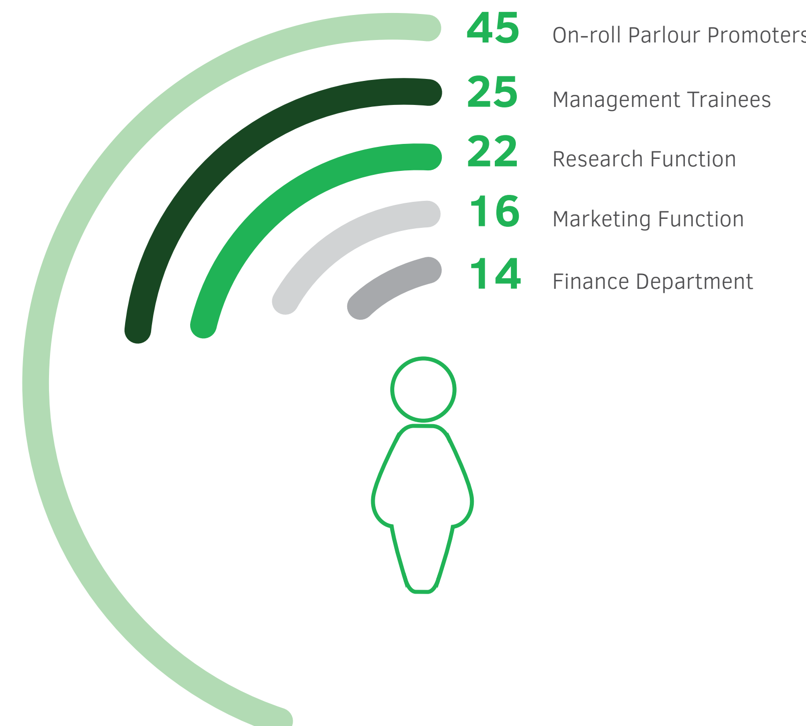
Total employees

7,458



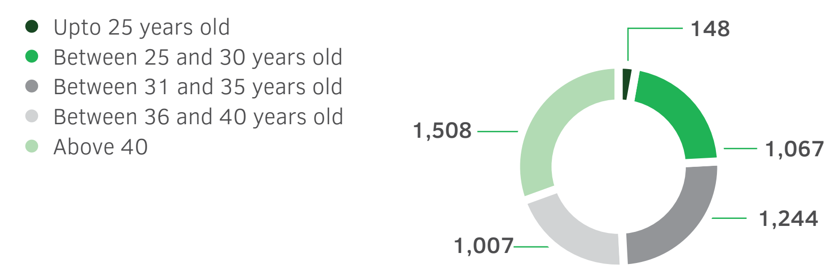
Female employees in India

(in %)



Profile by Age Group in India

(in Nos) (As on March 31, 2019)



HUMAN CAPITAL

Creating an environment in which employees can thrive

Dabur seeks to attract, retain and develop employees who are qualified and experienced with the right mix of technical and behavioural competencies that fulfill the targeted business requirements. We make sincere efforts to train our employees to become leaders of tomorrow.

The HR department develops and monitors employee management strategies and related policies. As an organisation, we continue to grow and provide our employees with opportunities such as cross-functional and cross-border learning experiences to excel in their professional as well as personal lives. We have created a platform - Career Development Centre (CDC), which identifies, rewards, and recommends talent to fill key leadership positions in the organisation.

Investment in training programmes (in hours)

2018-19	**121,461**
2017-18	125,743
2016-17	51,660

Building talent to drive performance excellence

Our internal training and development programmes focus on nurturing and developing a well-balanced workforce of talented individuals. To adapt to changes in the environment, we mentor employees with expertise and equip them with skills needed to navigate challenges both in the short and long term. The key to upgrade both individual and collective skills is training, apprenticeships and personalised development plans.

We have established an IT-enabled platform for human capital management - PULSE (Platform Used for Learning, Sharing and Engaging). Through this platform, we define the workflows at every stage and level of the organisation to ensure smooth functioning. Dabur has also initiated a gamified e-learning platform for learning and development of employees. It is a transformed approach to traditional classroom training, and allows candidates to undergo the training at any point in time, leading to an increase in the retention rate of employees.

Dialogues on Transformation Excellence @ Dabur (DTED Talks) are organised as an initiative to provide a platform for knowledge sharing. It intends to bring together an 'outside' perspective on topics that relevant in today's business context and provides insights on future possibilities.

Creating Talent Pipeline

Today's employees are more career conscious than ever. With this paradigm shift, there is an urgent need to put in place, a well-designed job rotation programme to enhance the employees' competencies, as well as increase job satisfaction through job variation.

Dabur strives to create a talent pipeline for the right candidates through various initiatives undertaken by the talent management and succession planning team. We believe in promoting our homegrown talents rather than recruiting from outside. Every year, we identify potential leaders at different levels of management and groom them to be the leaders of tomorrow.

Advocating best practices in digital space

As a step towards digital HR, we have been leveraging social, mobile, analytics and cloud (SMAC) technologies to increase the efficiencies of our HR processes. Few of the digital technologies implemented are illustrated below.

- All HR related transactions across our operations throughout the employee life cycle are done through an IT-enabled platform. This platform can be accessed through any android or iOS enabled phone, making it more convenient and easier for the users.
- Enhanced the features of our HR on-the-go platform with the introduction of a chatbot Chia, which serves as a mobile HR assistant that helps employees get answers to FAQs. Employees spend many hours each month searching for basic company-related information. Chia quickly gets employees the answers they

HUMAN CAPITAL

are looking for, making them more productive and ultimately more satisfied.

- Social media is being used extensively to both talk to and talk about our new recruits.
- For the millennials, a digital platform has been established for learning and skill development programmes
- Established video interviewing platforms wherein candidates are provided with a fixed set of questions with real-time experience. The outstation candidates no longer have to be physically present at the Dabur office for interviews. They can record their interview and share the same with the company and we shortlist the candidate basis this video interview. This has also reduced travel expenses.
- E-learning platforms like Lynda (LinkedIn learning) used as convenient tools for fostering learning and development.
- An app called EmpSense launched to sense the employee's mood and state of mind.

Employees being rewarded by for their exceptional work under Dabur's structured rewards and recognition programme Applause, at the company's annual family day Utsav.

Employee engagement

We have put in place various initiatives to keep our workforce motivated and engaged. We reward their contribution in many ways, like offering our employees cross-border learning experiences, providing competitive pay, giving instant reward and recognition for path-breaking innovation, and through softer incentives like birthday/anniversary day-off, family get-togethers and on-campus recreation opportunities.

Our system of continuous employee rewards has led to a marked increase in employee engagement levels and productivity across the organisation. Some of the key initiatives include:

- A structured rewards and recognition programme, Applause that covers all permanent employees of Dabur and rewards them for their excellence in work and service towards achieving the goals. We reward and recognise hard work and out-of-the-box thinking through this programme.
- A monthly rewards programme for our frontline sales and manufacturing staff for productivity improvements initiatives.
- Long Service Awards for employees who have spent more than a decade with the organisation.
- UTSAV, our annual family day celebration, where employees and their families gather to celebrate the achievements of the past year.
- A Facebook page, Campus Bridge, which served as a platform to connect the organisation with the students of premium B-schools across India.
- Implementing policies and programmes that help our employees have a healthy work-life balance.

We were among the first companies to start offering a paternity leave scheme for our employees. In addition to the mandated maternity leave, we offer women employees flexible working hours for four months after joining back office post-Maternity leave.

- A lounge area within the campus that also serves as an informal meeting area. A pool table within the campus helps employees unwind after a hard day at work.

Health, safety, and well-being

At Dabur, our people are our greatest asset, and their safety, health, and well-being is of utmost importance to us. We undertake various programmes to promote safety measures at our manufacturing units to ensure no injury or accident. In addition to our workplace safety, we place great emphasis on the health and well-being of our employees. Ergonomics, stress, and anxiety significantly impacts work quality, employee satisfaction, and retention, which ultimately affect organisational performance. We have been conducting complimentary health screenings, medical fitness programmes and vaccination drives via external agencies, to meet GMP requirement, for our employees. This gives them the convenience of having health-checks at their workplace.

Dabur's approach towards safety includes 3M (Man-Material-Machine) safety as a value-led concept, with focus on inculcating a sense of ownership at all levels. In line with this approach, several operating units are progressively implementing 3M based safety initiatives and customised risk assessment programmes to strengthen their safety culture. Environment, Health & Safety audits are carried out on a continuous basis before commissioning and during the operation of units to comply with existing standards.

The occupational health system has been maintained and monitored at all locations as per Factory Act, 1948. Our facilities are certified with ISO 9000:15000, ISO 14000:15000 & ISO 45000:2018/ OHSAS certificates.

Safety Indicators	2016-17	2017-18	2018-19
Near Miss	1,812	2,286	**3,826**
Minor Incident	4	3	**3**
Major Incident	6	5	**4**
All Injury Rate	0.12	0.11	**0.09**

The positive impact of the safety measures is reflected in the steady increase in Near Miss reported at Dabur units. According to the globally recognised Safety Pyramid/Safety Triangle concept, tracking low level events like near-miss means that an organisation can prevent more serious accidents from occurring at higher levels of the safety triangle. Every 300 near-misses tracked by a Company results in averting 29 minor incidents, which further translates to averting 3 major incidents.

52,736
Man-hours

Safety awareness training conducted in FY 2018-19

ThinkAloud – an Innovative idea drive

ThinkAloud initiative is one of the many initiatives used to drive skill enhancement and brainstorming activity within the organisation, thereby strengthening the competitive edge. Close to 200 suggestions were received from employees last year for improvement of processes across the organisation. The best ideas generated, are put to implementation and the employees are rewarded for the same. Last year, we selected seven of these ideas – ranging from new product development to productivity improvement and cost reduction – as unique implementable suggestions, and have already begun rolling them out.

NATURAL CAPITAL

As consumer goods manufacturer with a portfolio of products based on Nature and natural ingredients, Dabur is reliant on the conservation and use of natural resources. As a result, we remain committed to environmental protection and have a strong governance framework in place to remain a sustainable and responsible entity.

₹ **400** lacs

Spent on reducing environmental footprint in FY 2018-19

Approach to environmental conservation

Our ethos of environment protection and conservation of natural resources is based on the belief that nature is a precious endowment to humanity. Our approach towards protecting the surroundings is guided by internal policies and applicable external standards. To benchmark our environmental management system, we have been progressively adopting international environmental protocols, adhering to leading certifications, and abiding to applicable environmental legislations.

Dabur is addressing the critical issue of climate change mitigation through several innovative and pioneering initiatives. These include:

- Continuous improvement in energy efficiency
- Enhancing the renewable energy portfolio
- Integrating green attributes into the environment
- Better efficiency in material utilisation
- Maximising water use efficiencies and rainwater harvesting
- Maximising collection, segregation, recycling, and safe disposal of post-consumer plastic waste and solid waste management

Performance of key environment indicators:

Environment Indicators	2016-17	2017-18	2018-19
Raw Water used vs Production (in KL/MT)	5.05	4.32	3.41
Effluent Generation vs Production (KL/MT)	2.12	1.38	1.25
Hazardous Waste vs Production KG/MT	0.64	0.60	0.49
Total Energy consumed vs Production GJ/MT	2.07	2.03	1.96
Total CO_2 emitted vs Production KG/MT	0.08	0.05	0.04
Total SOx emitted vs Production Kg/MT	0.65	0.46	0.21

Waste Recycling and Management

We put in continuous efforts towards waste reduction, waste recycling and use of alternative methods of waste treatment to prevent them from reaching landfill sites. Waste generated at our manufacturing units consists of plastic scrap, glass, fibre waste, etc. Our efforts towards waste management, includes following the 3R (Reduce, Reuse and Recycle) strategy. Specific systems and processes are in place to manage hazardous as well as non-hazardous waste in compliance with our waste management guidelines through innovative technologies, reuse and recycle.

Dabur has continued to lead the drive towards reduction in the use of plastic in the FMCG sector while also being committed to managing the plastic waste generated by its products. In this regard, we have been closely working with Ministry of Environment, Forest and Climate Change (MoEF&CC), Central Pollution Control Board (CPCB), Central Ground Water Board (CGWA), Federation of Indian Chambers of Commerce and Industry (FICCI) & Confederation of Indian Industry (CII). To meet the pre-requisites of Plastic Waste Management (PWM) EPR (Extended Producer Responsibility) guidelines under PWM Rule 2016, amended 2018, and setting a benchmark for other companies, we have initiated different projects pan India in collaboration with different NGO's and Central Pollution Control Board (CPCB) approved PROs (Producers Responsible Organisations).

NATURAL CAPITAL

Under our EPR activity, Dabur has collected ~4,000 tonnes of post-consumer Plastic Waste (both recyclable and non-recyclable) direct from the end-users with the help of around 5,000 local ragpickers in 45 cities/Talukas of six major states & Union Territories. These are:

- Delhi (Najafgarh, Nangloi, Bhalswa Dairy, Shastri Park, Okhla, Samalkha, Khadar, Alipur, Samaypur Badli, Dallupura, Shahbad Dairy & Connaught Place)
- Uttar Pradesh (Moradabad, Ghaziabad, Sahibabad, Meerut, Noida, Greater Noida, Mathura, Agra, Kanpur, Lucknow & Gorakhpur)
- Uttarakhand (Haridwar & Kashipur)
- Maharashtra (Mumbai {Bhandup (W), Mazgaon, Kurla(W), Mankhurd, Mumbai-Panvel Rd, Andheri (E), Thane, Malad & Jogeshwari}; Dahanu; Satara; Pune and Aurangabad)
- Punjab (Mohali, Ludhiana, Dara Bassi, Amritsar, Patiala & Chandigarh)
- Tamil Nadu (Pollachi in Coimbatore; Puliangudi & Ramayanpatti in Tirunelveli & Nagercoil in Kanyakumari)

Dabur is a registered brand-owner with CPCB since November 2018 and is committed to collect different types of plastic waste. The collected plastic waste is sent to different Recyclers, Waste-to-Energy & Cement Plants. Our efforts have helped divert plastic waste from landfills to recycling/processing units, leading to mitigation of ~5,500 MT of CO_2 emissions and saving of 97,000 GJ Energy.

0.11 KG/MT ↓
18% reduction in hazardous waste generated since FY 2016-17

2 MT
E-waste disposed to the approved e-waste recyclers in FY 2018-19

20 %
Plastic waste generated by Dabur collected and processed/ recycled in FY 2018-19. This will be increased to **60%** in 2019-20 and **100%** by 2020-21

Energy and Emission optimisation

The core business activities of Dabur are energy incentive with electricity constituting a significant portion of the operating expenditure. Improvement in energy consumption and reduction in emission will enable us to manage our usage of fuels more efficiently. We continuously monitor various KPIs including specific energy consumption (energy consumed per unit of production), specific energy costs, and renewable energy contributions.

Steps taken for energy and emission optimisation

- The herbal waste generated by Dabur in the process of manufacturing Ayurvedic products are converted into herb briquettes, which are used as boiler feed. This not only reduces the landfill required for safe disposal of used herbs but also acts as an alternate fuel for boilers
- Methane gas generated during the process of effluent treatment is being diverted and utilised to run special DG sets that use methane gas as feed. This has restricted methane gas emission in the environment
- Solar panels installed at the Tezpur plant in Assam
- Energy consumption through replacement and modification of ducting for dehumidifier and HAVC system for Glucose packing and manufacturing
- Tube lights and HPSV lamps replaced with LED lights

18 KWH/MT
3% reduction in Energy consumption in FY 2018-19 through 35 projects with capital investment of ₹ 145 lakhs

1,200 KG
17% reduction in GHG emission in FY 2018-19

55,000 KG
53% reduction in SOx emission in FY 2018-19

122 KG
58% reduction in Ozone-depleting substances in FY 2018-19

Water stewardship

Water is a valuable resource and is used extensively in manufacturing processes, employee hygiene, steam generation, and other utilities. We have incorporated responsible water management initiatives at all our manufacturing facilities as per the stated Environmental Management Principles.

We recognise that initiatives aimed at conserving water will contribute to more sustainable water availability for future generations. Hence, all our facilities are equipped to reduce water consumption and augment rainwater harvesting. We enhance the capture and storage of rainwater (in soil and storage ponds) and encourage recharging aquifers at plants. This has led to reduced dependency on ground water and surface water.

Apart from water conservation, we also indulge in waste water recycle and reuse. We have installed water-efficient technology in our processes with the best effluent treatment system like Reverse Osmosis plants to reuse the treated water within the units. Dabur has been successful in segregating all Trade and Domestic effluents through independent treatment systems and by installing or upgradation of ETP/SwTP & UF/RO recycling plants. The recycled water is then put to use in various forms including for plantation and irrigation purpose, lavatory purpose, fire water tank, road cleaning, and other utilities.

915 Lt/MT ↓
21% reduction in raw water consumption in FY 2018-19

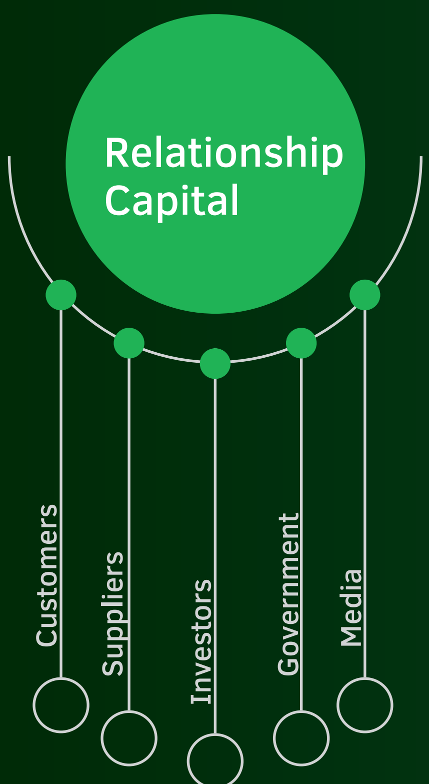
130 Lt/MT ↓
9% reduction in effluent generation in FY 2018-19

The Effluent Treatment Plant at Dabur's Pantnagar unit

* all above statistics collected from our manufacturing units in India

SOCIAL AND RELATIONSHIP CAPITAL

Dabur's business growth and development are dependent on the growth of its stakeholders. Hence, we are committed to adopting a stakeholder-inclusive governance approach and sustain long-term relationships with our stakeholders through transparent and effective communication.



Enhancing Consumer experience

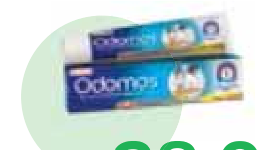
Changing lifestyles and technology are affecting the purchasing behaviour and preferences, leading to significant changes in consumer trends. Dabur takes pride in the fact that its products touch a billion lives. Our objective is to assist our consumers by providing them with the right product at the right time, made from best quality ingredients, in their best interest, while meeting all their needs, expectations and aspirations. During the year, we continued to evolve our portfolio and roll-out engaging brand activities, allowing us to serve our consumers and grow our business sustainably. Some of the key initiatives undertaken to engage better with our consumers were:

- **Participation in Nauchandi Mela**
  At Nauchandi Mela, known as an auspicious, month-long and colorful festival of Uttar Pradesh, Dabur installed a 22-feet tall, eco-friendly Pudin Hara Bottle. The area was popularly known as Pudin Hara Thandak Zone as it provided a cooling effect to the people around the stall and gave them respite from the hot summer sun in the month of May. It was also used to create awareness about the benefits of Pudina, a wonder herb is known to provide quick relief from stomach ailments especially during the summer season.

At the Nauchandi Mela, we undertook sampling of

60,000
Pudin Hara/ Pudin Hara fizz

30,000
Hajmola



38,000
Odomos

- **Kumbh Mela 2019**
  Kumbh Mela is one of the largest religious congregations in the world, which sees the coming together of millions of pilgrims from across the country. In addition to offering brands a great platform for sampling its products, the mela is also an ideal vehicle to drive health awareness.

Some of the key activities undertaken at the Ardh Kumbh this year include:

- **Dabur Red Paste Dant Snan** – A special drive to promote oral hygiene amongst the millions of devotees coming to Kumbh. Dabur Red Paste set up special dental stations at leading Akharas at the Kumbh ground in Allahabad with special toothpaste dispensers. Free toothbrushes were also distributed amongst the visitors, while promotes created awareness about the need for adopting proper oral hygiene

70,000+
Samples of Dabur Red Paste distributed

SOCIAL AND
RELATIONSHIP CAPITAL

- Hajmola Chunavi Dangal – A special sampling-cum-awareness drive was launched at the Kumbh grounds with the upcoming General Elections as the central theme. Christened Dabur Hajmola Chunavi Dangal, this activation was played out as an election to identify the consumer's favourite flavour of Hajmola digestive tablets. A special 'Chunavi Dangal Zone' was created at the mela grounds where the various Hajmola flavours were sampled with the consumers, who are then asked to vote for their favorite flavour. The winning flavor will be elected 'Mukhya Flavour Mantri 2019'. Each flavour was depicted as a candidate for the election and they tried to woo voters with their individual manifesto. Nukkad Natak artists were also engaged to interact with the visitors and spread awareness about the activation.

25,000+
People participated in the voting

3,00,000+
Samples of Hajmola distributed

- Kawad Yatra
During the Kawad Yatra, the journey for Jal-abhishek of Lord Shiva, Dabur organised health camps for the Kanwariyas or the pilgrims. As part of the camp, the pilgrims were offered Ayurvedic foot and back massages using Dabur Rheumatil oil.

5,000+
Number of devotees targeted

- Dabur Amla 'Rishtey Majboot, Bandhan Atoot' Campaign – A unique initiative by Dabur Amla Hair Oil to help children, who get lost at the Kumbh festival, reconnect with their families. A Unique Identity Card bearing the child's name, his/her parents' names & contact numbers were issued to each child arriving at the Kumbh Mela. In addition to an Identity Centre established at the entrance gate of Kumbh Fair, Dabur Amla Hair Oil had also set up free ID Card Centres at various key points in the city so that parents can get these ID Cards for their kids easily and hassle-free.

32,000+
Unique identity cards distributed

- Dabur Gulabari Changing rooms – A special drive by Dabur Gulabari to provide women arriving at the Kumbh a safe and secure place to change, thereby protecting their dignity. Dabur Gulabari set up changing rooms for female devotees during the Kumbh Snan (holy dip). A volunteer was also placed near the changing room, offering women Dabur Gulabari cream.

3,00,000+
Samples of Dabur Gulabari distributed among female devotees

Engaging with Suppliers and Farmers

Dabur works closely with suppliers across the value chain to ensure that our activities are carried out smoothly and without any interruption while ensuring superior quality is maintained in all our products. We engage with several farmers across India for cultivation of herbs. Our scientists engage with these farmers and tribal communities, training them on scientific and sustainable cultivation of herbs and helping augment their income. We also emphasise on sustainable procurement and local sourcing of materials.

Through our biodiversity initiatives, we have helped local farmers spread across the length and breadth of India take up cultivation of herbs and medicinal and aromatic plants (MAPs), providing them an economic opportunity and an additional source of income. We also undertake training initiatives on how to grow herbs and MAPs in a sustainable and eco-friendly manner using various techniques and technologies.

4,224
Farmers associated with Dabur in India & Nepal for herb cultivation

6,122
Acreage of land under cultivation of herbs and medicinal plants in India & Nepal

36
Herbs cultivated in India

29
Herbs cultivated in Nepal

Interactions with Investors

We strive to maximise shareholder returns, maintain good corporate governance, and improve levels of transparency through financial and sustainability reporting. We remain in constant connect with the investors through a range of engagement activities including conference calls and Investor meets, which help us communicate the performance of the Company timely. Our approach towards communicating with investors and shareholders is open and transparent, in order to assist them in understanding our business strategy, which we believe will aid them to taking informed decisions. Dabur has formed an Investor Grievance Redressal mechanism to provide speedy and timely solutions for grievances.

13
Grievances lodged by the investors/ shareholders in FY 2018-19

100%
Grievances solved or addressed in FY 2018-19

Relationship with Government and industry association

Beyond compliance, we partner with key government agencies to jointly elevate industry standards for sustainability practices, while ensuring compliance with ethical corporate governance practices. Dabur engages with various government departments in India, both at the central and state levels.

Dabur is also an active member in various industry associations like:

- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Associated Chambers of Commerce of India (ASSOCHAM)
- PHD Chamber of Commerce and Industry
- Indian Beverage Association

The year saw us become members of two new industry associations for plastic waste management, namely:

- Action Alliance of Recycling Beverage Cartons (AARC)
- PET Packaging Association for Clean Environment (PACE)

Our association with these industry and sub-industry bodies are aimed at discussing various emerging issues and help develop public policy by providing authentic information about the industry and business operations. Our proactive approach towards maintaining a healthy relation with the Government and the industry associates has helped us not only in aligning our policies as per regulations but also in making us a future-ready organisation.

Media interaction

As news and information outlets are one of the main sources of information for our stakeholders and the public, we aim to engage the media in promoting our products in a sustainable way with the agenda to drive healthy consumerism. We engage through various mediums including TV advertisements, print advertisement, banners and hoardings, social media advertisements, free sampling to YouTube influencers and digital campaigns to connect to a wide range of consumers. We always believe in sharing accurate information through various mediums, making us one of the most trusted brands in India.

SOCIAL AND
RELATIONSHIP CAPITAL

Social Capital

At Dabur, we have remained at the forefront of socio-economic development of the society at large. We seek to create green spaces that promote social integration, invest in community development projects, and foster a self-reliant society. Our journey towards contributing to the society began way back in 1994, aligned with our founder's vision of "what is that life's worth which cannot bring comfort to others". Our initiatives towards community development are also aligned to Dabur's corporate motto of being dedicated to the health and well-being of every household.

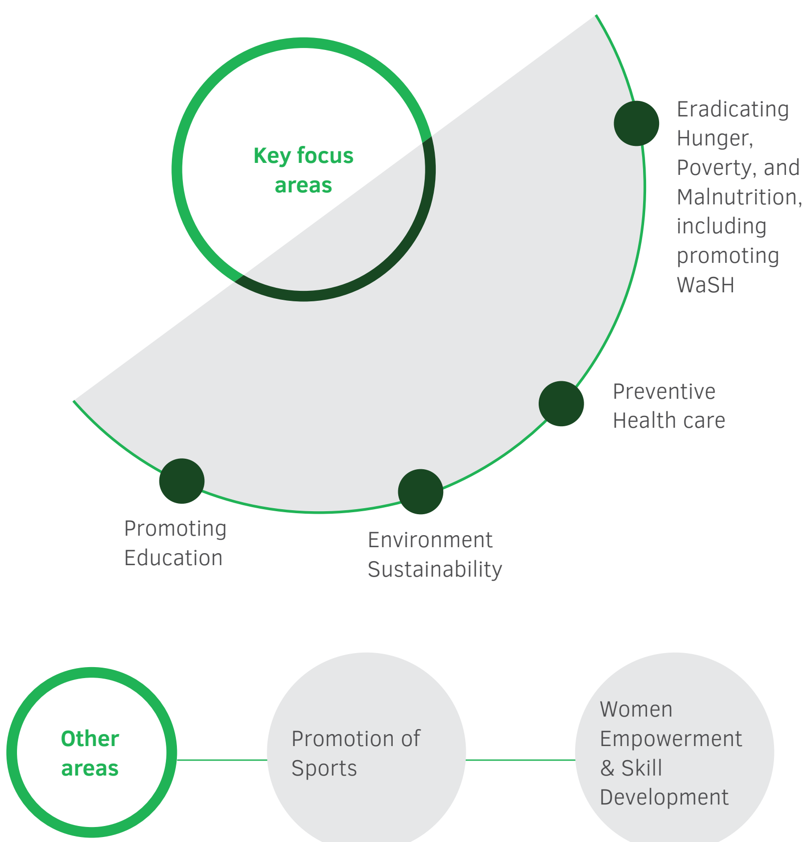
Governance structure

Dabur's board has constituted a Corporate Social Responsibility (CSR) committee which identifies the key areas for rolling out CSR activities, monitors the projects, and recommends robust plans for new projects to be undertaken. We work in collaboration with local NGOs, government agencies and local authorities, and other like-minded foundations to expand our CSR reach to more places. A CSR executive has been stationed in key locations to monitor the activities and give a detailed report every month. The report is thoroughly analyzed by the Management Committee and the Board, on a quarterly basis, for assessing whether the targets are met and explore the reasons for diversion, if any.

Amount spent on CSR activities (₹ in Crore)

26.35

Year	Amount
2018-19	26.35
2017-18	23.74
2016-17	20.38



18
States covered through our CSR interventions

Water, Sanitation & Hygiene (WaSH)

As part of our commitment to protect the dignity of women in rural India by giving them access to clean sanitation facilities within their households, Dabur had undertaken a mega Sanitation drive in villages across three states – Uttar Pradesh, Uttarakhand and Himachal Pradesh. Christened '700 Se 7 Kadam', this project was rolled out as a joint initiative with the beneficiary household being an equal financial participant in the exercise to ensured long-term sustainability of the project while contributing towards financial inclusion of the woman of the household.

Our efforts have helped construct 3,861 household toilets till date and helped 42 villages achieve Open Defecation Free status. This project has also gone a long way in improving the health & sanitation standards in households and villages in rural Ghaziabad, Rudrapur and Baddi, by reducing the cases of diseases and malnutrition due to open defecation.

798
Household Toilets constructed in FY 2018-19

Herb cultivation project

Dabur initiated the herb cultivation project as a step towards reducing climate change. This initiative today spreads across India, wherein we engage farmers, encouraging them to include herbs in their cultivation plan along with their normal crops. We supply quality plantation material to these farmers free of cost and also train them on sustainable cultivation techniques. The farmers are also given the option of selling the final produce in the open market. The project has on the one hand supported the farmers financially with their income levels witnessing a surge, while also increasing the green coverage of the country on the other.

We also help local farmers in Bihar take up Bee-Keeping as an additional income generation activity. We train the farmers on bee-keeping, support them by providing bee boxes and also help them sell their produce.

5,307 acres
Land covered in herb cultivation in India in FY 2018-19

12 states
Covered through this initiative in FY 2018-19

3,724
Farmers benefited in India in FY 2018-19

1,187
Farmers involved in bee-keeping through Self-Help Groups

365 MT
Quantity of honey produced by farmers in India and Nepal in FY 2018-19

SOCIAL AND
RELATIONSHIP CAPITAL

Water Conservation in Rajasthan

Scarcity of proper drinking water is one of the major issues in regions of Rajasthan. To address this issue, Dabur undertook a massive Water Conservation and Management initiative, called Desert Bloom. We initiated this project for protecting water resources in water-stressed areas, and also ensuring significant water-balancing. As part of this project, three key activities of Nadi digging, Tanka construction and Recharging Pits were carried out in the working area. Rain water is now collected in these Nadis and Tankas, which is then put to use through hand pumps by the villagers. This initiative has helped reduce the water scarcity problem and ensure round-the-year available of water of irrigation and cattle for families in villages of Newai (Rajasthan).

820
Families benefited in FY 2018-19

65 lakh litres
The water storage capacity of Nadi in Newai in FY 2018-19

14,000 cu metres
Rainwater collected in FY 2018-19

Infrastructure support in Government school

Education forms a vital role in a person's life. To promote education and improve the overall learning environment for students, we have been supporting infrastructure development in these schools, by way of providing tables and chairs for students and teachers, constructing toilet blocks, ensuring provision of clean drinking water and undertaking other activities to improve the quality of infrastructure in Government schools.

16
Government schools renovated across 5 states in FY 2018-19

1,520
sets of desk-benches distributed in schools in 6 states in FY 2018-19

26
Schools where Building as Learning Aid (BaLA) paintings were undertaken in FY 2018-19, benefiting 5,044 students

Women Empowerment and Self-Defence

At Dabur, we believe that empowerment and autonomy of women and the overall improvement of their social, economic and health status are essential ingredients for achieving sustainable development. We operate special skill development centres for women in rural India, training them on skills ranging from cutting-tailoring to beauty & make-up, and computer education to handicraft etc. A number of women trained at our centres have established small businesses in their respective villages and have today emerged as successful social entrepreneurs.

We reckon women safety as an important social objective. As a result, Dabur has engaged the services of a martial arts expert to provide self-defence training to children in villages of Uttar Pradesh. The training programme is aimed at both boys and girls as we are also using this camp to generate awareness amongst boys against eve-teasing etc. This not only makes them physically fit and capable of protecting themselves but also mentally aware of right and wrong behavior towards the opposite sex.
As part of this programme, we are also taking care of the nutritional needs of the participants to ensure holistic well-being.

420
children undertook self-defence training in FY 2018-19

Care for Ragpickers

Ragpickers play a vital role in cleaning the cities and are usually prone to various skin diseases. As part of our overall waste management programme, we have been working towards offering health care support and aid to the ragpicker community. We have established a health post within the ragpicker locality in the outskirts of Delhi. An Ayurvedic and an Allopathic doctor are stationed at the health post, offering treatment and medicines. In addition, we also distribute protective gloves amongst the ragpickers and run training programmes for the community.

A series of awareness programmes are also run for ragpickers to educate them about safe collection of consumer waste and improve their standard of living while also working towards improving their nutrition levels.

10,000
Ragpickers benefited through Health Post in FY 2018-19

14,450
Ragpickers targeted for our awareness programmes in FY 2018-19

INTELLECTUAL CAPITAL

Our strong brand equity, coupled with our unique engagement models, have led to a greater recall for our products in the minds of our consumers. We have been consistently enhancing our product portfolio through innovative, healthy, Ayurvedic and eco-friendly offerings to delight our consumers.

Market Position in Categories in International Business

Category	Saudi Arabia	Egypt	UAE	Nigeria	Morocco	Algeria	U.S.	Turkey
Hair Oil	#1	#1	#2		#1	#1		
Hair Cream	#1	#1	#1		#1	#1		
Hair Gel	#1	#2	#1					#1
Hair Mask	#1	#1	#1					
Hair Serums	#3	#3	#2					
Shampoo	#6	#6	#5					
Leave-On	#6		#3					
Hair Color			#5					
Toothpaste	#5	#4	#4	#3	#3	#3		
Depilatories	#3		#3					
Relaxer (Afro Hair care)							#1	

Market Position in Categories in India Business

Category	Position	Business
Packaged Fruit Juices	#1	Foods
Chyawanprash	#1	Health Care
Honey	#1	Health Care
Mosquito Repellent Creams	#1	Home & Personal Care
Air Fresheners	#1	Home & Personal Care
Facial Bleaches	#1	Home & Personal Care
Hair Oil	#2	Home & Personal Care
Baby Massage Oils	#2	Health Care
Glucose	#2	Health Care
Toilet Cleaners	#2	Home & Personal Care
Toothpaste	#3	Home & Personal Care

INTELLECTUAL
CAPITAL

New Product Development

Since inception, we have seen the FMCG market and consumer choices undergo several radical changes. The most recent was the surge in popularity of Ayurveda with Ayurvedic products moving from niche to mainstream, emerging as the preferred choice for millennials and young generation consumers for their health and personal care needs. The coming years, we feel, will be more transformational with a number of multinational companies trying to ride this bandwagon. Dabur, with its 135-year-old heritage, traditional herbal positioning and strong R&D, has always been able to match consumer expectations with its new and innovative products that are based on nature and Ayurveda.

Ayurveda is the core philosophy on which our product portfolio is built. As the custodian of Ayurveda and Science-based Ayurveda expert, Dabur has been investing behind validating the benefits of Ayurveda and Ayurvedic ingredients and products through a series of scientific interventions.

R&D focus

At Dabur, we believe that innovation means successfully bringing to life new ideas to create value for the company and the society. Our approach to innovation is to invest significantly in research activities and develop new and improved products.

Research and Development (R&D) forms the backbone of Dabur. Our team of dynamic scientists focus their research on natural ingredients and Ayurvedic formulas for application in various home and personal care products, health care products, and foods. Further, to assure whether all the products meet the highest standard of quality, we conduct detailed scientific tests and clinical trials on the ingredients and the final products.

98
Employees in R&D team as on March 31, 2019

Dabur has been investing behind validating the benefits of Ayurveda and Ayurvedic ingredients and products through a series of scientific interventions.

Intellectual property

We believe that acquiring patents and building a strong patent portfolio is critical for our business's growth. Our deep-rooted traditional knowledge has resulted in Dabur securing several product process patents, including bio-medical patents for Ayurvedic formulations. Dabur is continuously strengthening its Science-based Ayurveda credentials and establishing leadership in the marketplace with effective and enforceable patent protection.

18
Patent applications filed

7
Patents granted

8
Patents published in IPR Communication

6
Research Observations published in Peer Review Journals in FY 2018-19

MANAGEMENT DISCUSSION AND ANALYSIS

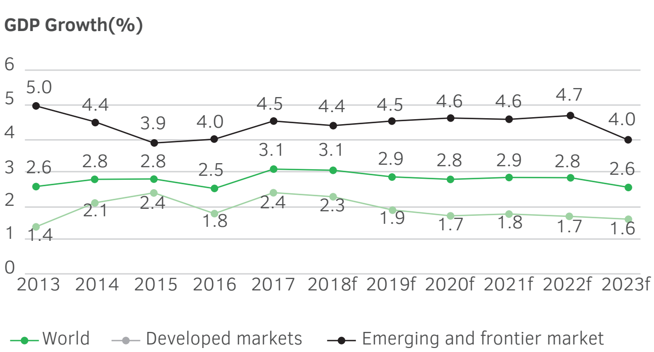
Economic Scenario

Global Economy

The growth of global economy at 3.1% in 2018 was buoyed by a strong fiscal expansion in US, which has largely offset the deceleration in several other large economies. The recent improvements in global financial market sentiment and the waning of some temporary drags on growth in the Euro area also contributed to the overall growth. However, the escalating trade tensions still remain a key risk to global economic growth along with softening of manufacturing activity and substantial financial pressure experienced by the large emerging economies.

The global economy is projected to grow at 2.9% in 2019, down 0.1 % points from the previous forecast. For 2020, the global economy is projected to grow at 2.8%. The growth is anticipated on account of increase in the relative size of economies, such as India, which are anticipated to witness robust growth in comparison to slower-growing advanced and emerging market economies. In the emerging market and developing economy group, growth is expected to move up gradually from 4.4% in 2018 to 4.6% in 2020. Growth in emerging and developing Asia will go from 6.5% in 2018 to 6.3% in 2019 and 6.4% in 2020. China's economy is anticipated to slow down due to the combined influence of financial regulatory tightening and trade tensions with the US, while India's economic growth is expected to increase to 7.3% in 2019, benefiting from lower oil prices and a slower pace of monetary tightening policies than previously expected. (Source: World Bank, IMF)

Chart 1 : GDP Growth of World, Developed Economies and Emerging Economies



(Source: World Bank)

Indian Economy

The Indian economy commenced the fiscal year 2018–19 with a healthy 8.2% growth in Q1 on account of domestic pliability. The country remained one of the fastest growing major economies and possibly the least affected by global turmoil. By the end of the fiscal, the economy grew at 6.8%, driven by strong macroeconomic fundamentals and policy changes including GST stabilisation, amendments to the policy/code related to insolvency and bankruptcy, bank recapitalization and flow of foreign direct investment.

Despite the positive influences during the year, economy remained susceptible to domestic and geopolitical risks, particularly economic and political changes that can affect relative prices and hurt current and fiscal account deficit. Growth in agriculture and allied activities was estimated at 2.7%, down from 5% in FY 2017-18. Increase in public spending maintained the pace of overall investment increase, while the contribution from household and private sector has remained low during the fiscal (Refer Chart 2).

Although the year started well a slowdown in economic growth and consumption was witnessed in the last quarter of fiscal 2018-19 which is ascribed largely to low growth in farm sector, liquidity crunch and reduced public spending on account of impending Lok Sabha elections.

Outlook

The Indian economy is anticipated to grow at 7.3% in CY 2019 as per World Bank report dated April 2019 (refer Chart 3). With key economic policies on track and the new central government formed, the focus on broad based economic growth and infrastructure development is likely to continue. Government push may encourage subdued private investors to participate, thereby nurturing private sector expenditure and boost investments. On the flip side, however, increased borrowing by the government and reduced credit flow from banking sector may restrict the opportunities for the private sector to borrow from, hedging any expansionary strategies. Thus, it is believed that a key step towards healthy economic growth lies in reviving private sector investment, given that these have remained at low levels over the past several quarters. In spite of the challenges, India is still expected to remain the fastest growing economy in the world with expected $5 trillion of GDP by 2024 from the current level of $2.7 trillion. (Source: Deloitte, World Bank)

Industry Scenario

Indian FMCG sector

The Fast moving Consumer Goods (FMCG) sector is an important contributor to India's GDP and the 4th largest sector in India. During the year, the sector witnessed healthy growth of around 14% of which a major part is attributed to the growth in volume and consumption. Economic growth, rising incomes, young population entering workforce and growing brand consciousness among consumers is driving the demand for branded products. A shift towards e- commerce and adoption of digital technologies is also fuelling consumption among internet and smart phone enabled consumers. Besides traditional brick and mortar shops, the growing catchment of online sales have also broadened customer base for the FMCG sector. With improving infrastructure, growth in disposable incomes, availability of internet and distribution push by FMCG players, rural consumption is expanding at a good pace too.

Outlook

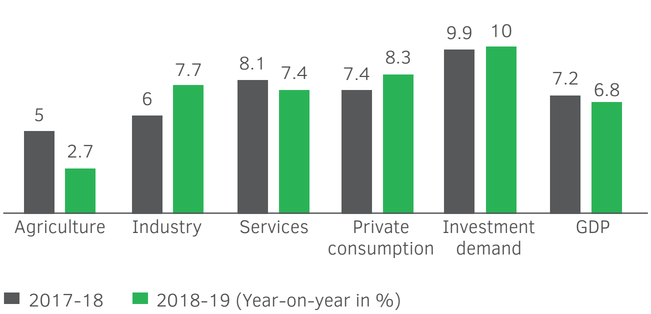
The FMCG sector in India is likely to continue the growth trajectory by virtue of essential drivers like rising population, favourable demographics, increasing affluence level and disposable incomes, increasing penetration and per capita consumption and rapid growth of organised retail and online channels. Various grass root level initiatives for the farmers by government including agricultural credit and direct subsidy transfer together with remunerative prices for crops is anticipated to boost farm income, which in turn would augment rural consumption.

The Indian FMCG sector has grown from $31.6 billion in 2011 to $52.4 billion in 2017, expanding at a CAGR of 8.8 per cent. Compared with global consumption, the outlook for India's consumer market looks promising. The demographics are favourable as India has a population of 1.3 billion and half of those people are under the age of 25. Per capita income of Indian population has increased to USD 1,804 in 2018 (Refer Chart 4) and is expected to grow at 8-9% in the coming years. As per BCG, 'Even assuming conservative GDP increases of 6% to 7% a year, we expect consumption expenditures to rise by a factor of three to reach $4 trillion by 2025. India's nominal year-over-year expenditure growth of 12% is more than double the anticipated global rate of 5% and will make India the third-largest consumer market by 2025' (The New Indian : The Many Facets Of A Changing Consumer dated April 2017).

The shape of the country's income pyramid is also changing dramatically. As per BCG, by 2025 the Elite, Affluent and Aspirer households having annual income more than ₹5 lacs are likely to account for 36% of 305 million households in India as compared to 12% in 2015. They will account for 73% of total FMCG consumption. Out of these the Elite and Affluent households will account for 48% of consumption which will be double of that in 2015 (BCG-Reimagining FMCG in India). Furthermore, life style changes such as increasing number of women in workforce, young population entering workforce and increasing nuclearisation of families will lead to acceleration in consumption spending. About 34 per cent of India's population is now urbanised (3 per cent increase since the 2011 Census) and would reach 36% by CY20. This is another driver for consumption as people in urban areas have more access to jobs, higher income levels and education, and are more inclined to spend on branded products as well as towards premium offerings.

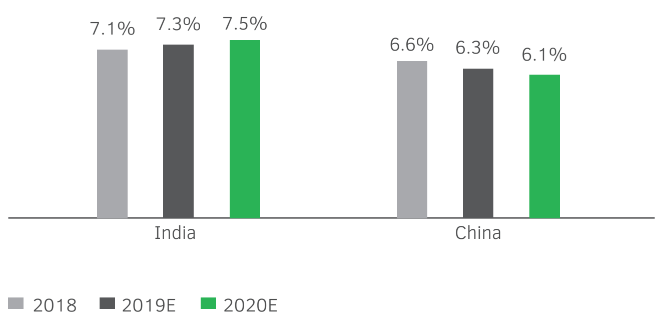
Another driver of FMCG growth is the rising adoption of e-commerce channels. These include the strong value proposition offered by online merchants, proliferating payment platforms, strengthening delivery logistics, and significant financial investment in the sector. It is estimated that the number of online buyers in India will climb to 150-200 million by 2020 and online commerce may become 10-15% of sales in select categories.

Chart 2 : Sectoral GDP Growth : India



(Source: Central Statistics Office)

Chart 3 : GDP growth forecast : IMF



(Source : World Economic Outlook, IMF, April 2019)

All this presents a tremendous opportunity for a company like Dabur which has a large repertoire of brands in personal care, consumer health and food and beverage space and has a vast distribution network across urban and rural markets in both offline and online platforms.

Home & Personal care industry

Owing to rising digital and social media as well as people's awareness on hygiene, consumption of home and personal care products has been growing well in recent times. India's personal care industry encompasses hair care, bath products, skin care and cosmetics, and oral care. It is the largest segment accounting for 50% of the overall FMCG market and key products in the segment are personal hygiene products, hair care, skin care, cosmetics and perfumes. Active ingredients and personal care products witnessed high demand on account of favourable demographic factors and increasing consciousness among the younger population.

India's household care industry is composed of fabric care, dish soap, surface care, toilet care, home insecticides, and air care. Rising awareness about health and hygiene, as well as significant increase in per capita disposable income is expected to drive the growth of the sector. Further, extensive marketing campaigns as well as the launch of new product segments also play a major role. Driven by these factors, the segment is anticipated to report good growth going forward.

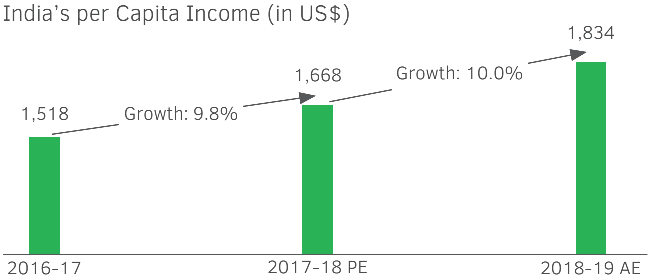
Health care industry

With introduction of cutting-edge technologies, the Indian healthcare sector is evolving rapidly. This segment includes OTC products and ethicals.

One of the major trends in the health care industry is the growth of Ayurveda sector. As per a recent report Ayurvedic products market is estimated at ₹16,000 crore and is growing at 16 per cent. This market includes OTC products, cosmetics and patented

Chart 4: India's Per Capita Income

India's per Capita Income (in US$)



Note : PE - Provisional Estimates, AE - Advance Estimates

(Source : Central Statistics Office (CSO))

products (Source: Business Line). Growth of Ayurvedic products is driven by growing awareness about side effects of chemicals and allopathic drugs. Consumers are adopting holistic lifestyles and seeking products which are closer to the Indian heritage and having natural ingredients for enhancing their health and well being. Ayurveda offers the unique benefit of being an age old science with well laid out principles which govern healthy living. Interest in Ayurveda is on the rise and is evident in strong growth of Ayurvedic healthcare products and services in the last few years.

Food sector

During the year, the branded packaged food market expanded 17.6% to cross the ₹5-trillion-mark with a healthy double-digit growth across almost all categories. The market, composed of broad categories like edible oil, dairy, beverages, baby food etc., stood at ₹5.1 trillion in CY 2018 as against ₹4.3 trillion a year ago. Migration of consumers from non-branded packaged food products to branded ones also became a major driver behind growth of the sector. (Source: Business standard)

The market is on a growth trajectory due to increase in disposable income and awareness which is resulting in consumers demanding high quality food and beverages. With rise in population in the emerging cities, there has been a noticeable change in the lifestyle and food habits of the customers. A shift has been observed from traditional food to urban packaged food habits. This change in food habits is leading to rise in demand for various type of food products and beverages.

One of the major trends in the health care industry is the growth of Ayurveda sector. As per recent report, Ayurvedic products market is estimated at ₹16,000 crore and is growing at 16 %.

Company Overview

Dabur: The Science of Ayurveda

Dabur is the largest and oldest Ayurvedic and natural health care company, having a portfolio of over 250 herbal and ayurvedic products. It has a wide distribution network, covering 6.7 million retail outlets with manufacturing facilities across 12 cities in India and 8 locations outside the domestic boundary. Dabur today has some of India's most trusted brands and has been at the forefront in carrying out research and development activities in the field of Ayurveda. Company's portfolio further includes five flagship brands with distinct brand identities - Dabur is the master brand for natural healthcare products, Vatika for premium personal care, Hajmola for digestives, Réal for fruit juices and beverages and Fem for skin care products.

'Ayurveda' philosophy remains the bedrock of expansion strategy and growth at Dabur. What starts at a core level as a differentiated Ayurvedic product, ultimately transforms into a consumer focused product. The Company attempts to embed and brand the 'Ayurveda and Herbal' philosophy not only in India, but in global markets as well. The company has created customized portfolio of products for each key market overseas and focuses on the same herbal/natural attributes of its products to connect with consumers.

- DABUR won the GOLD Award in the AYURVEDIC category, as awarded by the Reader's Digest Trusted Brand Survey, 2018.
- DABUR was ranked as the most trusted brand of India in the Ayurveda – Diversified category in the 8th edition of 'The Brand Trust Report, India Study 2018' by Trust Research Advisory (TRA).

In recent times, Ayurveda has gained wider acceptance, particularly among young consumers. This provides ample opportunities to build strong brands based upon Ayurvedic and natural ingredients which have been proven over time. Dabur has been promoting products on this philosophy ever since its inception since 1884. The company has intensified its focus on Ayurveda and launched a number of products such as stated below.

Ayurveda: new products

The following new products have been introduced during FY 2018-19 based on our ground-breaking innovation in Ayurveda and keeping in view the requirements of our consumers.

- **Dabur Hridayasava,** an ayurvedic tonic which is beneficial for heart with herbs like arjuna, ashwagandha, giloy, pushkarmool and shankhpushpi
- **Gily Ki Ghanvati,** an ayurvedic medicine to build immunity and manage body ache

> **Dabur today has some of India's most trusted brands and has been at the forefront in carrying out research and development activities in the field of Ayurveda.**

- **Ratnaprash,** a general health tonic which improves digestion, strength and vigor
- **Agnisandeepam Churna,** an ayurvedic medicine for improving digestion
- **Dadimavaleha,** a digestive tonic with anar juice as main ingredient
- **Vasant Meha Ras,** an ayurvedic medicine for managing diabetes and its complications

Strategic Review

The Company saw a revival in revenues during the year with volume growth touching double digits. This was enabled by a resurgence of demand post GST stabilization, a normal monsoon and strong growth in organised retail and e-commerce. Although there was some moderation in growth trends during the fourth quarter, the growth trends on annualised basis reflected a significant improvement over the previous year.

Besides improvement in the demand environment, a host of new strategic inputs also contributed to this revival in growth. Some of the key initiatives were:

Focus on Power Brands

The company is investing strongly behind its five Power Brands : Dabur Amla (in Hair Care), Dabur Red Toothpaste (in Oral Care), Real (in Fruit Juices), Dabur Chyawanprash and Dabur Honey (both in Health Supplements). We have also identified three smaller brands in our portfolio which have potential to be scaled up through disproportionate investments on brand building, advertising, distribution and product innovations. In FY 2018-19, the three healthcare brands that we invested heavily behind were Dabur Lal Tail (in Baby Massage Oils), Dabur Honitus (in Cough and Cold category) and Pudin Hara (in Digestives).

Through the year, we have seen this strategy pay off handsomely with all Power Brands recording strong double-digit growth.

Project RISE :

(Regional Insights and Speed in Execution) is an analytics-based project for capturing regional market opportunities. The insight behind the project was that India is an amalgamation of different clusters with each cluster having distinct consumer beliefs, patterns and preferences. The company views India from the lens of 12 geographical clusters. The project has been divided into three parts. The first, RI - Regional Insights, is the long term leg of the project. It entails capturing consumer, packaging and media insights from the different clusters, analyzing them meaningfully and transforming these ideas into quality products which provide new growth opportunities for the company. The second part, SE - Speed in Execution, is focused on quick wins with investments through trade interventions, activations, distribution initiatives and consumer promotions. Third leg of the project would kick in with launch of region specific products and variants suited to the local consumer preferences. As part of RISE, a pilot project was conducted in North East India. The pilot project reported ~30% growth in revenue in North East cluster and continues to throw up many more opportunities of growth and expansion. These learnings will form the basis for similar projects in other clusters in future.

Innovation led Growth :

Revenue growth was augmented by strong focus on innovation, which the Company aims to continue and embed across the entire product portfolio with special emphasis on Power Brands. During the year the new products launched were:

In Indian markets:

- Real Ethnic Range Masala Guava, Alphonso Mango Nectar and Masala Pomegranate
- Hajmola Chat Cola
- Honey Squeezy in 225 gm
- Two new fragrances of Odonil Zipper – Alluring Daffodil and Scintillating Rose
- Dabur Ratnaprash
- Dabur Hridayasava
- Odonil Smile

In Overseas markets:

- New range of Hair Waxes and Hair Mousse in Hobby, Turkey
- Vatika Afro Naturals Range in South Africa
- Olive Oil with Black Castor in South Africa
- ORS Fix-It Range
- Vatika Serum, Dermoviva Face Wash, Amla Hammam Zaith, Amla Kids and ORS in Egypt

Enhanced Distribution Reach :

The company had embarked upon project Buniyaad in the last couple of years as part of which both urban and direct distribution reach has been enhanced and a direct network in rural has been put in place with super stockists as the hub and sub stockists as its spokes. In addition a split of front end teams was done in rural market to have category specific focus on Health care (HC) and Home and Personal Care (HPC). These initiatives resulted in improved offtake and resulted in increase in market shares across our portfolio. During the year the company strengthened this structure, stabilised the sales verticals and focused on range expansion and productivity. These initiatives led to direct reach of the company increasing from 1.02 million to 1.1 million - an increase of around 8%. Consequently the total numeric distribution of the company which includes direct and indirect reach went up from 6.3 million to 6.7 million retail outlets.

Focus on Emerging Channels :

Taking cognizance of the emerging opportunities in e-commerce and Modern Trade (MT), the company put special focus on these channels. Both channels performed exceptionally well in FY 2018-19 with strong double digit growth and increase in their saliency. The saliency of MT went up to 13.5% in FY 2018-19 from 12.7% a year ago while that of e-commerce has reached 1.4% from 0.8% in FY 2017-18.

Key Enablers

- **Better understanding of Indian Market:** As against other multinational brands, Dabur being an Indian company has deeper understanding of the Indian taste
- **Strong legacy:** Dabur, has been established in 1884, has been present for more than 100 years
- **Well recognised brands :** The company has 18 brands with turnover greater than ₹1 bn of which 3 brands are more than ₹10 billion in size. These brands are household names and are preferred brands in their categories. Power brands such as Dabur Amla, Dabur Red Paste and Real have been ranked in the Economic Times Most Trusted Brands
- **Strong distribution network:** The Company presently has the third largest distribution network in India covering more than 6.7 million outlets.
- **Growth in Ayurvedic segment:** Dabur is the world's largest Ayurvedic & Natural Health care company, with a portfolio of over 250 herbal and ayurvedic products and is best positioned to capture the opportunities in Ayurveda segment.

> **Proven formulation, with richness of 41 Ayurvedic herbs, Dabur Chyawanprash is a health supplement that protects the body from common day to day illnesses by strengthening immunity.**

- **Balanced Revenue mix:** Dabur's business operations are well diversified with 27.1% of its revenue being attributed from international business while 69.4% is derived from domestic business.

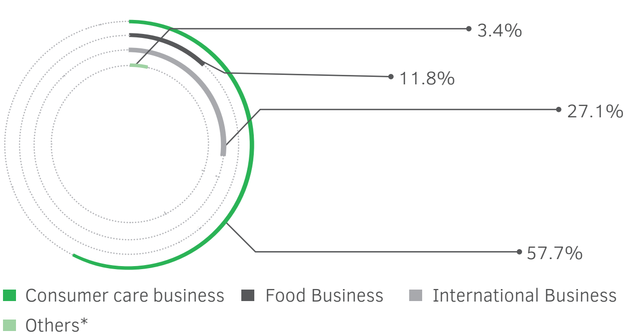
Strategic Business Units

Dabur has a product portfolio present across diverse categories. A significant portion of company's product portfolio consists of natural and Ayurvedic products. Dabur's business structure is comprised of the following Strategic business Units:

- **Consumer Care Business:** Includes Health Care (HC) and Home & Personal Care (HPC) business
- **Foods Business:** Includes Packaged Fruit Juices and Culinary Products
- **International Business:** Comprises Dabur's organic overseas business as well as the acquired entities of Hobi Group and Namaste Laboratories LLC.

Revenue mix of these SBUs is presented in Chart 5.

Chart 5: Consolidated Revenue mix by SBUs



*Others include H&B Stores, Fem Pharma, Guar business and other operating income

Indian FMCG business

Health care

Dabur's healthcare vertical contributes to 32.3% of the consumer care sales in India and grew by 14.7% during fiscal 2018-19. This vertical comprises Health supplements, Digestives and OTC and Ethicals.

- Health supplements category recorded growth of 14.6% during the year

  Dabur Honey: One of the top health food products across the globe, Honey has been highly valued for its nutritious benefits. Apart from aiding in weight management, it is being increasingly used as a sugar replacement and in food. The Company's key brand Dabur Honey grew at a robust pace registering a strong double digit growth and gain in market share.

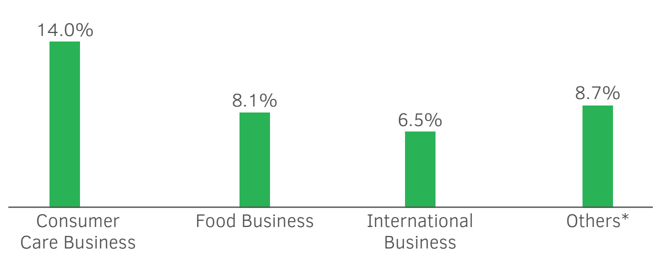
  Key Highlights :

  - A new refreshed campaign on weight management launched with Jacqueline Fernandez roped in as the new brand ambassador
  - Focus on emerging channels such as Modern Trade and E-commerce
  - Interventions like marathon associations and fitness apps to enhance the brand's association with fitness
  - A new Squeezy pack in 225gm was launched in order to penetrate newer markets.

  Dabur Chyawanprash: Proven formulation, with richness of 41 Ayurvedic herbs, Dabur Chyawanprash is a health supplement that protects the body from common day to day illnesses by strengthening immunity. The brand has a wide usage among all age groups. The brand experienced strong double digit growth during the year helped by an extended winter and aggressive investments by the company.

Chart 6: Revenue Growth of SBUs

FY 2018-19 - Revenue Growth#



#Growth refers to like-to-like growth

Highlights for 2018-19

- Launch of mega awareness initiative with ayurvedic health practitioners conducting immunity awareness sessions across the country
- Madhuri Dixit continued as the face of the brand during the year.
- Plans to associate with more regional ayurvedic doctors to create awareness about health and immunity requirement during different seasons.
- Sugar free variant of the product gained traction, recording strong growth
- Overall market share of Dabur Chyawanprash went up by 170 basis points to touch 59%.

Dabur Glucose: Another major health supplement in our product basket, Dabur Glucose provides essential nutrients that refreshes and energizes the body to fight fatigue caused by summer heat. Besides the regular flavour, it is available in Orange and Lemon flavour under Dabur Glucoplus-C. The Company has launched a new refreshed season campaign with Ajay Devgan as the face of the brand. The brand reported good growth on account of its flavoured variants and stood strong against competition.

- Digestives grew by 16.4% during the year

Hajmola: A leading product in the digestive category, Hajmola is a herbal digestive tablet with a mix of traditional Indian culinary herbs, spices and edible salts. It is available in 6 variants namely, Regular, Imli (Tamarind), Pudina (Peppermint), Anardana, Amrud (Guava) and Chatcola. The product is a market leader with a significant share in the digestives segment. The brand witnessed strong double digit growth driven by the new variant Chatcola and aggressive media, sampling and promotional efforts highlighted below.

Highlights for 2018-19

- The new Chatcola variant launched during the year was a big hit and gained good traction amongst consumers.
- In order to further expand the customer base, extensive sampling was done to consumers across multiple platforms like Airlines, Trains, Restaurants, Mumbai Dabbawalas, Schools, Festivals like Durga Puja, high congregation melas like Kumbh, Nauchandi, Sonepur mela, Chaath Puja, Kanwad Yatra, khatu shyam mela and others.
- Promotional activity named Hajmola Chunavi Dangal was undertaken to promote awareness on Voting, EVM and VVPAT. For this purpose, a special Hajmola Matdaan Kendra (voting zone) was created at Kumbh mela in UP as well as Khatu Shyam Mela in Rajasthan, where in the visitors were requested to try out the six variants of Hajmola and then nominate their favourite flavour as 'Mukhya Flavour Mantri 2019' of their choice. More than 10,000 people participated in voting their favourite Hajmola flavour and extensive sampling of Hajmola done through this campaign.

Pudin Hara: Ayurvedic medicine for indigestion, gas and acidity, Dabur Pudin Hara is another key product in the digestives segment, known to give quick relief from stomach ailments like stomach ache, gas and indigestion as recommended by Ayurveda. Pudin Hara was one of the three focus healthcare brands which received disproportionate investments during the year. The brand enjoyed robust growth supported by these brand investments and activations. While Pudin Hara Pearls registered double digit growth during the year, Pudin Hara Lemon Fizz also grew well and gained traction in the market.

Chart 7: Domestic Business FY 2018-19 Sales Breakdown by Verticals

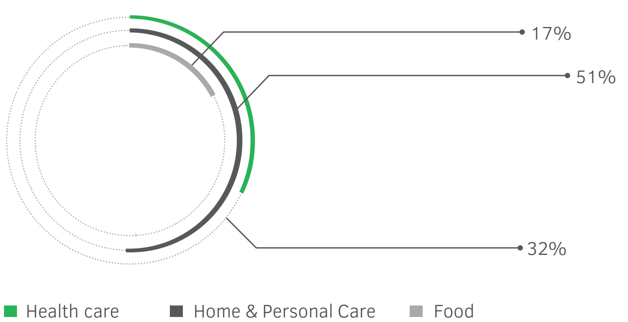
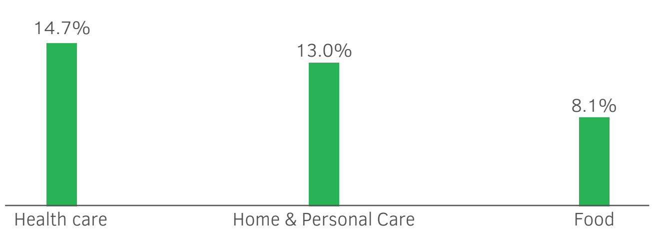


*Chart 8: Domestic Business Vertical Wise Growth**



*Growth refers to like-to-like growth

Highlights for 2018-19

- In order to promote the product, the company took part in Nauchandi Mela, which is one of the biggest, month long, most colourful festival of U.P. Herein, Dabur installed an environment friendly 22 ft. tall Pudin Hara Bottle equipped with an experiential Thandak Zone for the masses. This zone provided cooling effect to the masses around the stall and also created awareness about the brand. Also, 60,000 Pudin Hara/ Pudin Hara Fizz samples were distributed under this initiative.

  Besides the above brands, Dabur also markets Dabur Nature Care, Hingoli and Sat Isabgol in the Digestive Category.

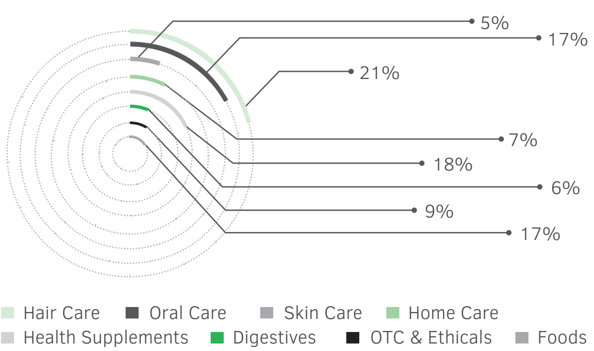
- OTC & Ayurvedic ethical category recorded 13.7% growth during the year

  Cough & cold: One of the widely accepted products of the Company, Dabur Honitus is an Ayurvedic medicine for cough and is fortified with Tulsi, Mulethi & Banapsha and other powerful scientifically proven medicinal plants as recommended by Ayurveda. It is available in a range of syrup, candy, hot sip as well as Madhuvani prepared using traditional herbs and natural ingredients that provide quick cough relief and help improve immunity. The Honitus cough lozenges are available in variety of therapy-based variants such as Honey Ginger, Honey Lemon, Honey Menthol, & Honey Orange.

  Highlights for 2018-19

  - The brand witnessed strong double digit growth driven by brand investments and promotional and sampling initiatives.
  - A new campaign focusing on differentiated positioning of 'no chemicals' helped in connecting with consumers

Chart 9: Domestic Business: Sales Breakdown by Category



- The Company carried out extensive sampling with Honitus Hot Sip, so as to make consumers taste and experience the product quality and features. Samples were distributed at various events such as cultural fest, regional melas etc. and free samples were given with bottles of Honitus Syrup. Honitus Hot Sip became a best seller on e-commerce platforms as consumer demand accelerated for this new format.

Women's Health Care: Dabur takes care of women's health through its diverse range of products which includes Dashmularishta Asav, Ashokarishta Asav, Dabur Activ Blood Purifier and Dabur Woman Restorative Tonic. Dabur Dashmularishta is nutritional syrup for females, which helps in recovering from post-delivery related stress and weakness effectively and naturally. The products performed fairly well in the market registering good growth during the year.

Baby Care: A major brand name under baby care segment, Dabur Lal Tail is an Ayurvedic baby massage oil made that helps in strengthening baby's bones and muscles and aids in overall physical growth of babies. The brand has been clinically proven to provide faster achievement of milestones by infants, which is very important for a baby's development. The brand performed well during the year driven by new insightful media campaign, increased media support and promotional activities.

Various brand promotion initiatives were taken by the Company, wherein, samples were provided to over 3,000 doctors to promote advocacy and widen customer base. The Company is further planning to scale up the brand portfolio by introducing new products and formats under the brand.

Rejuvenators: Dabur's rejuvenator segment performed well in the market, with the products Shilajit and Shilajit Gold demonstrating robust growth, especially in the online market. In addition to this Shilajit Double Gold also continued to perform fairly well in the second year of its launch. As recommended by Ayurveda, the products are good for general health and help in increasing strength, stamina, vigour and vitality.

Ayurvedic Ethicals: Being deeply connected with Ayurveda, Dabur aims to offer a wide range of products in its Ayurvedic Ethicals segment. Its product portfolio encompasses over 250 varied products which includes Ayurvedic tablets, powders as well as syrups. The segment demonstrated a robust performance during the year increasing Dabur's share in the market. One of the key products in the segment, Dabur Lauhasava is an Ayurvedic medicine for Iron Deficiency & Anaemia which is a combination of naturally processed iron

> **Ayurvedic Ethicals demonstrated a robust performance during the year increasing Dabur's share in the market.**

and essential medicinal plants that are helpful in treating iron deficiency and anaemia as recommended by Ayurveda. Another Ayurvedic medicine named Dabur Hridayasava was launched. This product has herbs such as arjuna, ashwagandha, giloy, pushkarmool and shankhpushpi which are beneficial for heart health. Dadimavaleha and Vasant Mahar as which were introduced last year gained traction through doctor advocacy and sampling.

Highlights for 2018-19

Over the past year, Dabur undertook several initiatives with the aim to make people aware of the importance of Ayurvedic products:

- During the year the Company made concerted efforts to expand its doctor coverage and visibility to expand the footprint for its wide product portfolio. The Company increased its doctor engagement with a new initiative called 'Samvaad' – a forum for discussing Ayurvedic products, practices and developments. This became an instant success and the Company organised 110 Samvaads with 4,600 doctors during the year.

- The medico marketing team was expanded with addition of around 80 medical reps and the doctor coverage increased from 35,000 to around 48,000.

- Dabur increased its focus on range selling and visibility enhancement with planograms and merchandizing in 1,500 key Ayurvedic counters. Dabur Ki Deewaar showcasing the company's range and portfolio was put up in these stores besides focused promotional activities.

- Renewed focus on Dabur Ayurvedic Chikitsalya (DACs) led to good business momentum. DACs which are now 540 in number, provide free health consultations with a resident Ayurvedic doctor in addition to providing the complete range of Dabur's OTC and ethical portfolio.

- AskDabur which was launched in the previous year has now been rechristened Dabur Arogya. A team of seven doctors have been placed at a call centre to advise people on health issues and prescribe Ayurvedic medicines. The toll-free number is advertised on our products, print ads and television commercials, providing consumers an avenue to seek responses and doctors' advice for any health-related queries. This is a part of our strategy to popularize Ayurveda, which also includes video-based consultations with patients coming to our upcountry partner stores and Ayurvedic outlets. In addition, we have also established partnerships with online Ayurvedic medicine retailers like 1mg to help improve the penetration of Ayurvedic medicines in the online space.

- The Company organized a health camp for Kanwariyas en-route their journey for Jal-Abhishek of Lord Shiva. The Health Camp set up for Kanwar yatris, offered Ayurveda foot and back massage through Dabur Rheumatil oil to over 5,000 devotees.

- A three day Health Camp was organised at Chitrakut Dham, wherein free health check-ups were offered to 1,500 devotees along with providing Ayurvedic medicines. A team of Doctors also advised people on various health issues to lead a healthy and happy life.

- The company engaged with 50 top Ayurvedic colleges and carried out activities to promote our brand among the young doctors and professionals.

- Dabur participated in World Ayurveda Congress which hosted over 6,000 practitioners and the Company demonstrated the progress made in manufacturing technology in Ayurveda.

Home & Personal care

Dabur's Home & Personal care vertical contributed 50.6% to Consumer Care sales in India and saw a growth of 13.0%. This vertical includes four categories: hair care, oral care, skin care and home care.

- Hair care category grew by 14.8% during the year

  Hair oils: Dabur has been one of the most prominent players in the hair oil market, offering a wide range of products under the brand name of Amla, Vatika and Anmol. Its product portfolio encompasses Dabur Amla Hair Oil, Dabur Almond Hair Oil, Dabur Brahmi Amla Hair Oil, Dabur Sarson Amla Hair Oil, Vatika Enriched Coconut Hair Oil and Anmol Jasmine hair Oil. All products performed fairly well in the market driven by focused marketing activities, enhanced distribution reach and consumer preference for our product offerings. Dabur Amla along with its sub brands Sarson Amla and Brahmi Amla consolidated its share in the market as it successfully provided a superior value proposition to the consumers.

The Company continued to face stiff competition in the market with entry of new products but was able to withstand the test on the back of various initiatives taken to introduce sub-segments of its key brands, regional focus, enhanced distribution reach and enhanced value proposition to the customers. The Company also focused on increasing visibility of its products by creating greater product awareness through print media, television campaigns, local activations etc. Even though this increased the brand spends by a substantial amount, the results achieved were remarkable.

Highlights for 2018-19

- In the social media / FM segment, a new show 'Dabur Amla What Women Want' was launched with Kareena Kapoor Khan to discuss the choices and preferences of todays' women. This show became highly popular and is now running into the 12th episode and gave a good boost to the imagery of Dabur Amla brand.
- "Rishtey Majboot, Bandhan Atoot" campaign was launched at Kumbh Mela with the aim to forge family bonds. The initiative involved issuing unique identity tags to children coming to the mela grounds. As part of the campaign, 32,000 unique identity cards were distributed free of cost to children which had the child's name, parents' names and contact numbers, so as to reunite them with their parents easily in case they are lost.
- 6,000 samples of Anmol Jasmine Hair Oil were distributed at Sonpur Mela in November 2018.

"Company's star brand Dabur Red Paste continued on its strong growth trajectory and is now the 3rd largest brand in the overall toothpaste category. The brand was featured in the Most Trusted Brands list as per Economic Times

Shampoo: Another major segment in the Dabur Hair care business, shampoo portfolio recorded strong growth during the year. The portfolio consists of Vatika Health Shampoo, Vatika Black Shine Shampoo and Vatika Anti-Dandruff Shampoo. Major focus of the Company in the segment was to launch ingredient-led products on herbal/ natural platform. A complete re-launch of the brands was carried out during the year with an improved packaging and more efficacious formulation. Stronger focus on herbal proposition continues to drive this brand.

- Oral care portfolio registered growth of 9.5% during the year

Dabur oral care portfolio consists of Dabur Red Paste, Dabur Lal Dant Manjan, Dabur Meswak and Dabur Babool Toothpaste. Company's star brand Dabur Red Paste continued on its strong growth trajectory and is now the 3rd largest brand in the overall toothpaste category. The brand was featured in the Most Trusted Brands list as per Economic Times. While Dabur Meswak had a reasonably good performance, Babool saw some headwinds due to enhanced competitive intensity at the economy end of the market. In order to strengthen the brand's proposition on Ayurvedic platform the Company is planning to re-launch Babool with a new and improved version. Dabur Red Gel which was launched last year has performed well in select markets like Odisha and will be scaled up going forward.

The company offers a differentiated portfolio of products strongly based on the natural/ herbal/ Ayurvedic principles which resonate very well with consumers. The naturals sub segment of toothpaste category is reporting faster growth as compared to mainstream toothpastes and therefore is receiving much greater attention from all players. New products were launched in the segment intensifying competition. However Dabur's oral care portfolio continued to grow ahead and increased its share in the category driven by its strong heritage of Ayurveda.

Highlights for 2018-19

- Advertising campaign on 7 Ayurvedic ingredients which promotes dental health increased consumer awareness about Dabur Red Paste
- School Contact Programmes are a good way to engage and induce trials among kids through sampling & dental care tips. Dabur conducted such programmes in 1,200 schools covering over 6,000 children during the year
- In order to spread the message of Oral Health & Hygiene amongst the lakhs of devotees visiting at the Kumbh Mela in Allahabad, Dabur Red Paste created a special 'Dant Snan Zone' with a unique toothpaste dispenser. These first-of-its-kind toothpaste dispensers were installed at the mela venue. More than 70,000 Samples of DRTP were distributed to people who visited Kumbh Mela 2019. An innovative video featuring Dabur Dant Snan was released on digital media which went viral and elicited 8.5 mn views.

- Skin care & salon saw growth of 17.2% during the year

Gulabari: The Company's teenage focused brand, Gulabari witnessed robust growth during the year aided by various initiatives taken by the Company to increase its brand awareness. Gulabari rose water, along with winter special Dabur Gulabari Cold Cream performed well during the year. The Company participated in Kumbh mela at Prayagraj where it connected with the women consumers at the Ghats and also distributed samples of Gulabari cold cream. Further, Dabur Gulabari sponsored Miss India North East 2018, creating a platform for young girls to exhibit their talent and discovering the most beautiful and fresh new face of North East India.

Fem Bleach: Fem bleaches remained the market leader in bleach segment providing healthy and glowing skin with its natural, safe and effective formula. Bollywood star Kriti Sanon became Fem's new brand ambassador during the year. The brand initiatives centred on creating awareness by advertising on pandals and gates during Ganesh Chaturthi and Durga Puja. It went on to breaking myths associated with the segment through discussion and sampling in salons, women clubs and kitty parties. This trial was undertaken in partnership with Grehlakhshmi, a leading magazine. On digital front, the brand partnered with influencers on social media to talk about benefits of bleaches and started a myth buster series, which received tremendous response and one of the videos garnered 1.9 million views on YouTube.

Oxylife: Oxylife bleach which focuses on providing flawless skin also gained popularity during the year. Over 8000 salon professionals were provided training on skincare techniques and makeup skills through workshops. In skin care trained professionals who offer proper guidance and have knowledge of multiple products enhances the consumer experience greatly leading to more product trials.

- Home care category reported 13.0% growth during the year

Dabur's home care portfolio has some of the most innovative products designed for hygiene and home. The segment recorded good growth in the year, with air fresheners and toilet cleaners leading the momentum.

Sanifresh: Specialist in toilet cleaning, Sanifresh, recorded robust growth with 200 ml SKU driving sales in the rural markets. The product's USP is its commitment of 1.5 times better cleaning as compared to other products. Company's new Sanifresh Extra Power removes the toughest stains and makes toilets sparkling clean and germ-free. During the year, the Company signed Bollywood star Vidya Balan as the brand ambassador for Sanifresh.

Odonil: In the air freshener category, Odonil recorded double digit growth during the year. Odonil Zipper, with its healthy performance became a major sub-brand of Odonil. Odonil Air Fresheners are available in blocks, gel as well as spray formats. The block comes in a range of exciting fragrances such as Orchid, Rose, Lavender and Jasmine. Odonil Room Freshener sprays are available in a variety of fragrances including Jasmine Spirit, Lavender Breeze, Wild Fantasy and Ocean Dreams. Further, the brand came up with two new fragrances in the segment, Scintillating Rose and Alluring Daffodil, which gained popularity. Odonil Zipper, the gel format is available in three fragrances. Odonil also launched a new product namely Odonil Smile in an easy-to-use fragrance card format. The card has an attractive design depicting interesting emoticons-based variants and is available in single as well as dual packs. Further, with the innovative tagline 'Fragrance That Makes You Smile' the product is likely to gain traction in the market.

Odomos: In its mosquito repellent segment, Dabur's popular brand Odomos had a moderate year on account of low mosquito incidence. Odomos is a clinically proven brand of mosquito repellent that offers the most effective protection from mosquitoes, carrying diseases like Dengue, Chikungunya, Malaria, Filaria and Encephalitis etc. it is available in various forms such as cream, lotion, gel and spray. The brand also added Fabric roll on to the basket with a new commercial under the tagline 'Odomos Fabric Roll on – Machchar ka Darr Gone'. The brand continued creating awareness about mosquito protection outside home. With its tagline 'Odomos nahi pehna to ghar pe rehna' the consumers were educated about importance of using mosquito repellent not only inside the house but outside too. A number of activations were launched including tie up with India Tourism for the light and sound show at the Red Fort, New Delhi. A high visibility tie up was done with Rail Yatri in E-Ticket Branding, Video & Banner Ads, SMS Reminder and Meal Box Branding reaching out to more than One Million families. Extensive sampling was done during Nauchandi Mela in addition to visibility campaigns in 1,700 clinics and 2,000 chemists across the country.

Food Business

Foods business grew by 8.2%% during the year and contributed 17.1% to Domestic Business.

The food portfolio consists of a wide range of fruit juices under the Real and Real Activ brands, and a culinary range under the Hommade brand. Real continues to be voted by consumers as the most trusted fruit juice brand in the country and has a dominant No. 1 position in the market. It is available in 16 exciting variants ranging from exotic Mango Alphonso, Mosambi, Guava, Plum and Litchi to international favourites like Pomegranate, Tomato, Cranberry, Peach, Blackcurrant, Apricot and Grape and the basic Orange, Pineapple, Apple & Mixed Fruit. Further, under its Hommade brand, company produces a culinary range of cooking food products such as Ginger Paste, Garlic Paste, Ginger-Garlic Paste & Tamarind Paste, Tomato Puree and Coconut Milk. The Company also markets Lemoneez, which is a concentrated Lemon juice providing natural and consistent lemon taste.

During the year gone by, the Company launched a new ethnic Masala juice range with Indian flavours which performed fairly well in the market. The Masala range was launched in modern trade, where the consumers had a chance to taste the brand through visibility and sampling drives. The Masala range has now been rolled out to traditional trade market as well. Apart from this, Dabur Active Coconut Water continued to perform strongly in the market, growing at strong double digits and attracting large number of consumers. On E-commerce platform, the foods business witnessed strong growth in its entire product portfolio and juices were one of the key sellers on e-commerce for Dabur.

Key Highlights

- As a part of its marketing strategy, the Company took various initiatives to further penetrate the market by promoting its out-of-home juice pack of 200 ml which witnessed strong growth post campaigning.
- TV remained a major marketing medium where the products were advertised on major channels during the prime time, which helped the Company gain good traction for its products. Apart from this, print media visibility also increased product awareness amongst the consumers.
- Masala range of juices was launched in Modern Trade and received a good response
- Focus on digital media and e-commerce made the brand one of our key sellers on e-commerce platforms
- In the coming fiscal, Dabur plans to further expand its food business by coming up with new juice variants following the tradition of bringing together the best of nutrients, taste and lifestyle and focusing strongly on the health and nutrition platform.

Sales & Distribution

In terms of sales and distribution of the products, the Company has an aggressive strategy which aims at increasing the availability and visibility of its products throughout the country. This was achieved during the year by undertaking various initiatives to expand the Company's distribution footprint. One of the major highlights was increase in number of outlets, which went up to 6.7 million from 6.3 million in the previous year. Today, the Company has significantly strengthened its rural footprint by reaching close to 44,000 villages across the country. In addition, the Company has also increased its direct reach from 1.02 million to 1.1 million an increase of around 8%.

Overall, the rural segment continued to grow faster on account of increased rural distribution, sales promotion and portfolio expansion. The focus to grow the direct reach in rural through super stockist and sub-stockist network and split of front end field force into HPC and HC verticals led to good growth for the key brands and increase in the number of lines and brands sold.

The Company has been focusing on growing its distribution network not only in traditional trade but also in emerging channels like modern trade and e-commerce. E-commerce channel, which has been scaling up well for the Company, contributed 1.4% to sales as compared to 0.8% a year ago. This channel experienced the fastest expansion with growth of 95.8%. Brands such as Health Supplements, Real Juices, Hair Oils, Oral care and Home Care products saw good traction on e-commerce platforms. In order to tap the opportunities which are opening up for online retail, the Company has put in place a specialised team equipped with the relevant skills. The team is engaging with each of the e-commerce platforms to enhance visibility and build customer engagement.

The Company focused on IT enablement as a major driver of enhancing productivity and field force efficiency. As a part of this the Company initiated a major revamp of its Distributor Management System (DMS) with latest technology. A number of initiatives are being taken for Sales Force Automation, enhancement of Range Availability at distributor end, Replenishment Based model of demand fulfilment and better use of analytics and information in managing sales.

The company put in place a number of initiatives in Modern Trade to drive superior growth. Few of these were : focus on merchandizing and shelf space, Joint Business Planning with top 8 customers, increase in fill rates and creating specialised offerings for the channel. Modern Trade channel grew at a strong clip and increased in saliency to 13.5% from 12.7% last year.

The Company, in the coming years, shall continue to enhance its supply and distribution across different segments and in various geographies. As part of the RISE initiative the company has identified regional opportunities to scale up distribution network and increase the reach of specific brands in their core markets. Sales force efficiency is also under focus as targets have been laid out for increase in coverage of outlets per sales person. Data Visualization software such as Tableau are being used to drive these efficiencies and optimize decision making.

Digital Initiatives

With the target audience moving more and more towards digital mediums, it has become imperative for the company to invest behind these mediums. We are putting in place annual partnerships/ sponsorships with the digital platforms and have been trying to leverage the OTT platform to increase our brand reach to the millennials. We believe content is one of the most important elements of digital media and will look to invest behind differentiated and disruptive campaigns. One such campaign is a special film titled "#WomenCan" that was released on the occasion of Women's Day. The film celebrates women successfully undertaking multifaceted roles at Dabur and features women employees of Dabur. The film reached more than 5.1 mn users on social media, had more than 2.06 mn views and was liked and shared more than 52,000 times. It was also featured by marketing publications like Brand Equity (Online), Exchange4Media apart from regular news and business portals.

Besides this the company also undertook initiatives to promote our brands in the digital space. 'Dabur Amla What Women Want' by Kareena Kapoor Khan is one such initiative which is running successfully into its 12th episode. Another campaign in which we partnered with influencers on social media to talk about benefits of Fem bleaches through a myth buster series, received a tremendous response and garnered 1.9 million views on YouTube. Dabur Dant Snan video featuring the Kumbh Mela with a subtle reference to Dabur Red Paste became viral recording 8.5 mn views.

> **Modern Trade channel grew at a strong clip and increased in saliency to 13.5% from 12.7% last year.**

E-commerce is a channel that is picking up at a rapid pace. We believe that it is still in its infancy and has huge room for growth. For FY 2018-19, e-commerce contributed to 1.4% of our sales. We continue to work jointly with the e-commerce platforms and expect it to be one of the key drivers of our future growth.

Retail Business - NewU

Dabur operates in the specialized beauty retail business with its wholly-owned subsidiary, H&B Stores Ltd. This is a chain of beauty retail stores under the brand 'NewU', offering a wide range of beauty care products covering cosmetics, fragrances, skin care, personal care and beauty and fashion accessories. NewU is today amongst the largest one-stop-shop for all beauty care needs with a range of domestic and exclusive international brands available at its stores.

At the end of fiscal 2018-19, NewU's retail footprint stood at 102 stores across 35 cities. The company recorded revenue of ₹124 crores during the year. The company improved its profitability with PAT of ₹2.49 crore for the year against a PAT of ₹1.67 crore in fiscal 2017-18.

The year saw NewU enhance its portfolio of exclusive brands at its stores with the launch of various product range under the brand Jaquline USA such as Foundation, Primer, Liquid lipstick, Cream Lipstick, Lip crayon etc. Jaquline USA features a range of make-up & beauty products, specially tailored for the modern Indian woman. Going forward, the company plans to expand the Jaquline USA range to cover a host of beauty and make-up categories.

International business

On the international front Dabur operates across Middle East, Africa, South Asia, USA and Europe. International Business registered growth of 6.5% during FY 2018-19. Chart 10 on page 85 presents regionwise split of International revenue.

Over the years, the International Business has diversified its consumer base from not just serving the Indian diaspora but customizing its product portfolio according to the needs and preferences of local consumers. Our share of business is infact getting skewed towards local Arab consumers in the core GCC markets while we continue to serve the Indian diaspora. In addition, in markets such as North Africa (Morocco, Algeria and Tunisia), Levant (Jordan, Lebanon and Iraq) and Turkey our consumer base is entirely local population since Indian diaspora is a small fraction of their expatriate population.

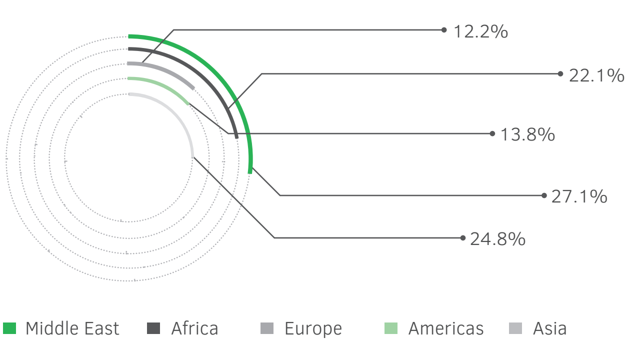
This diversity is reflected in our employee base as well, whereby Egyptians are the dominant nationality in our overseas workforce. Turkish and other African nationalities are the other dominant groups in our employee base.

During the year, the Company faced headwinds in the GCC markets on account of macro-economic issues which impacted demand and consumption and in turn affected the Company as well. However, the Company took steps to mitigate the headwinds by altering the marketing mix by enhancing the value proposition to customers and increasing spends on digital and on-ground activations. These initiatives helped the Company improve market shares in almost all product categories.

Middle East

The economic growth of Middle East was estimated at 1.3% for 2018. Despite major economic diversification efforts, oil continues to dominate and shape the macroeconomic outlook for Middle East (ME) economies. With elevated oil production levels and notably higher oil prices compared to last year, the ME economy is expected to improve and post a growth of 2% in 2019. However the outlook still appears fragile due to consistent decline in government spending as a % of GDP. Job security in Saudi Arabia and UAE is still a major concern for the consumers in the last two years, where over 1.1 million foreigners had left the workforce due to introduction of dependent fee on expatriate workers and restrictions against foreign workers in some sectors.

Chart 10: International Business – Revenue by Geography



Although revenues in the business remained under pressure, our market shares in most categories improved due to comparatively better performance as compared to market, driven by a range of marketing initiatives.

In the Hair Oil category, the Company maintained its dominant position and continued to strengthen its nourishment proposition with existing consumers and recruiting new consumers through #ARISE (Apply Rinse and Shine) campaign to encourage pre-Shampoo usage of Hair Oil. Consequently, the Company witnessed a substantial rise in market share from 66.2% to 70.5% in Saudi Arabia. The recent initiative of Dabur Amla Kids range which was to extend Dabur Amla to younger TG continues to elicit positive response with the media campaign, Adventures of Princess Amira, generating 125 million views on YouTube. This is now being further amplified by the #BeThatGirl campaign which encourages young girls to follow their dreams. The pilot has been rolled out with 50,000 kids in the UAE and will be extended to other markets as well.

In the Serum category, the first ever mega campaign #UnsignatureYourHairstyle was initiated in the region to drive penetration of the category. The digital campaign was seeded by popular influencers to encourage women to break stereotypes and try new hairstyles. The campaign was well received with a total reach of more than 2 million. This was further boosted by an on-ground Mega Salon sampling activation and the Company witnessed an all-time high market share of 16% in the UAE Serum category.

An innovative Virtual Reality (VR) activation was implemented for Vatika Shampoo to further strengthen its natural positioning wherein a virtual garden was created and consumers had a 360 degree experience of how natural Vatika really is. The activation combined with Pan Arab TV Media support and enhanced value proposition for consumers led to market share increasing from 1.4% to 3.2% in Saudi Arabia and an all-time high market share of 5% in the UAE.

To further drive engagement with youth, the #VatikaExtremeChallenge was initiated in which influencers demonstrated how Vatika Gel gives the best hold. In one of the challenges, an influencer applied Vatika Hair Gel prior to a sky dive and demonstrated the efficacy of Vatika Styling Gel Extreme Hold against wind speed of 272 km/h. In other instances, Vatika Gels were compared to other things in an unconventional but fun manner. The campaign was a huge success with 11 million views and was instrumental in Vatika Gels emerging as the number 1 player in Gels category with market share increasing from 16.1% to 23.6% in Saudi Arabia and from 13% to 15% in UAE.

> Over the years, the International Business has diversified its consumer base from not just serving the Indian diaspora but customizing its product portfolio according to the needs and preferences of local consumers.

Vatika Hair Cream continued to maintain its leadership position in Saudia Arabia and UAE. A mega advocacy campaign was activated for Vatika Hair Cream in which 50 influencers created multiple digital videos recommending it. In addition, Vatika Hammam Zaith market share increased to 64% from 61%.

During the year, Dabur Herbal Toothpaste was relaunched with a refurbished marketing mix and packaging upgrade with enhanced focus on ingredients and elicited positive response from consumers. In addition, the #MiswakMillionSmiles campaign reached more than a million consumers in the Middle East. The market share for toothpaste increased from 4.9% to 9.1% in the UAE.

As regards sales and distribution, during the year, the Company undertook a major distribution restructuring where multiple distributor model was implemented in three countries. Joint business planning discussions were entered into with the key retailers in both Saudi Arabia and UAE markets. The Company continues to focus on the ever-evolving E-commerce landscape in the Middle East. Most of the Company's products are now available on leading online portals such as Souq.com (Amazon) and also on webstores of leading retailers such as Carrefour and LuLu.

Africa

Contribution of African region to the international business of Dabur is 22.1%, with Egypt, Nigeria, South Africa and Kenya being the key markets. During the year, the business in African markets performed well in constant currency terms. Currency fluctuations in markets like Nigeria and South Africa impacted the topline. However, the Company was able to gain more saliency and consumer franchise across West Africa, East Africa and Southern African economic zones on account of stable supply of African Hair products, under the brand ORS, which was manufactured at Company's own manufacturing facilities in these regions.

Nigeria

Dabur's Nigeria business encompasses Hair Care, Oral Care and Home Care products. In spite of severe economic headwinds, its market share in toothpaste category remained stable during the year at +5%. Dabur made considerable investments in developing multi-distributor arrangement, replenishment based serving model, introduction of low unit price packs and developing an engaging stylist- hair association program which aided the Nigeria business perform in economically challenged time. The Company's ORS business attained a leadership position in several African markets on the back of introduction of the Low Unit Price sachet pack of pre-measured, no-Lye Relaxer which added to the range of relevant offerings.

South Africa

During 2017-18, the Company expanded its portfolio by acquiring Long & Lasting business based at South Africa. Now the manufacturing of Long & Lasting brand has also been shifted to in-house unit at Johannesburg. To address the problem of damaged hair, the Company also came up with two new offerings in its portfolio, Olive Oil Black Castor and Vatika Afro Naturals range. The Company aims to target these new products to consumers dealing with dry hair issues to help them maintain the naturals hair regimen. Apart from this, Dabur aims to further expand the product base by introducing mosquito repellents, hair oils, shampoo, conditioners, hand & body wash and toilet cleaners in the market.

During the year, the Company also worked towards enhancing its relevant vernacular communication and marketing initiatives. This was achieved through collaboration working with National/ Regional Hair Associations and driving consumers across markets like Nigeria, Ghana, Ethiopia, Kenya, Tanzania, Zambia, Mauritius and South Africa. These initiatives are expected to enhance business growth trajectory and expand the Company's foothold across various markets in Sub Saharan Africa.

Egypt

Contributing to 10.6% of the international business, Egypt continued to be the largest market for Dabur in Africa. In Egypt, Dabur is one of the fastest growing brands with consistently increasing market share in each of its business segments including Dabur Amla, Vatika, Meswak, Fem, Vatika Gel and Dabur Herbal Toothpaste.

During the year, Egypt was politically stable and witnessed a robust growth in tourist arrivals and spends. Further, forex rates remained stable throughout the year and forex reserves witnessed the highest accumulation in Feb'19. However, the Company faced extreme economic pressure on account of high

In Egypt, Dabur is one of the fastest growing brands with consistently increasing market share in each of its business segments including Dabur Amla, Vatika, Meswak, Fem, Vatika Gel and Dabur Herbal Toothpaste

inflationary phase in addition to dwindling demand as a result of tough economic measures taken to reduce the subsidies on energy (petrol/diesel/electricity/water) and food during 2018-19. This had a significant impact on the business sales and profitability. In addition to this Inflation was a huge challenge as it touched 14%, thereby, affecting the spending and consumption habits of the citizens in the country.

On account of these challenges Dabur recorded revenue growth of around 5% in Egypt. However market share in hair oils increased to 77.1% up from 74.1% last year. Market share in toothpaste went up from 7.6% to 8.1%. The Company posted double digit growth in Vatika Gels, Vatika Shampoo and Hair Cream segment.

In order to expand the portfolio, Dabur went on to increase its investment in the brands and also launched several new products. On digital front, the Company took various initiatives in collaboration with Facebook, bloggers and influencers. In the Oral Care segment, the Company launched new communication placing focus on young consumers and creating awareness among them regarding the importance of Oral Health Care. As regards promotion of the Vatika brand, a new celebrity endorsement was made for Vatika Hair Oil. Besides this, new products in various segments were launched by the Company namely, Vatika Serum, Dermoviva Face Wash, Amla Hammam Zaith, Amla Kids, ORS and Vatika Henna Burgundy.

South Asia

Nepal

Dabur runs a strong business in Nepal where it is engaged in manufacturing and marketing of a diverse range of products under segments such as foods, home care, personal care and consumer healthcare. The business witnessed growth of 7% in constant currency terms during fiscal 2018-19. The Hair Care and Oral Care segments performed well. The juice business was impacted by adverse seasonality and intense competitive environment. The Company launched Himalayan Honey and Prostyle Soft & Shiny Hair Oil in order to broaden its market presence. The Company focused on expansion of its distribution network in rural and increased its market penetration. In addition to this, a number of initiatives were taken for launching innovations targeting the local Nepalese consumers.

Bangladesh

In Bangladesh, Dabur's business grew at 9% in constant currency terms led by good growth in Shampoos, Red Toothpaste and Odonil. The Company made notable progress in the year by boosting rural distribution with the appointment of 185 sub stockists which resulted in an increase of 33,000 new outlets. The low unit packs were also introduced across key brands with the aim to penetrate rural markets and collaborate with rural outreach initiative. The Company plans to continue its expansion in Bangladesh through portfolio enhancement by launching new products and variants.

Pakistan

Dabur Pakistan posted a robust growth of 35% in constant currency terms, despite facing tough economic environment in the country. The country witnessed challenges in the economy on account of decline in currency and major hike in duties along with several other measures taken by the government to curb imports and control current account and trade deficit. As a result of this, company faced financial pressure on the operating margins of the company. However, the Company was able to overcome these challenges by initiating toll manufacturing for all the key brands, thereby reducing the cost pressure.

Dabur launched a new campaign for Vatika Oils namely, 'Oil First then Shampoo', which gained huge traction among the consumers, registering strong growth in the brand. Vatika achieved the distinction of crossing the PKR 1 Billion mark and becoming a Billion Rupee Brand in Pakistan. Amla Hair Oil also preformed fairly well in the market. Collectively, the brands put the Company on a growth trajectory by increasing the market share by 5% and gaining 49% market share in the Hair Oil segment. Besides this, Vatika Shampoo, Dabur Red paste and Hajmola performed well and gained traction.

Myanmar

In Myanmar, the Company markets Hair Care, Oral Care and Home Care products. In the oral care and home care segment, the Company observed a healthy growth of 15% during the year. The Company focused on scaling up its portfolio and upping its product offerings.

Europe (including Turkey)

Dabur's business in Turkey, registered a strong top line growth of 35% in constant currency terms. This growth was led by greater market penetration, strong marketing focus along with broadening of export activities. Moreover, the key categories of business also witnessed increase in market share, wherein, Hair Gel and Hair Wash captured 42% market, while Body Wash acquired a share of 7%. The overall business in the country contributes 8.8 % to Dabur's international businesses.

During the year, Turkey's economic scenario faced several headwinds which posed challenges to local business operations. While country's currency diminished by over 30%, inflation touched 20% reducing the overall GDP growth by the end of last quarter. The interest rates increased to a new high resulting in elevated liquidity crisis and credit risk..

Although various challenges remain in Turkey, Dabur successfully stood the test with the help of consumer focused marketing initiatives and launched a new range of Hair Waxes and Hair Mousse and also re-launched the shampoos and conditioners in the market.

America

In USA, Dabur operates in two broad segments, viz., Namaste business and Indian Ethnic Business. The Namaste business caters to Hair Care needs of the African American community and is a leader in the Relaxers category. Although the overall relaxers category showed a decline, the market share of the Company rose to 26.2% from 24.3% on account of Company's consistent focus on the fast growing styling segment. In the natural segment, Company's Curls Unleashed continued to perform well and attracted good number of consumers. Besides this, it also received positive response from the consumer for its newly launched Hair Repair Brand. In order to create an effective link between on ground merchandising and sales, Namaste introduced Project Launchpad wherein it eliminated all the brokers and established direct relationships with key accounts like Target and Dollar general.

Overall the Namaste business reported subdued growth, as the Relaxer segment, which is a large part of business, remained under pressure due to the changing consumer preferences.

As regards Ethnic business, Dabur is a leading brand in USA & Canada in the South Asian Ethnic channels. Dabur's Asian Ethnic channel encompasses variety of products such as Tooth paste, Shampoos & Conditioners, Hair Oils, Juices and Food & Health Supplements. Besides this, Dabur also marks its presence in mainstream retail chains like HEB, H Mart, Cermak produce, Lotte plaza, Sam's etc. in US and Walmart, Loblaws, Freshco, Sobeys etc. in Canada. These brands are also available on major E-platforms like Amazon, Walmart.com, Jet.com besides many other ethnic trading E-commerce sites. In the North American and South Asian Segments, Company's key brands are Dabur Vatika, Dabur Real Juice, Dabur Honey, Dabur Mustard, Dabur Chawanprash, Hajmola and Dabur Herbal toothpaste.

During FY 2018-19, the ethnic business reported a growth of 14% over the previous year. Significant revenues came from Dabur Real Juices and Dabur Honey which was launched in the previous year in North American markets. These products were widely accepted in the market and in a period on 12 months, became category leader in the South Asian Ethnic segment in USA and Canada. Dabur's private label Oral Care products, which include Toothpastes, Mouthwash and Denture Adhesives, are exported to USA and the business in this segments posted double digit growth on the back of local marketing and distribution led initiatives. Moving ahead, Company plans to expand its range of fruit juices along with strengthening its position in the personal care segments by introducing new variants and products.

Operations – Domestic Business

Dabur's manufacturing operations in India extends to 12 locations: Baddi (Himachal Pradesh), Pantnagar (Uttarakhand), Sahibabad (Uttar Pradesh), Tezpur (Assam), Jammu (Jammu & Kashmir), Katni, Pithampur (both in Madhya Pradesh), Silvassa (Gujarat), Narendrapur (West Bengal), Nashik (Maharashtra) Alwar and Newai (both in Rajasthan). More details on manufacturing operations are presented in Manufactured Capital on page 46-49 of the Annual Report.

Project Lakshya

One of the major initiatives taken during the year was Project Lakshya, a supply chain optimisation project which targets multiple benefits in terms of cost saving opportunities, efficiency improvement and stock availability improvement among others. It is a cross functional project within the organisation involving senior members from sales team, supply chain, finance along with external consultants who are global suppliers partnering with the Company. One of the early benefits of Project Lakshya has been the increase in Range Availability (RA) at the C&FA level from 78% to 92%. This initiative has also resulted in Modern Trade fill rates (OTIFs) moving up from 87% to 94%; C&FA locations were reduced from 32 to 28 and inventory levels came down from 46 days to 42 days for the India business. In addition the Factory, SKU & Depot (FSD) combination was re-worked which generated significant savings and reduction in SLOB. As part of this project the company is adopting a replenishment based supply model which is expected to improve availability of our products at the distributor level and reduce lost sales.

Operations – International Business

UAE

In UAE, Dabur's manufacturing plant is located at Ras Al Khaima. During the year, the RAK plant's capacity was enhanced from 54,100 MT to 57,700 MT per annum with the restructuring of manufacturing mixers and batch size increase in Tooth paste, Hair oil, Vatika Conditioner, Hot Oil Treatment (Hamam Zaith), Face mark & ORS (Shampoo/Conditioner). As a continuous improvement journey along with major automation like Vatika Hair cream bundling, Lotion line automatic capping and bundling, Automated Sealing and capping in Herbolene, factory has taken several kaizen & TPM initiative to reduce the cost of production e.g. Process improvement & changeover time reduction in Shampoo, Energy efficient pump & compressor, Customer friendly packing in FEM, Centralized FG storage, Over all equipment efficiency (OEE) improvement. During the year factory faced the USFDA for food and obtained integrated management System audit cleared: 5 in 1 Certification (ISO 9001, ISO 22716, ISO 14001, OHSAS 18001 & HACCP) The product range manufactured here includes A wide range of hair care, oral care and skin care products.

Turkey

The Hobi Kozmetik factory, located at Tekirdag, Turkey is involved in manufacture of Hair Styling Mousse, Cream Gel, Styling Gels and Hair Styling Spray. During the year the Company took various initiatives for upgradation of the plant and capacity enhancement. Investments were made in automation of plant, in order to improve the operation efficiency and production capacity. A new manufacturing line was also added for Vatika Range and hairstyling products, which further enhanced the product basket.

Egypt

In Egypt, the manufacturing facility is located at Cairo where it manufactures products such as hair oils, styling creams, hair els, hammam creams, shampoo & conditioners, henna hair colours, hair removing creams and toothpastes. As a part of its cost reduction initiatives, Dabur undertook product automation with the aim to efficiently reduce and optimize operational costs. Also, cost reduction was carried out through value engineering and local vendor development.

Nigeria

Dabur's manufacturing plant in Nigeria is located at Lagos. The plant manufactures oral care, hair care and home care products.

Nepal

Dabur, in Nepal has a manufacturing plant at Birganj. The plant manufactures products in various segments such as fruit juices, hair care, oral care and skin care.

Bangladesh

The manufacturing facility is located at Dhamrai in Bangladesh. The products manufactured here includes hair care, oral care, digestives and honey.

Sri Lanka

Dabur's manufacturing plant in Sri Lanka is located at Kotedeniya. The plant manufactures fruit juices.

South Africa

Dabur Africa manufactures a wide range of products including relaxers, hair lotions, hair gels, shampoos, conditioners, mousses, hair foods, activator gels, sheen spray. The facilities are located at Johannesburg. The company consolidated its manufacturing processes at Johannesburg, yielding margin improvements for SADC markets and enhancing production efficiency and effectiveness.

Human resource

Dabur recognises the importance of its employees and the pride, passion and drive they possess to take the organisation to new heights. During the year, Company worked with a strength of 7,458 employees. The Company provides employees with numerous opportunities to increase their knowledge, skills and abilities and enables them to grow in their careers. Dabur is also proud of the diverse mix of employees in the Company who work with an edge over others in the industry. The Company successfully adds value to the employees' talent through result driven training, while encouraging and rewarding excellence. More details of the initiatives on HR are provided in Human Capital on page 50-55 of the Annual Report.

"The Company provides employees with numerous opportunities to increase their knowledge, skills and abilities and enables them to grow in their careers.

Financial Review

Financials for the year 2018-19 are not entirely comparable with 2017-18 as the first quarter of 2017-18 did not take into account GST which was implemented w.e.f. 1st July 2017.

During fiscal 2018-19, the Company recorded consolidated Revenue from Operations of ₹8,533.1 crore, compared to ₹7,748.3 crore in fiscal 2017-18. On like to like GST adjusted basis, revenue increased by 11.0% for the year. The Domestic FMCG business grew by 12.9% in the same period. Revenue from International business reported growth of 6.5% impacted by geo political disturbances and currency devaluation in key markets.

Material cost in fiscal 2018-19 increased by 86 bps to touch 50.5% of Revenue from Operations. The Advertisement and Publicity Expenditure for the year stood at 7.1% as against 7.8% in the previous year mainly due to lower spends in the International Business. Employee cost was higher at 11% of sales as compared to 10.2% last year mainly due to higher amortization of ESOPs in this period. Other expenses went down from 11.4% to 11.0% on account of cost efficiencies and network optimization.

The Company's Operating Profit grew by 7.6% to reach ₹1,739.6 crore. The operating margins remained healthy at 20.4% as compared to 20.9% in FY 2017-18. The Profit After Tax (PAT) grew by 6.5% to reach ₹1,442.3 crore in fiscal 2018-19. Diluted EPS for fiscal 2018-19 was at ₹8.14. Chart 11 provides a summary of the consolidated income statement

Chart 11: Consolidated Income Statement Summary

DIL (Consolidated) P&L - in ₹ crores	FY 2018-19	FY 2017-18	Y-o-Y (%)
Net Sales	8,437.3	7,680.3	9.9%
Other Operating Income*	95.8	68.0	40.8%
Revenue from operations	8,533.1	7,748.3	10.1%
Material Cost	4,309.0	3,846.4	12.0%
% of Revenue from Operations	*50.5%*	*49.6%*	
Employee expense	937.9	792.8	18.3%
% of Revenue from Operations	*11.0%*	*10.2%*	
Advertisement and publicity	608.3	606.7	0.3%
% of Revenue from Operations	*7.1%*	*7.8%*	
Other Expenses	938.2	885.0	6.0%
% of Revenue from Operations	*11.0%*	*11.4%*	
Operating Profit	1,739.6	1,617.4	7.6%
% of Revenue from Operations	*20.4%*	*20.9%*	
Other Non-Operating Income	296.2	305.2	(3.0%)
EBITDA	2,035.7	1,922.6	5.9%
% of Revenue from Operations	*23.9%*	*24.8%*	
Finance Costs	59.6	53.0	12.3%
Depreciation & Amortization	176.9	162.2	9.1%
Profit Before Tax (PBT)	1,799.3	1,707.4	5.4%
Share of profit / (loss) of joint venture	0.96	0.24	300.0%
Exceptional item(s)	75.3	14.5	418.2%
Tax Expenses	278.6	335.4	(16.9%)
Minority Interest – Profit/ (Loss)	3.9	3.3	17.1%
PAT (After Minority Int.)	1,442.3	1,354.4	6.5%
% of Revenue	16.9%	17.5%	

*Includes Area Based Benefit received in lieu of excise duty exemption

Chart 12: Working Capital (Consolidated)

As Days of Sales	FY 2018-19	FY 2017-18
Inventories	56	59
Receivables	36	33
Payables	63	66
Working Capital	29	26

As shown in Chart 12, Working capital employed in the business increased from 26 days to 29 days during the year. There was reduction in Inventories from 59 days to 56 days and Trade Payables from 66 days to 63 days. Trade Receivables went up from 33 days to 36 days. ROIC and Return on Net Worth increased on account of the investment base decreasing due to the payment of special dividend during the year.

Chart 13: ROIC and Return on Net Worth analysis

Ratio	FY 2018-19	FY 2017-18
ROIC	48.3%	45.8%
Return on Net Worth	25.5%	23.7%

The business generated Net Cash flow from Operations of ₹1,499 crore in fiscal 2018-19. Capital Expenditure of ₹234 crore was incurred during the year which includes the expenditure on domestic as well as overseas manufacturing facilities. The net cash available with the company as on 31st March 2019 was ₹3,053 crore and the total debt amounted to ₹699 crore. Chart 14 reflects the cash and debt position of the company.

Chart 14: Cash and Debt Position

In ₹ crore	FY 2018-19	FY 2017-18
Debt	699	936
Cash & Cash Equivalents	3,752	4,112
Net Cash	3,053	3,176

In fiscal 2018-19, the company declared annual dividend of ₹2.75 per share. Total dividend payout during the year including dividend tax for the year was ₹585.6 crore which takes the dividend payout ratio to 40.6%.

Outlook

FY 2018-19 was the first financial year, post-GST, and stability was seen as the GST mechanism got streamlined. A demand slowdown was seen in the fourth quarter mainly due to the prolonged winter which led to lower offtake of summer products. However the Company expects good revenue growth going forward as the opportunities for its products are enormous.

At this point the outlook for inflation is benign, however uncertainties can emerge post general elections. The Company aims to set off inflation through calibrated price increases keeping in view the demand situation and competitive scenario.

Internal Control Systems and Their Adequacy

Please refer to the Director's Report.

Risks & Concerns

Please refer to page 36-41 of the Annual Report for more details.

Strategy & Resource Allocation

Please refer to page 16-17 of the Annual Report for more details.

Stakeholder Relationships

Dabur encourages and promotes robust two-way communication with its stakeholders. At Dabur, we believe in maintaining an open, honest and clear communication with our stakeholders. We have mapped our internal and external stakeholders in a structured way, and we carry out engagements with them on a regular and ongoing basis. Details of our Stakeholder Engagement initiatives have been provided on page 32-33 of the Annual Report.

Total dividend payout during the year including dividend tax for the year was ₹585.6 crore which takes the dividend payout ratio to 40.6%.

Report on Corporate Governance

Corporate Governance is a process that aims to allocate corporate resources in a manner that maximizes value for all Stakeholders – shareholders, investors, employees, customers, suppliers, environment and the community at large and holds those at the helms to account by evaluating their decisions on transparency, inclusivity, equity and responsibility. Fine Corporate Governance is an essential standard for establishing the striking Investment Environment which is needed by competitive Companies to gain strong position in efficient financial markets. For ensuring sound Corporate Governance practices, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Global trends and some Governance failures across the world drive the demand for a high quality of governance practices. Recently, SEBI has amended certain Corporate Governance related regulations upon recommendation of an expert Committee on Corporate Governance formed under the Chairmanship of Mr. Uday Kotak.

Dabur has a strong legacy of practising fair, transparent and ethical governance par excellence. Besides complying with the statutorily prescribed Corporate Governance practices, Dabur has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business, globally benchmarked. Certain recommendation of the SEBI constituted Kotak Committee were adopted by the Company even before they were mandated.

During the FY 2018-19, Dabur India Limited has been awarded as the Best Governed Company by ICSI at its 18th National awards for excellence in Corporate Governance, for 2018. This is the third year in a row and 5th overall that Dabur has been presented this award by The Institute of Company Secretaries of India (ICSI). Dabur was presented the Award for implementation of exemplary practices in Corporate Governance, Board Structure and Processes, and Disclosure Compliances.

This chapter on Corporate Governance, along with the chapters on Integrating Reporting and Management Discussion & Analysis and Additional Shareholders Information, reports*, inter-alia*, Dabur's compliance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 *(hereinafter referred to as 'Listing Regulations')* highlighting its additional initiatives in line with international best practices.

CORPORATE GOVERNANCE PHILOSOPHY

At Dabur good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders interests by applying proper care, skill and diligence to business decisions.The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long term shareholders value. It's 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 requirements of SEBI. Payoffs from strong governance practices have been in the sphere of valuations, stakeholders' confidence, market capitalization and high credit ratings in positive context apart from obtaining of awards from appropriate authorities for its brands, stocks, environmental protection, etc. These contributes to Dabur paying uninterrupted dividends to its shareholders.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2019, Dabur's Board consists of 14 members. Besides the Chairman, a Non-Executive Promoter Director, the Board comprises of three Non-Executive Promoter Directors, three Executive Directors and seven Non-Executive Independent Directors (including one Woman Director). The profile of Directors can be found at our website at www.dabur.com. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Women Director and not less than fifty per cent of the Board comprising of Independent Directors as laid down for a Board chaired by Non-Executive Promoter Director.

Classification of the Board:

Category	Number of Directors	% to total number of Directors
Executive Directors	3	21
Non-Executive Independent Directors (including Woman Director)	7	50
Other Non-Executive Directors	4	29
Total	**14**	**100**

Number of Board Meetings

Minimum four prescheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company. In case of any exigency/ emergency, resolutions are also passed by circulation. During the financial year 2018-19 the Board of Directors met four times on- 01/05/2018, 31/07/2018, 31/10/2018 and 31/01/2019. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under the Companies Act, 2013, Regulation 17 of the Listing Regulations and Secretarial Standards.

Details of Directors Attendance, shareholding and other Directorships/ Committee memberships

Necessary quorum was present in all the Board meetings. Further, as mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited Companies (listed or unlisted) in which he/she is a Director. No Director of the Company serves as Director in more than eight listed Companies, as Independent Director in more than seven listed Companies and in case he/she is serving as a Whole-Time Director in any listed Company, does not hold the position of Independent Director in more than three listed Companies. Further, all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. None of the Directors of the Company are related *inter-se*, in terms of Section 2(77) of the Companies Act, 2013, including Rules thereunder. The Company has not issued any convertible instruments, hence, disclosure in this respect is not applicable. Relevant details of the Board of Directors as on March 31, 2019 are given below:

Name of the Director	Category#	Attendance Particulars			No. of other Directorships and Committee Memberships /Chairmanships held*			Share holding in the Company (equity shares of ₹ 1/- each)
		Number of Board Meetings		Last AGM held on 26.07.2018	Other Directorships	Committee Memberships	Committee Chairmanships	
		Held	Attended					
Dr. Anand C Burman	Chairman/PD/ NED	4	4	Yes	6	0	0	6,60,000
Mr. Amit Burman	Vice Chairman/PD/NED	4	4	Yes	4	3	0	0
Mr. Mohit Burman	PD/NED	4	4	Yes	3	2	0	0
Mr. Saket Burman	PD/NED	4	4	Yes	0	0	0	3,00,000
Mr. P D Narang	ED	4	4	Yes	3	2	1	38,39,000
Mr. Sunil Duggal	ED	4	4	Yes	0	0	0	45,20,000
Mr. Mohit Malhotra$	ED	0	0	NA	0	0	0	9,35,863
Mr. P N Vijay	ID	4	4	No	2	1	1	0
Mr. R C Bhargava	ID	4	4	No	3	0	2	0
Dr. S Narayan	ID	4	4	Yes	7	1	4	0
Dr. Ajay Dua	ID	4	4	Yes	1	1	0	0
Mr. Sanjay Kumar Bhattacharyya	ID	4	3	Yes	6	3	3	0
Mrs. Falguni Sanjay Nayar	ID	4	4	No	5	3	1	0
Mr. Ajit Mohan Sharan$	ID	0	0	NA	0	0	0	0

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. Audit Committee and Stakeholders' Relationship Committee are considered.

$ Appointed w.e.f. 31.01.2019.

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

Independent Directors

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective Independent judgment and without any external influence.

The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

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 (other than Mrs. Falguni Sanjay Nayar and Mr. Ajit Mohan Sharan) is for a term of 5 consecutive years from the date of Annual General Meeting (AGM) held on 22.7.2014 up to the conclusion of AGM to be held in the Calendar Year 2019. The tenure of Mrs. Falguni Sanjay Nayar, is from the commencement of her appointment as a Director of the Company i.e. 28.07.2014 up to the conclusion of AGM to be held in the Calendar Year 2019 or 27.07.2019, whichever is earlier. The tenure of Mr. Ajit Mohan Sharan is for a term of 5 consecutive years from the date of his appointment i.e. 31.01.2019, subject to approval of shareholders.

Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company- www.dabur.com.

Separate Meeting of Independent Directors

Independent Directors of the Company met separately on March 25, 2019 without the presence of Non-Independent Directors and members of Management. Mrs. Falguni Sanjay Nayar could not make it convenient to attend the meeting. In accordance with the Listing Regulations, following matters were*, inter alia,* reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company 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 Program for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and 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 and the web link thereto is http://www.dabur.com/img/assets/4-familiarization-programme-for-Independent-Directors.pdf.

Directors and Officers Insurance

The Company had undertaken Directors and Officers insurance ('D and O insurance') for all its Directors, including Independent Directors, for a quantum and risks as determined by the Board of Directors of the Company.

Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements. During the year, the Evaluation Framework was revised and the performance evaluation of the Board of the Company, its Committees and the individual Board Members (including Independent Directors) was decided to be carried out only by the Board of the Company.

Evaluation of the Board and its Committees is based on various aspects of their functioning, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., are in place. Similarly, for evaluation of individual Director's performance, various parameters like Director's profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and Governance, etc, are considered.

Further, the performance of Chairman, Executive Directors and Independent Directors are evaluated on certain additional parameters depending upon their roles and responsibilities. For the Chairman the criteria includes leadership, relationship with stakeholders etc., for the Executive Directors the criteria includes execution of business plans, risk Management, achievement of business targets, development of plans and policies aligned to the vision and mission of the Company, etc. Similarly, criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the Company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgement during meetings, etc.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2018-19 by the Board by way of oral evaluation through personal interaction. This included performance evaluation of all the Independent Directors by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it determines whether to extend or continue their term of appointment, whenever their respective term expires.

The Independent Directors had met separately on March 25, 2019 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 Directors expressed their satisfaction with the evaluation process.

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 all its Board and 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. Video conferencing facility is provided to facilitate Directors to participate in the meetings.

The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least 2 weeks in advance of the Board meetings (except for certain Unpublished Price Sensitive Information which is circulated at a shorter notice).

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 pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance, if any.

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

Roles and Responsibilities of Board Members

Dabur 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) – Mr. Sunil Duggal upto 31.03.2019 and Mr. Mohit Malhotra thereafter, and an optimum combination of Executive and Non-Executive Promoter/ Independent Directors. The duties of Board Members as a Director have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act, the last being Independent Directors specific. 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 and Management.
  - Ensure compliance with statutory provisions under multiple regulatory enactments.
- ***Non-Executive Directors (including Independent Directors)*** plays 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.

Board Membership Criteria

The Nomination and Remuneration Committee in consultation with Directors/ others determine the appropriate 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 *(for the time being w.e.f. 31.01.2019 there are three Executive Directors. Mr. Sunil Duggal shall cease to be Executive Director w.e.f. 16.05.2019)*

Seven Non-Executive Independent Directors (including a Woman Director)

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

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

Expertise for Directors could also 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.

The skills and expertise mentioned above are actually available with the Board of the Company.

Remuneration paid to Directors -

Details of remuneration paid to Directors for the financial year 2018-19 is as under: (Amount in ₹)

Name of the Director	Sitting Fees	Salary & Perquisites	Performance linked incentive	Retiral Benefits	Commission	Total
Anand C Burman (Dr)	0	0	0	0	0	0
Amit Burman	0	0	0	0	0	0
Mohit Burman	0	0	0	0	0	0
Saket Burman	0	0	0	0	0	0
P D Narang	0	7,35,94,886	2,21,20,000	1,20,02,124	0	10,77,17,010
Sunil Duggal	0	7,42,39,487	2,21,20,000	1,10,67,587	0	10,74,27,074
Mohit Malhotra*	0	75,46,027	14,16,667	5,03,639	0	94,66,333
P N Vijay	13,60,000	0	0	0	0	13,60,000
R C Bhargava	11,00,000	0	0	0	0	11,00,000
S Narayan (Dr)	10,80,000	0	0	0	0	10,80,000
Ajay Dua (Dr)	12,40,000	0	0	0	0	12,40,000
Sanjay Kr Bhattacharyya	9,60,000	0	0	0	0	9,60,000
Falguni Sanjay Nayar (Mrs)	4,00,000	0	0	0	0	4,00,000
Ajit Mohan Sharan	0	0	0	0	0	0
Total	**61,40,000**	**15,53,80,400**	**4,56,56,667**	**2,35,73,350**	**0**	**23,07,50,417**

* Details of remuneration pertains to period commencing from date of appointment as Director.

Performance linked incentives are payable to the Executive Directors as Employees of the Company as per Company policy.

Mr. P D Narang and Mr. Sunil Duggal are holding the office of Whole Time Directors of the Company for a period of five years w.e.f. 1.4.2018 and 31.7.2015, respectively, based on approval of shareholders. However, Mr. Sunil Duggal has already submitted his resignation from Executive position w.e.f. 16.05.2019. Further Mr. Mohit Malhotra is holding the office of Whole Time Director of the Company for a period of five years w.e.f. 31.01.2019, subject to necessary approval from shareholders in the ensuing Annual General Meeting and other requisite approvals, as may be required.

During the Financial Year 2018-19, the Company did not advance any loan to any of its Directors.

During the Financial Year 2018-19, 17,66,400 stock options were granted to Mr. P D Narang and 4,60,000 stock options were granted to Mr. Mohit Malhotra (before his appointment as Director). During the Financial Year 2018-19, 11,70,000 stock options have been exercised each by Mr. P D Narang and Mr. Sunil Duggal which were granted to them in earlier years. Also, 2,76,000 stock options, granted in earlier years, were exercised by Mr. Mohit Malhotra before holding the position of Director in the Company.

Pursuant to the approval accorded by shareholders certain Directors are entitled to post separation fee on cessation of their employment and Directorship with the Company as per their terms and conditions of appointment. The notice period for the two Executive Directors, namely Mr. P D Narang and Mr. Mohit Malhotra, is of three months. Mr. Sunil Duggal, Executive Director has already submitted his resignation from Executive position w.e.f. 16.05.2019.

Fees and compensation, if any, paid to a Non-Executive Director, including Independent Director, is fixed by the Board of Directors and is approved by the shareholders at the General Body Meeting. Further, the Non-Executive Directors and Independent Directors are not entitled to any stock options.

Remuneration Policy

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation 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)**

The Company has no pecuniary relationship with Non-Executive Directors except sitting fees for attending meetings of the Board/committees thereof.

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 the Listing Regulations, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

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

The Remuneration Policy and Policy on appointment of Board Members have been disclosed in the Director's Report which forms part of the Annual Report. The manner of annual evaluation of the Board, its Committees and individual Director have been disclosed elsewhere in this report.

COMMITTEES OF THE BOARD

Dabur has five Board level committees:

A) Audit Committee,

B) Nomination and Remuneration Committee,

C) Corporate Social Responsibility Committee,

D) Risk Management Committee, and

E) Stakeholders' Relationship Committee.

The composition of various Committees of the Board of Directors is available on the website of the Company at www.dabur.com and weblink for the same is http://www.dabur.com/img/assets/3-composition-of-various-committees.pdf

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the company and need a closer review. 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 and Meetings

As on March 31, 2019, the Audit Committee comprises of members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

During the financial year 2018-19, the Audit Committee met seven times on 20.04.2018, 01.05.2018, 31.07.2018, 27.09.2018, 31.10.2018, 21.12.2018 and 31.01.2019. The time gap between any two meetings was less than one hundred and twenty days.

The details of attendance of members and composition is as under:

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

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 meetings. Mr. A K Jain, Executive Vice President (Finance) & Company Secretary, is Secretary to the Committee.

All members of the Audit Committee have accounting and financial Management expertise. Upon authorization by Mr. P N Vijay (Chairman of the Audit Committee), Dr. S. Narayan, Non Executive Independent Director and member of Audit Committee, attended the AGM held on July 26, 2018 to answer the shareholders' queries.

The role of 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/ reappointment 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 judgement 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.
    - Modified opinion(s) 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.
21. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing.
22. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verifing that the systems for internal control are adequate and are operating effectively.

Further, the Audit committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

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.
- Statement of deviations:
  a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) (whenever applicable).
  b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) (whenever applicable).

Audit Committee Report for the year ended March 31, 2019

To the Board of Directors of Dabur India Limited,

The Committee comprises of five Independent Directors. The Management is responsible for the Company's internal financial 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 Accounting Standards (Ind AS) 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 Statutory Auditors the overall scope for their audit. The Management 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 Ind AS.

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 presented in conformity with Ind AS in all material aspects.

The Committee has reviewed Statement of Contingent Liabilities, Management Discussion and Analysis, Financial Statements of subsidiary Companies, Investments made by Subsidiary Companies, Directors' Responsibility Statement, Financial Results and Draft Audit/ Limited Review Report thereon, Financial Statements and Draft Auditor's Report, approval (including modification, if any) and review of Related Party Transactions and scrutinized inter Corporate loans and investments of the Company. The Committee updated the Policy on Related Party Transactions and has also evaluated the Risk Management Systems. Complaints received under Whistle-Blower Policy/ Vigil Mechanism were also monitored by the Committee. 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 PriceWaterhouse Coopers Private Limited as internal auditors of the Company for the period from 1st July, 2018 to 30th June, 2019 and discussed and approved their audit plan. It has also reappointed M/s Ramanath Iyer & Company, as Cost Auditors to audit the cost records maintained by the Company in respect of certain products for the financial year 2018-19 and approved their scope of work. Remuneration of Statutory Auditors for FY 2017-18 was also approved.

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

Place: New Delhi
Date : May 2, 2019

P N Vijay
Chairman, Audit Committee

B. NOMINATION AND REMUNERATION COMMITTEE

Composition and Meetings

As on March 31, 2019 the Nomination and Remuneration Committee comprises of members as stated below. The composition of the Committee is in conformity with the Listing Regulations, with all Directors being Non-Executives and fifty per cent of them being Independent Directors. Chairman of the Committee is an Independent Director.

During the financial year 2018-19, the Nomination and Remuneration Committee met six times on 19.04.2018, 01.05.2018, 01.06.2018, 31.07.2018, 29.11.2018 and 31.01.2019.

The details of attendance of the members is as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. S. Narayan	Independent Director	Chairman	6	4
Mr. P. N. Vijay	Independent Director	Member	6	5
Dr. Anand C Burman	Promoter/ Non-Executive Director	Member	6	6
Mr. Amit Burman	Promoter/ Non-Executive Director	Member	6	5

Dr. S Narayan, Chairman of the Committee attended the AGM held on July 26, 2018.

Upon recommendation of Nomination and Remuneration Committee the Board of Directors have revised the evaluation framework in line with the applicable provisions of Companies Act, 2013 and Listing Regulations and laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board Members (including Independent Directors), to be carried out only by the Board.

The Performance evaluation criteria for Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the Company and various stakeholders, willingness to devote time and efforts towards his/her role, high Ethical Standards, adherence to applicable Codes and Policies, effective participation and application of objective independent judgement during meetings, etc. On the basis of performance evaluation of Independent Directors, it is determined whether to extend or continue their term of appointment, whenever their respective term expires.

The performance evaluation of the Board of the Company, its Committees and the individual Board Members (including Independent Directors) for the financial year 2018-19 has been carried out by the Board in accordance with the Evaluation Framework adopted by the Company.

The roles and responsibilities of the Committee covers the area as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any, besides other role and powers entrusted upon it by the Board of Directors from time to time. 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 Persons (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; and
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."

15. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Nomination and Remuneration Committee Report for the year ended March 31, 2019

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 SEBI Listing Regulations.

During the year the Committee approved grant of stock options to employees under the ESOP Scheme of the Company, approved cancellation of certain ESOPs granted earlier and also approved allotment of equity shares upon exercise of stock options. The Committee recommended to the Board - i) appointment of Mr. Mohit Malhotra as Whole Time Director and Chief Executive Officer (CEO- designate till 31.3.2019 and CEO thereafter in place of Mr. Sunil Duggal) of the Company for a period of 5 years w.e.f. 31.01.2019, ii) appointment of Mr. Ajit Mohan Sharan as Non-Executive Independent Director of Company for a period of 5 years w.e.f. 31.01.2019, iii) appointment of Dr. Ajay Dua (Non Executive Independent Director of the Company) as Director on the Board of material subsidiary viz. Dabur International Limited for a period on one year w.e.f. 01.04.2019. The Committee reviewed and approved revision in remuneration of Mr. P.D. Narang and Mr. Sunil Duggal, Executive Directors of the Company. The Committee also revised the Evaluation framework for performance evaluation of the Board, its Committees and individual Directors whereby the evaluation shall be done only by the Board.

Dr. S Narayan
Chairman,
Nomination and
Remuneration Committee

Place : New Delhi
Date : May 2, 2019

C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition and Meetings

As on March 31, 2019, the Corporate Social Responsibility (CSR) Committee consists of members as stated below.

During the financial year 2018-19 the Committee met four times on 01.05.2018, 27.07.2018, 29.10.2018 and 29.01.2019. The details of attendance of members is given below:

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

The role of 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 a 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. Promotion of education

The formal CSR policy of the Company is available on the website of the Company www.dabur.com at the link https://www.dabur.com/img/upload-files/1136-dabur-india-ltd-csr-policy.pdf

CSR Committee Report for the year ended March 31, 2019

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 Company has in place a CSR Policy formulated by the Committee and approved by the Board of Directors.

During the Financial Year 2018-19, the Committee approved the CSR activities and monitored the progress on CSR activities undertaken by the Company on quarterly basis. Further the Committee also reviewed the CSR activities undertaken by Jivanti Welfare and Charitable Trust (promoted by Dabur). 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 Director's Report.

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

Dr. Ajay Dua
Chairman,
CSR Committee

Place : New Delhi
Date : May 2, 2019

D. RISK MANAGEMENT COMMITTEE

Composition and Meetings

As on March 31, 2019 the Risk Management Committee consists of members as stated below.

The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company.

During the financial year 2018-19 the Committee met four times on 20.04.2018, 27.07.2018, 29.10.2018 and 29.01.2019. The detail of attendance of members is given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. Ajay Dua	Independent Director	Chairman	4	4
Mr. P N Vijay	Independent Director	Member	4	4
Mr. Amit Burman	Promoter/ Non- Executive Director	Member	4	3
Mr. Sunil Duggal	Executive Director	Member	4	4
Mr. P D Narang	Executive Director	Member	4	4
Mr. Lalit Malik	CFO & Joint Chief Risk Officer	Member & Joint Chief Risk Officer	4	4
Mr. A K Jain	EVP (Finance) & Co. Secretary & Joint Chief Risk Officer	Member & Joint Chief Risk Officer	4	4

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 of the Company on quarterly basis.
4. To report key changes in critical risks to the Board on quarterly basis.
5. To present detailed report on Risk Mangement to the Board of Directors on yearly basis.
6. To get the Risk Management Systems evaluated by the Audit Committee on yearly basis.
7. To review cyber security risk.
8. To perform such other functions as may be prescribed or deemed fit by the Board.

Risk Management Committee Report for the year ended March 31, 2019

To the Board of Directors of Dabur India Limited,

The Committee consists of two Independent Director, 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 a regular basis.

During the Financial Year 2018-19 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.

Dr. Ajay Dua
Chairman,
Risk Management Committee

Place: New Delhi
Date : May 2, 2019

E) STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition and Meetings

As on March 31, 2019 the Stakeholders' Relationship Committee consists of members as stated below.

During the financial year 2018-19 the Committee met four times on 20.04.2018, 27.07.2018, 29.10.2018 and 29.01.2019. The details of attendance of members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. P N Vijay	Independent Director	Chairman	4	4
Mr. Amit Burman	Promoter/Non-Executive Director	Member	4	3
Mr. P D Narang	Executive Director	Member	4	4
Dr. Ajay Dua	Independent Director	Member	4	4

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

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

During the year role of the Committee has been enhanced in accordance with amendments in the Listing Regulations.

The Committee now 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.
- Transfer of shares to IEPF Authority.
- Release of shares from unclaimed suspense account of the Company
- 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 relating to transfer/transmission of shares, non-receipt of annual report, non- receipt of declared dividends, issue of new /duplicate share certificates, general meetings, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

Investor Grievance Redressal

Details of complaints received and resolved by the Company during the financial year 2018-19 are given below:

Nature of Complaint	Pending as on 31.3.2018	Received during the FY 2018-19	Disposed of during the FY 2018-19	Pending as on 31.3.2019
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	3	3	NIL
Non-receipt of Dividend	NIL	9	9	NIL
Dematerialization /Rematerialization of shares	NIL	0	0	NIL
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	1	1	NIL
Total	**NIL**	**13**	**13**	**NIL**

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 10,000 shares per case and for dematerialization upto a maximum of 40,000 shares per case, jointly to any two of Mr. A K Jain, Executive 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, 2019

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 is also responsible to specifically looks into various aspects of interest of shareholders like effective exercise of voting rights by shareholders, service standards of RTA, etc.

During the year, the Committee approved 8261 cases of transfer, 1 case of transmission, nil case of re-materialization, 449 cases of dematerialization, 14 cases of consolidation, nil case of split, 9 cases of name deletion, 13 cases of issue of duplicate share certificates, 287 cases of transfer of shared to IEPF Authority, and 31 cases of release of shares from unclaimed suspense account. The Committee has also constituted a sub-committee to facilitate the issuance of duplicate share certificates and transfer/ transmission/ consolidation/ sub- division/ remat of more than 10,000 shares per case/ demat of more than 40,000 shares per case, within the prescribed timelines. The committee also reviewed the status of investors' grievances on quarterly basis. The company received complaints during the year all of which were redressed and at the close of the financial year there were no complaints pending for redressal. During the year the Committee had also approved issuance of new share certificates to facilitate transfer of shares to the Investor Education and Protection Fund Authority (IEPFA) of the Central Government and in accordance with the applicable provisions 1,93,121 equity shares of the Company have been transferred to the IEPFA. Pursuant to its revised role, the Committee reviewed the implementation of various service standards adopted by the company for shareholder services. Measures taken for effective exercise of voting rights by the shareholders were also specifically reviewed by the Committee.

P N Vijay

Place: New Delhi — Chairman,

Date : May 2, 2019 — 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.

iii) Effective 01.4.2019, by appointing an Independent Director of the Company on the Board of Directors of unlisted material subsidiary.

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. The weblink for the same is http://www.dabur.com/img/upload-files/44-policy-material-subsidiary.pdf

Dabur International Limited, a wholly owned subsidiary, incorporated outside India, is a material subsidiary of the Company. Further, Dabur India Ltd. does not have any unlisted material subsidiary, incorporated in India. [Under the Listing Regulations, a "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty per cent [(ten percent w.e.f. 1.4.2019) & for appointment of Independent Director of the Company on the Board of material subsidiary (refer iii) above) - twenty percent] of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year].

Dabur does not have a listed subsidiary.

MANAGEMENT

Integrated Reporting and Management Discussion & Analysis

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

POLICIES, AFFIRMATIONS AND DISCLOSURES

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. All Board Members and Senior Management Personnel affirm compliance 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.

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 Listing Regulations. During the year, the policy was reviewed and revised by the Board of Directors in line with the amendments in Listing Regulations.

The policy has been disclosed on the website of the Company at www.dabur.com. Web link for the same is https://www.dabur.com/img/upload-files/1135-policy-on-rpt-(bm-31.01.2019).pdf

All Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee, after obtaining approval of the Board of Directors, has laid down the criteria for granting omnibus approval which also forms part of the Policy. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and that such approval is in the interest of the company and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis. Further, there were no materially significant related party transactions that may have potential conflict with the interests of company at large.

A confirmation as to compliance of Related Party Transactions as per Listing Regulations is also sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

Disclosures by Board Members & Senior Management

The Board Members and 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 transaction with the Company;

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

Disclosure of accounting treatment in preparation of financial statements

The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. Kindly refer to note no. 5 & 6 of the financial statements (standalone and consolidated, respectively) for significant accounting policies adopted by the Company.

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 markets during the last three years.

Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations

The Company has complied with the requirements of Part C (Corporate Governance Report) of Sub-Paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance report.

Disclosure on Commodity Price Risks or Foreign Exchange Risk and Hedging Activities

Commodity price risk and hedging activities

With respect to commodities, your company's extended material supply chain has successfully sailed through the major structural tax reforms instituted by the Government in the last couple of years.

During the year, the Company has framed a Risk Management Policy with respect to Commodities including through hedging, in line with the Listing Regulations. Disclosure in the format required vide SEBI's circular dated November 15, 2018 is as under:

- Exposure of the Company to commodity and commodity risks faced by it throughout the year:
  a. Total exposure of the Company to commodities in INR = 1239 Cr.
  b. Exposure of the Company to various commodities as per the following table:

Commodity Name	Exposure in INR towards the particular commodity (INR Crore)	Exposure in Quantity terms towards the particular commodity (metric tons)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Raw Honey	188	22,661	Nil	Nil	Nil	Nil	Nil
Raw Coconut Oil	129	7,999	Nil	Nil	Nil	Nil	Nil
Mustard Oil	96	11,305	Nil	Nil	Nil	Nil	Nil
Light Liquid Paraffin	89	14,041	Nil	Nil	Nil	Nil	Nil
Sugar	86	27,090	Nil	Nil	Nil	Nil	Nil

  c. Commodity risks faced by the Company during the year and how they have been managed.

- The Company is subject to market risk with respect to commodity price fluctuations in a wide range of materials which are drawn from agricultural supply chain, petroleum value chains and imports. Such exposure is hedged through a mix of long term procurement contracts and strategic buying from time to time. The company has a robust Governance framework /mechanism in place to ensure that the company is effectively safeguarded from market volatility in terms of price.

- Risks arising out of constrained availability of various materials is addressed through a mix of measures including higher inventory holding and internal storage of some items and intermediates and long term strategic contracts with key Suppliers in case of seasonal items.

Foreign Exchange Risk and hedging activities

As regards foreign exchange risks, keeping in view the position of rupee in the market vis-a-vis foreign currency, the company has been taking forward cover for foreign currency exports and imports from time to time and with reference to foreign currency borrowings, the loans are fully hedged at the time of inception itself as per the Forex policy framework of the company.

Code for Prevention of Insider-Trading Practices

The Company has in place 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. The same have been revised during the year in accordance with amendments in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of Dabur, and while handling any Unpublished Price Sensitive Information, cautioning them of the consequences of violations. The Executive Vice President (Finance) and Company Secretary has been appointed as the Compliance Officer.

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 and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. Recently, reporting of instances of leak/ suspected leak of any Unpublished Price Sensitive Information has also been allowed through this vigil mechanism and the Company has made its employees aware of the same. 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 of 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 and leak or suspected leak of any Unpublished Price Sensitive Information.
- 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. Web link for the same is http://www.dabur.com/img/upload-files/41-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.

Dividend Distribution Policy

To bring transparency in the matter of declaration of dividend and to protect the interests of investors, Dabur has in place a Dividend Policy since long. The Policy was revised in line with Regulation 43A of the Listing Regulations and the Companies Act, 2013 which has been displayed on the Company's website, www.dabur.com and is also available in the Director's Report which forms part of the Annual Report.

CEO/ CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the CEO and CFO have certified to the Board of Directors of the Company in their meeting held on 2nd May, 2019, with regard to the financial statements and other matters specified in the said regulation, for the financial year 2018-19.

Legal Compliance Reporting

The Board of Directors reviews in detail, on a quarterly basis, the report of compliance with respect to all laws and regulations applicable to the Company. The Company has developed a very comprehensive Legal Compliance System, 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.

Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement

No funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

Certificate from Company Secretary in Practice regarding disqualification of Directors

The Secretarial Auditors of the Company M/s Chandrasekaran Associates have issued a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is placed at the end of this report.

Recommendations of Committee(s) of the Board of Directors

During the year, all recommendations of Committee(s) of the Board of Directors, which are mandatoriy required, were accepted by the Board.

Total fees paid to Statutory Auditor and All Entities in the network

Details of total fees for all services paid by the Company and its subsidiaries (on a consolidated basis), to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is as under:

Fee paid/payable by the Company w.r.t. FY 2018-19

i) Statutory Audit and limited review – ₹ 0.59 crores
ii) Certification and other services – ₹ 0.01 crores
iii) Reimbursement of expenses – ₹ 0.10 crores

Fee paid/ payable by M/s H&B Stores Limited, wholly owned subsidiary w.r.t. FY 2018-19

i) Statutory and certification fee – ₹ 0.02 crores

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Kindly refer to relevant disclosures in the Directors' Report which forms part of the Annual Report 2018-19.

Credit Ratings

For all Credit Ratings obtained by the Company along with any revisions thereto during the financial year 2018-19, kindly refer to relevant disclosures in the Directors' Report which forms part of the Annual Report 2018-19.

SHAREHOLDERS

Changes and Appointment/Re-appointment of Directors

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, the Directors longest in office since their last appointment will retire by rotation at the ensuing AGM, and being eligible offer themselves for re-appointment in accordance with provisions of the said Act.

Pursuant to Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their meeting held on 31st January, 2019 appointed Mr. Ajit Mohan Sharan (DIN: 02458844) as an Additional Director in the category of Non-Executive Independent Director, subject to approval of shareholders in the ensuing Annual General Meeting, for a term of 5 (five) consecutive years w.e.f. 31st January, 2019. Mr. Sharan has given consent for his appointment. Necessary disclosures with respect to his appointment have also been received by the Company.

Further, pursuant to Section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their meeting held on 31st January, 2019 appointed Mr. Mohit Malhotra (DIN: 08346826) as Whole Time Director, designated as Chief Executive Officer (CEO) of the Company. Mr. Mohit Malhotra held the position of CEO- designate up to 31st March, 2019 and thereafter the position of CEO, in place of Mr. Sunil Duggal. Mr. Malhotra`s appointment is subject to approval of shareholders in the ensuing Annual General Meeting and other requisite approvals, as may be required.

The Directors recommend their appointment at the ensuing AGM.

As per Section 149 of the Companies Act, 2013 the Company had appointed Mr. P N Vijay (DIN: 00049992), Mr. R C Bhargava (DIN: 00007620), Dr. S. Narayan (DIN: 00094081), Dr. Ajay Dua (DIN: 02318948) and Mr. Sanjay Kumar Bhattacharyya (DIN: 01924770) as Non-Executive Independent Directors of the Company w.e.f 22nd July, 2014 and Mrs. Falguni Sanjay Nayar (DIN: 00003633) as Non-Executive Independent Director of the Company w.e.f. 28th July, 2014 for a term (first term) of 5 consecutive years upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019. Re-appointment of the Directors for a second term shall be considered before the expiry of term of office of Directors.

A brief resume of the Directors to be considered for being appointed/ re-appointed, the nature of expertise in specific functional areas, names of companies in which they hold Directorships, committee memberships/ chairmanships, their shareholding in the Company, etc., shall be furnished in the explanatory statement to the notice of the ensuing AGM.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors of the Company are related inter-se, in terms of Section 2(77) of the Companies Act, 2013, including Rules thereunder.

For more information on the subject kindly refer to Directors` Report which forms part of the Annual Report 2018-19.

MEANS OF COMMUNICATION WITH SHAREHOLDERS

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.

Financial Results: The quarterly financial results are normally published in The Economic Times/ Hindustan Times / Navbharat Times/ Hindustan (Delhi NCR) 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, 2018	August 01, 2018
Unaudited Financial Results for the quarter/ half year ended September 30, 2018	November 01, 2018
Unaudited Financial Results for the quarter / nine months ended December 31, 2018	February 01, 2019
Audited Financial Results for the quarter/ financial year ended March 31, 2019	May 03, 2019 (Tentative)

The consolidated financial results are also 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 for FY 2017-18, 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 2017-18 containing inter-alia, audited Financial Statements, Directors Report (including Integrated Reporting and Management Discussion & Analysis, Corporate Governance 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.

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

Website: The Company's website www.dabur.com contains a separate section 'Investor' 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' 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 for dividends declared upto the financial year ended 31.03.2019 [upto FY 18-19 (Interim)] are also available in this 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.

On-line Annual Reports and Share price tools are also provided in 'Investor' Section. Share price tools includes, inter alia, share graphs, historical share price data, share series and investment calculator.

Communication to Shareholders on email: Documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

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 address provided by them and/or made available to the company by their depositories. 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' Section of the Company's website www.dabur.com

Reminders to Shareholders: Reminders for claiming unclaimed shares lying with the Company which are liable to be transferred to the Investor Education and Protection Fund Authority are sent to the Shareholders as per Company records.

NEAPS (NSE Electronic Application Processing System) and BSE Listing centre: NSE and BSE have developed web based applications for Corporates. All compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS/ BSE Listing centre.

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@mail.dabur exclusively for Investor servicing, and the same is prominently displayed on the Company's website www.dabur.com.

Dedicated email ID for communication with Investor Education and Protection Fund (IEPF) Authority: The Company has a dedicated email id praveen.mudgal@mail.dabur for communication with the IEPF Authorities.

INVESTOR RELATIONS

Investor Relations (IR) at Dabur serves as a medium for two way communication of information and insights between the Company and the Investor Community. On one hand, this seamless channel of communication enables the investor Community to be aware of the Company's business activities, strategy and prospects and allows them to make an informed judgement about the Company. On the other hand, the Company receives invaluable inputs and feedback from the investor community which are given due consideration and factored into future plans and strategies.

The Company hosts calls (both voice and video) or meetings with institutional investors on request. Post the quarterly results, a conference call and a webcast are organized which provides a platform for the Management to answer questions and provide clarifications to investors and analysts. The Company hosts these calls on its own and not through brokerage houses so as to provide an equitable forum for dissemination of information. The Company continues to interact with all types of funds and investors in order to have a diversified shareholder base in terms of geographical location, investment strategy and investment horizon.

In order to ensure accurate, transparent and timely information flow, the IR department holds the following activities:

- Provides detailed updates on the Company's performance to all investors immediately after the release of quarterly results
- Post quarterly results, an Investor Conference call is held where all members of the financial Community are invited to participate in the Q&A session with the Company's Management. The key highlights are discussed and Investor/ analyst queries are resolved in this forum. A Webcast and transcript of the same is provided on the Company's website
- The Company interacts with representatives of brokerage houses to brief them about the Company's operations and strategy
- One-on-One/Group meetings with investors to brief them about the Company's ongoing performance/ initiatives and respond to their queries and concerns

- The Company's executives participate in investor meetings including conferences in India and abroad, organized by leading institutional brokerage houses. During 2018-19, they attended conferences hosted by JP Morgan, Morgan Stanley, Edelweiss, IIFL, Nomura, Motilal Oswal, B&K Securities and CLSA among others

All historical and latest information updates are promptly available on the Investor Relations page of the Company's website for reference. The website also provides real time updates on the stock price, comparative performance and shareholder returns.

GENERAL BODY MEETINGS

Details of the last three general body meetings held are given below:

Financial Year	Category	Location of the meeting	Date	Time
2015-2016	Annual General Meeting (AGM)	Air Force Auditorium, Subroto Park, New Delhi – 110010	July 19, 2016	11.00 AM
2016-2017	AGM	Same as above	July 26, 2017	11.00 AM
2017-2018	AGM	Same as above	July 26, 2018	11.00 AM

Special Resolutions taken up in the last three AGMs and passed with requisite majority are mentioned hereunder:

July 19, 2016: No special resolution was passed in the AGM.

July 26, 2017: Re-appointment of Mr. P D Narang as Whole Time Director for a periof of 5 Year w.e.f. 01.04.2018 to 31.03.2023.

July 26, 2018:

1) Authorising the Board of Directors under Section 186 of the Companies Act, 2013 for giving of 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 up to ₹ 8000 crore.
2) Pursuant to SEBI (LODR) Regulations 2015, approval for continuation of appointment of Mr. R C Bhargava (DIN: 00007620) as Non-Executive Independent Director w.e.f. 01.04.2019 up to the conclusion of AGM of the Company to be held in the calendar year 2019.
3) Pursuant to SEBI (LODR) Regulations 2015, approval for continuation of appointment of Dr. S Narayan (DIN: 00094081) as Non-Executive Independent Director w.e.f. 01.04.2019 up to the conclusion of AGM of the Company to be held in the calendar year 2019

Postal Ballot

During the year under review, no resolution was passed through postal ballot.

Currently, no resolution is proposed to be passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2018-19. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

ADOPTION OF DISCRETIONARY 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

Quarterly Financial Results are sent electronically to all shareholders possessing email ids. The same is also uploaded on the Company's website www.dabur.com

3) Modified opinion(s) in Audit Report

The auditors have expressed an unmodified opinion 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 SHAREHOLDERS 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: 30th August, 2019; Time: 4:00 PM; 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, 2019, results were announced on:

- First Quarter – 31st July, 2018
- Half Yearly – 31st October, 2018
- Third Quarter – 31st January, 2019
- Fourth Quarter and Annual – 2nd May, 2019

For the financial year ending March 31, 2020, results will be announced tentatively (subject to change) by:

- First Quarter – 19th July, 2019
- Half Yearly – 5th November, 2019
- Third Quarter – 30th January, 2020
- Fourth Quarter and Annual – 5th May, 2020

Book Closure

The dates of Book Closure are from 9th August, 2019 to 16th August, 2019 both days inclusive.

Dividend Payment

Interim Dividend of ₹ 1.25 per equity share fully paid up was paid on November 22, 2018 for the financial year 2018-19. Final Dividend of ₹ 1.50 per equity share fully paid up for the financial year 2018-19 has been recommended by the Board of Directors to shareholders for their approval. If approved the dividend shall be paid from 19th September, 2019 onwards.

Dates for Transfer of Unclaimed Dividend to Investors Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013, final dividend for the financial year 2010- 11 and interim dividend for the financial year 2011-12 which remained unpaid /unclaimed for a period of seven years from the date it was lying in the unpaid dividend account, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government.

The dividend for following years (see table below), which remains unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to the 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 dividends specified below are available on the website of the Company www.dabur.com. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, w.e.f. September 7, 2016, shareholders may claim their unclaimed amount as per the procedures/guidelines issued by the Ministry of Corporate Affairs (MCA). For details, Investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

Dividends declared in the past

Financial year	Type of dividend	Dividend rate %	Date of declaration	Due date for transfer to IEPF
2011-2012	Final	75	17/07/2012	22/08/2019
2012-2013	Interim	65	26/10/2012	01/12/2019
2012-2013	Final	85	17/07/2013	22/08/2020
2013-2014	Interim	75	28/10/2013	03/12/2020
2013-2014	Final	100	22/07/2014	27/08/2021
2014-2015	Interim	125	15/09/2014	21/10/2021
2014-2015	Final	75	21/07/2015	27/08/2022
2015-2016	Interim	125	28/10/2015	03/12/2022
2015-2016	Final	100	19/07/2016	26/08/2023
2016-2017	Interim	125	26/10/2016	02/12/2023
2016-2017	Final	100	26/07/2017	30/08/2024
2017-2018	Interim	125	31/10/2017	05/12/2024
2017-2018	Final	625	26/07/2018	30/08/2025
2018-2019	Interim	125	31/10/2018	06/12/2025

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

Consequent to the above, during the financial year 2018-19, 1,93,121 equity shares of the Company were transferred to the IEPFA. Relavant details of such shares is available on the website of the Company www.dabur.com.

Equity Shares lying with the Company in Suspense Account

As per the provisions of Regulation 39(4) of the Listing Regulations, 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 'Unclaimed Suspense Account' of the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these shares. All Corporate benefits accruing on these shares like bonus, split etc., if any, are also credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares 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 Agents of the Company by forwarding a request letter duly signed by all the joint holders furnishing their complete postal address along with PIN code, self-attested copies of PAN card & proof of address, and for delivery of shares 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 Shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	927	17,39,519
2	Number of shareholders along with shares held who approached the Company for transfer of shares from suspense account during the year	31	82,000
3	Number of shareholders along with shares held to whom shares were transferred from suspense account during the year	31	82,000
4	Number of shareholders along with shares held which were transferred from suspense account to Investor Education and Protection Fund Authority (IEPFA) during the year	24	43,500
5	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	872	16,14,019

Listing

At present, the equity shares of the Company are listed at:

- **BSE Ltd. (BSE)**

  Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

- **National Stock Exchange of India Ltd. (NSE)**

  Address: Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051.

The annual listing fees upto the financial year 2019-20 to BSE and NSE has been paid.

Delisting from Metropolitan Stock Exchange of India Ltd. (MSEI)

During the year, the Company had applied for voluntary delisting of its equity shares from Metropolitan Stock Exchange of India Ltd. (MSEI). Accordingly, trading in Equity Shares of the Company on MSEI was suspended w.e.f. October 03, 2018 and the Company was delisted from the Capital Market Segment of the Exchange w.e.f. October 10, 2018.

Dabur's Stock Exchange codes –

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

Equity Evolution during the year

As at March 31, 2019 the paid-up equity share capital of the Company was ₹ 1,76,62,91,141/- consisting of 1,76,62,91,141 equity shares of ₹ 1/- each. Details of equity evolution of the Company during the year under review is as under

1. Allotment of 47,43,911 equity shares of Re.1/- each on June 1, 2018
2. Allotment of 26,720 equity shares of Re.1/- each on November 29, 2018.

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 2018-19 at BSE and NSE:

Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
Apr-18	371.70	327.00	10,06,861	371.95	326.20	2,33,72,901
May-18	389.20	364.00	44,26,398	389.25	364.60	3,39,72,785
Jun-18	397.25	375.40	28,48,847	396.40	375.30	2,78,43,104
Jul-18	428.60	366.00	80,11,157	428.45	365.55	6,68,41,594
Aug-18	490.70	422.00	45,14,754	490.65	422.00	7,74,79,894
Sep-18	479.90	417.60	50,59,158	481.05	416.55	6,03,04,541
Oct-18	444.35	381.25	30,49,311	442.50	379.50	6,96,33,114
Nov-18	426.20	358.90	31,41,649	426.55	362.60	7,06,63,095
Dec-18	458.50	395.70	33,61,484	458.80	395.00	6,08,74,518
Jan-19	447.80	411.20	36,51,237	448.20	411.00	5,55,91,949
Feb-19	463.90	417.70	18,10,113	464.20	417.50	3,88,17,770
Mar-19	454.50	406.65	19,06,127	454.70	407.00	5,10,68,240

Chart A: Dabur's Share Performance versus BSE Sensex

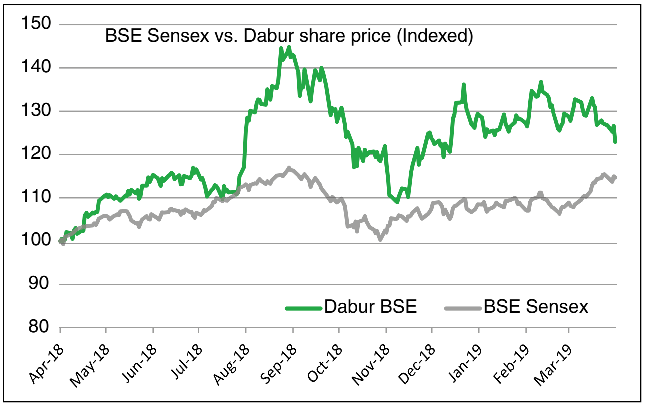
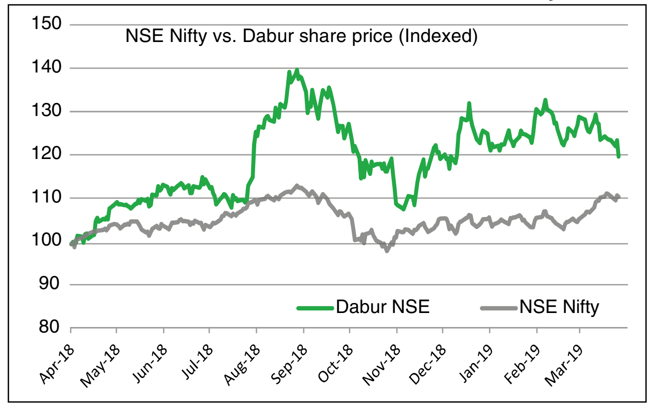


Chart B: Dabur's Share Performance versus Nifty



The charts have share prices and indices indexed to 100 as on the first working day of 2018-19

Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2019 along with the top 10 shareholders of the Company is given below:

Shareholding pattern by size as on March 31, 2019

Number of equity shares held	Total number of share holders	% of Shareholders	Total number of shares held	% of share holding
up to 5000	1,71,614	97.56	4,54,67,204	2.58
5001 – 10000	2,888	1.64	1,82,46,021	1.03
10001 and above	1,420	0.80	1,70,25,77,916	96.39
Total	**1,75,922**	**100**	**1,76,62,91,141**	**100**

Shareholding pattern by ownership as on March 31, 2019

Particulars	As on March 31, 2019				As on March 31, 2018			
	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
Promotor & Promotor Group	25	0.01	1,19,92,41,677	67.90	25	0.02	1,19,90,00,677	68.07
Foreign Portfolio Investors	644	0.37	32,16,05,933	18.21	522	0.41	30,32,45,081	17.21
Mutual Funds	31	0.02	6,76,44,294	3.83	23	0.02	7,61,70,528	4.32
Financial institutions/Banks	19	0.01	50,16,005	0.28	13	0.01	78,96,871	0.45
Insurance Companies	5	0.00	4,44,22,056	2.51	5	0.00	6,62,94,547	3.76
NRI's/OCB/Foreign Nationals	7,094	4.03	65,67,996	0.37	3,807	3.01	53,11,700	0.30
Individuals (including Trusts)	1,66,534	94.66	9,15,11,800	5.18	1,20,982	95.80	7,89,10,291	4.48
Bodies Corporates (including Clearing members, Alternate Investment Funds,NBFC,IEPF)	1570	0.89	30,28,1380	1.71	914	0.72	2,46,90,815	1.40
Total	**1,75,922**	**100**	**1,76,62,91,141**	**100**	**1,26,291**	**100**	**1,76,15,20,510**	**100**

Top ten Shareholders as on March 31, 2019

Name	No. of shares held	% of shareholding
Chowdry Associates	21,79,41,800	12.34
VIC Enterprises Private Limited	21,77,34,000	12.33
Gyan Enterprises Private Limited	20,22,37,980	11.45
Puran Associates Private Limited	18,92,12,000	10.71
Ratna Commercial Enterprises Private Limited	15,74,35,429	8.91
Milky Investment and Trading Company	10,61,47,503	6.01
Burmans Finvest Private Limited	5,30,12,986	3.00
Life Insurance Corporation of India	3,84,84,321	2.18
MB Finmart Private Limited	2,65,26,492	1.50
Windy Investments Private Limited	2,65,06,492	1.50

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, 2019, 99.75% 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

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

a) Demat account should be opened with a Depository Participant (DP).

b) Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.

c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).

d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Karvy Fintech Pvt. Ltd.

e) RTA will process the DRF and confirm or reject the request to DP/ depositories.

f) 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.

Outstanding GDRs/ADRs/Warrants/Options

The Company has 65,97,942 outstanding Employee Stock Options as on March 31, 2019 with vesting period from 1 to 5 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)

SEBI vide Regulation 7 of the Listing Regulations has mandated that where the total number of security holders of the Company exceeds one lac, the Company shall register with SEBI as a Category II Share Transfer Agent for all work related to share registry or appoint a registrar to an issue and Share Transfer Agent registered with SEBI. Dabur had appointed MCS Limited as its RTA in 1994 for both segments, physical and electronic, much before this was mandated by SEBI. During the year 2007-08, the Company appointed Karvy Computershare Private Limited (now vests with Karvy Fintech Private Limited) as its Registrar. As required under Regulation 7(3) of the Listing Regulations, the Company files, on half yearly basis, certificate issued by RTA and compliance officer of the company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Karvy Fintech Private Limited (previously maintained by Karvy Computershare Private Limited)

Details of the RTA are given below-

Karvy Fintech Private Limited	
305, New Delhi House, 27 Barakhamba Road, New Delhi- 110001 Phone No. – 011 – 43681700, Fax No. 011- 43681710 Website - www.karvy.com	Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Fax No. – 040-23001153, Phone No. – 040 – 67162222, Website - www.karvy.com

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA.

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 Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

Further, as per Regulation 40 of the Listing Regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository.

Reconciliation of Share Capital Audit

An independent firm of practicing Chartered Accountants or Compnay Secretaries 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 (SS) on various aspects of corporate law and practices. The Company has complied with the SS -1 on Board Meetings and SS - 2 on General Meetings.

Company's Registered Office Address:

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

PLANT LOCATIONS

Sahibabad	Plot No. 22, Site IV, Sahibabad Ghaziabad- 201 010 (Uttar Pradesh.) Tel: 0120- 3378400,
Baddi	Hajmola Unit Plot No.109, HPSIDC Industrial Area, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795- 393928 Fax : 01795-244090
	Chyawanprash Unit Plot No. 220-221, HPSIDC Industrial Area, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393954
	Amla/Honey Unit Village Billanwali Lavana, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Shampoo Unit Village Billanwali Lavana, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Toothpaste Unit Village Billanwali Lavana, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Honitus/Nature Care Unit Plot No. 109, HPSIDC Industrial Area, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795- 393928 Fax : 01795-244090
	Food Supplement Unit Plot No. 221, HPSIDC Industrial Area, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393954
	Oral Care Unit Plot No. 601, Malkhumajra, Nalagarh Road, Teh. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel : 01795-276213
	Green Field Unit Village Manakpur, PO Manpura, Tehsil Baddi, Distt Solan- - 174 101 (Himachal Pradesh) Tel : 01795- 398014
	Air Freshner Unit Village Billanwali Lavana, The. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Toothpowder Unit Village Billanwali Lavana, The. Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Skin Care Unit Village Manakpur, PO Manpura, Tehsil Baddi, Distt Solan- 174 101 (Himachal Pradesh) Tel : (01795) 236876, (01795) 236877
	Honey Unit Village Manakpur, PO Manpura, Tehsil Baddi, Distt Solan- - 174 101 (Himachal Pradesh) Tel : 01795- 398014
Pantnagar	Plot No.4, Sector-2, Integrated Industrial Estate Pantnagar Distt. Udham Singh Nagar – 263 145 (Uttarakhand) Tel: 05944-394125
	Plot No. 16, Sector-2, Integrated Industrial Estate Pantnagar Distt. Udham Singh Nagar – 263 145 (Uttarakhand) Tel: 05944-394125
Jammu	Lane No.3, Phase II, SIDCO Industrial. Complex Bari Brahmna, Jammu – 181 133 (J&K) Tel: 01923 - 220123,221970
Katni	10.4 Mile Stone, NH -7, Village Padua, PO Piprondh, Distt. KATNI– 483 442 (Madhya Pradesh) Tel : 09826121239
Alwar	SP-C- 162, Matsya Industrial Area, Alwar - 301 030 (Rajasthan) Tel: 0144 - 2881542 Fax : 0144 - 2881302

Pithampur	86-A, Kheda Industrial Area Sector-3, Pithampur Distt. - Dhar – 454 774 (Madhya Pradesh) Tel : 07292 – 400049,51 Fax : 07292 – 400112
Narendrapur	9, Netaji Subhash Chandra Bose Road P.O. - Narendrapur Kolkata - 700103 (West Bengal) Tel: 033- 2477 2326 2477 2620, 2477 2738, 2477 2740
Silvassa	Survey No. 225/4/1, Saily Village Silvassa – 396240 Dadra & Nagar Haveli (Union Territory) Tel : 07574807744 , 07574807700 , (0260) 2681073 Fax No. (0260) 2681075
Newai	Plot No. G 50-59, IID Centre, NH-12 Road No.1, RIICO Industrial Area Newai Distt. Tonk – 304020 (Rajasthan) Tel: 01438 -223342, 223783
Nashik	D-55, M.I.D.C., Ambad, Distt. Nashik – 422 010 (Maharashtra) Tel: 0253- 2383577 Fax : 0253- 2383577
Tezpur	Industrial Growth Centre (IGC) - Balipara Village Dhekidol, PO Ghoramari, PS Salonibari, Distt. Sonitpur – 784 105 (Assam)

ADDRESS FOR CORRESPONDENCE

For share transfer / dematerialisation of shares, payment of dividend and any other query relating to the shares	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Fax No. – 040-23001153 Phone No. – 040 - 67162222 Website - www.karvy.com
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: 011-71206000; Fax: 011-23222051
Chief Compliance Officer	Mr. A K Jain, E V P (Finance) & Company Secretary, Dabur India Limited, Punjabi Bhawan, 10, Rouse Avenue, New Delhi – 110 002. Tel: 011–71206000; Fax: 011–2322 2051

CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

I declare that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2018-19.

Place : New Delhi
Date : May 2, 2019

Mohit Malhotra
CEO, Dabur India Limited

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE REGARDING DISQUALIFICATION OF DIRECTORS

CERTIFICATE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
Dabur India Limited
8/3, Asaf Ali Road
New Delhi - 110002

To the best of our information, according to explanations given, documents and confirmation provided by the Company we hereby Certify that as on March 31, 2019, None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI, MCA or any such Statutory Authority.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673

Place : New Delhi
Date : May 1, 2019

ANNEXURE 1

DETAILS OF OTHER DIRECTORSHIPS HELD

Name of the Director	Status	Directorship	Category	Committee Membership	Committee Chairmanship
Dr. Anand C Burman	CHAIRMAN/ PD/NED	*Unlisted Public Companies*		NIL	NIL
		Aviva Life Insurance Co. India Ltd.			
		H & B Stores Ltd.			
		Dabur Research Foundation			
		Save and Prosper Limited			
		Listed Companies			
		Hero MotoCorp Ltd.	ID		
		Ester Industries Ltd.	ID		
Mr. Amit Burman	PD/NED	*Unlisted Public Companies*			NIL
		H & B Stores Ltd.		NIL	
		Micromax Informatics Ltd		Audit Committee	
		Listed Companies			
		Talbros Automative Components Ltd.	ID	Audit Committee	
		PVR Limited	ID	Audit Committee	
Mr. Mohit Burman	PD/NED	*Unlisted Public Companies*			NIL
		Aviva Life Insurance Co. India Ltd		Audit Committee	
		H & B Stores Ltd.		NIL	
		Universal Sompo General Insurance Co. Ltd.		Audit Committee	
Mr. Saket Burman	PD/NED	NIL		NIL	NIL
Mr. P D Narang	ED	*Unlisted Public Companies*			
		H & B Stores Ltd.		Audit Committee	Share Issuance & Stakeholders Relationship Committee
		Aviva life Insurance Co. India Ltd.		Audit Committee	NIL
		Dabur Research Foundation		NIL	NIL
Mr. Sunil Duggal	ED	NIL		NIL	NIL
Mr.Mohit Malhotra	ED	NIL		NIL	NIL
Mr. P N Vijay	ID	*Unlisted Public Company*			
		H & B Stores Ltd		NIL	Audit Committee
		Listed Company			
		Maharashtra Seamless Limited	ID	Audit Committee	NIL
Mr. R C Bhargava	ID	*Unlisted Public Company*			
		Intellect Commerce Limited		NIL	NIL
		Thomson Press Ltd.		NIL	Audit Committee
		Listed Company Maruti Suzuki India Ltd.	Chairman/ NED	NIL	Stakeholders Relationship Committee

Name of the Director	Status	Directorship	Category	Committee Membership	Committee Chairmanship
Dr. S Narayan	ID	*Unlisted Public Companies*			
		Artemis Medicare Services Limited		NIL	Audit committee
		Artemis Global Life Sciences Limited		NIL	Stakeholder relationship committee & Audit committee
		Andhra Pradesh Urban Infrastructure Asset Management Ltd.		NIL	NIL
		IIFL Wealth Finance Limited		NIL	NIL
		Listed Companies			
		Seshasayee Paper and Board Ltd	ID	Audit Committee	NIL
		IIFL Holdings Limited	ID	NIL	NIL
		Apollo Tyres Ltd.	ID	NIL	Audit Committee
Dr. Ajay Dua	ID	*Listed Company*	ID	Audit Committee	NIL
		Kirloskar Pneumatic Company Limited			
Mr. Sanjay Kumar Bhattacharyya	ID	*Unlisted Public Companies*			
		SBM Bank (India) Limited		NIL	NIL
		H & B Stores Ltd.		Audit Committee	NIL
		C&S Electric Limited		NIL	Audit Committee
		Number Analytics and Information Ltd.		NIL	NIL
		Listed Companies			
		Persistent Systems Limited	ID	Audit Committee	Stakeholders Relationship Committee
		Wanbury Limited	ID	Audit Committee	Stakeholders Relationship Committee
Ms. Falguni Sanjay Nayar	ID	*Unlisted Public Companies*			
		Kotak Securities Limited		Audit Committee	NIL
		Tata Technologies Limited		NIL	Audit Committee
		Listed Companies			
		ACC Limited	ID	NIL	NIL
		Tata Motors Limited	ID	Audit Committee Stakeholders Relationship Committee	NIL
		Endurance Technologies Limited	ID	NIL	NIL
Mr. Ajit Mohan Sharan	ID	NIL		NIL	NIL

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting the 44th Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2019.

Financial Results

Financial results are presented in the table below:

(₹ in crores)

Particulars	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations including other Income	**8829.22**	**8053.52**	**6547.93**	**5892.29**
Less Expenses:				
Cost of goods sold	4309.03	3846.41	3257.51	2919.46
Employee benefits expenses	937.91	792.79	572.33	461.13
Finance cost	59.58	53.05	29.80	21.89
Depreciation and Amortization expenses	176.90	162.18	108.83	102.50
Other Expenses	1546.55	1491.70	1076.11	999.64
Total Expenses	**7029.97**	**6346.13**	**5044.58**	**4504.62**
Profit before share of profit from joint venture and exceptional items	**1799.25**	**1707.39**	**NA**	**NA**
share of profit of Joint Venture	0.96	0.24	NA	NA
Profit before exceptional items and tax	**1800.21**	**1707.63**	**1503.35**	**1387.67**
Exceptional items	75.34	14.54	0	14.54
Profit before tax	**1724.87**	**1693.09**	**1503.35**	**1373.13**
Tax expense	278.62	335.35	239.06	301.08
Net Profit for the year	**1446.25**	**1357.74**	**1264.29**	**1072.05**
Net profit attributable to -				
Owners of the Holding Company	1442.33	1354.39	NA	NA
Non-Controlling interest	3.92	3.35	NA	NA

Transfer to reserves

There is no amount proposed to be transferred to reserves.

Dividend

The Company has paid an interim dividend of ₹1.25 per share of ₹1/-each fully paid up (being 125%) on November 22, 2018. We are pleased to recommend a dividend of ₹1.50 per share of ₹1/- each fully paid up (being 150%) for the financial year 2018-19. The dividend recommended, if approved by the members, will be paid to members within the period stipulated by the Companies Act, 2013. The aggregate dividend for the year will amount to ₹2.75 per share of ₹1/- each fully paid up (being 275%) as against ₹7.50 per share of ₹1/- each fully paid up (being 750%) which included special dividend of ₹5.00 per share (being 500%) declared last year. The dividend payout ratio for the current year, inclusive of corporate tax on dividend distribution is at 46.32%.

Unpaid/ unclaimed Dividend

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, Final dividend for the financial year 2010-11 amounting to ₹32,43,976/- and interim dividend for the financial year 2011-12 amounting to ₹29,90,565/- which remained unpaid/ unclaimed for a period of 7 years, from the date it was lying in the unpaid dividend account, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government. 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 declared up to the financial year 2017-18 (updated up to the date of 43rd AGM held on 26.07.2018) and for interim dividend declared during the financial year 2018-19 is available on Company's website www.dabur.com. Shareholders are requested to check the said lists and if any dividend due to them remains unpaid in the said lists, can approach the Company for release of their unpaid dividend.

Financial Statements

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the abridged Annual Report containing salient features of the financial statements, including consolidated financial statements, for the financial year 2018-19, 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. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2018-19, upon receipt of written request from you, as a member of the Company.

Full version of the Annual Report 2018-19 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 Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report) is being sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2018-19 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website at www.dabur.com.

Consolidated Financial Statements

In compliance with the applicable provisions of Companies Act, 2013 including the Accounting Standard Ind AS 110 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2018-19. Consolidated Turnover was ₹8829.22 crores as against ₹8053.52 crores in the previous year. Net Profit after Tax for the year stood at ₹1442.33 crores as against ₹1354.39 crores in the previous year.

Operations and Business Performance

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

Corporate Governance

Corporate governance is a process that aims to allocate corporate resources in a manner that maximizes value for all stakeholders – shareholders, investors, employees, customers, suppliers, environment and the community at large and holds those at the helms to account by evaluating their decisions on transparency, inclusivity, equity and responsibility. Fine corporate governance is an essential standard for establishing the striking investment environment which is needed by competitive companies to gain strong position in efficient financial markets.

At Dabur good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders interests by applying proper care, skill and diligence to business decisions. Payoffs from strong governance practices have been in the sphere of valuations, stakeholders' confidence, market capitalization and high credit ratings in positive context apart from obtaining of awards from appropriate authorities for brands, stocks, environmental protection, etc. These contributes to Dabur paying uninterrupted dividends to its shareholders. During the FY 2018-19, Dabur India Limited has been awarded as the Best Governed Company by ICSI at its 18th National Awards for Excellence in Corporate Governance, for 2018. This is the third year in a row and 5th overall that Dabur has been presented this award by The Institute of Company Secretaries of India (ICSI). Dabur was presented the Award for implementation of exemplary practices in Corporate Governance, Board Structure and Processes, and Disclosure Compliances.

A certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations is attached as 'Annexure 1' 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.

Business Responsibility Report as stipulated under Regulation 34 of the Listing Regulations is available on the website of the Company www.dabur.com at weblink http://dabur.com/in/en-us/investor/investor-information/business-responsibility-report-as-per-sebi-listing-regulations. Any Member interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office of the Company.

Credit Rating

During the year the Company has sustained its long term bank facility 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 bank facility credit rated as A1+ by CRISIL, has been reaffirmed. The rating of A1+ for Commercial Paper has also been reaffirmed by CRISIL. This highest rating of A1+ 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 long term rating is stable.

Directors

Pursuant to Section 149, 152 and other applicable provisions 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 (DIN: 00042050) and Mr. Mohit Burman (DIN: 0021963), Directors will retire by rotation at the ensuing AGM, and being eligible, offers themselves for re-appointment in accordance with provisions of the Companies Act, 2013.

Pursuant to Section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, the Board of Directors of the Company in their meeting held on 31st January, 2019 appointed Mr. Ajit Mohan Sharan (DIN: 02458844) as an Additional Director in the category of Non-Executive Independent Director, subject to approval of shareholders in the ensuing Annual General Meeting, for a term of 5 (five) consecutive years w.e.f. 31st January, 2019. Mr. Sharan has given consent for his appointment. The Company has also received a notice in writing from a member proposing his candidature for the office of Director. Necessary disclosures with respect to his appointment have also been received by the Company.

Further, pursuant to Section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder and Listing Regulations, the Board of Directors of the Company in their meeting held on 31st January, 2019 appointed Mr. Mohit Malhotra (DIN: 08346826) as Whole Time Director, designated as Chief Executive Officer (CEO) of the Company. Mr. Mohit Malhotra held the position of CEO- designate up to 31st March, 2019 and thereafter the position of CEO, in place of Mr. Sunil Duggal. Mr. Malhotra's appointment is subject to approval of shareholders in the ensuing Annual General Meeting and other requisite approvals, as may be required. The Company has also received a notice in writing from a member proposing his candidature for the office of Director.

Important changes which have occured after the close of Financial Year

As per Section 149 of the Companies Act, 2013 the Company had appointed Mr. P N Vijay (DIN: 00049992), Mr. R C Bhargava (DIN: 00007620), Dr. S. Narayan (DIN: 00094081), Dr. Ajay Dua (DIN: 02318948) and Mr. Sanjay Kumar Bhattacharyya (DIN: 01924770) as Non-Executive Independent Directors of the Company w.e.f. 22nd July, 2014 and Mrs. Falguni Sanjay Nayar (DIN: 00003633) as Non-Executive Independent Director of the Company w.e.f. 28th July, 2014 for a term (first term) of 5 consecutive years. All these Directors are eligible for re-appointment as Independent Directors. Considering the good performance evaluation report of these Directors, the Board of Directors of the Company, on the recommendation of Nomination & Compensation Committee, in their meeting held on 19th July, 2019 have re-appointed them for a second term of 5 (five) consecutive years, subject to approval of shareholders in the ensuing AGM. The Company has received necessary disclosures and notices with respect to re-appointment of all the above mentioned Independent Directors.

At the end of the Board Meeting on 19th July, 2019

- Dr. Anand Chand Burman, Chairman and Director of the Company stepped down from the office of Director, with immediate effect, and
- Mr. Sunil Duggal, Director who had resigned from executive position w.e.f. 16th May, 2019, resigned from the office of Director with immediate effect.
- Further, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, the Board of Directors of the Company, upon recommendation of Nomination and Remuneration Committee, in their meeting held on 19th July, 2019 appointed Mr. Aditya Burman (DIN: 00042277) as an Additional Director in the category of Non-Executive Promoter Director, subject to approval of shareholders in the ensuing Annual General Meeting. Mr. Aditya Burman has given consent for his appointment. The Company has received a notice in writing from a member proposing his candidature for the office of Director of the Company.

A brief resume of the Directors being appointed/ re-appointed, the nature of expertise in specific functional areas, names of companies in which they hold Directorships, committee memberships/ chairmanships, their shareholding in the Company, etc., have been furnished in the explanatory statement to the notice of the ensuing AGM.

The Nomination and Remuneration Committee and the Board of Directors of the Company recommend their appointment/ re-appointment at the ensuing AGM.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors of the Company are related inter-se in terms of Section 2(77) of the Companies Act, 2013 including rules thereunder.

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. Mohit Malhotra, Whole Time Director (Chief Executive officer (CEO)- India Business, as KMP w.e.f. May 1, 2018, Whole Time Director & CEO- designate w.e.f. January 31, 2019 and Whole Time Director & CEO w.e.f. April 1, 2019)

Mr. Lalit Malik, Chief Financial Officer

Mr. Ashok Kumar Jain, Executive Vice President (Finance) and Company Secretary

Mr. Sunil Duggal, Whole Time Director (CEO up to March 31, 2019). He has ceased as Whole Time Director w.e.f. May 16, 2019, however he shall continue as Non-Executive Director.

Important changes which have occured after the close of Financial Year

Mr. Sunil Duggal has resigned from the office of Director on July 19, 2019, at the end of the board meeting held on that day.

Policy on Directors' appointment and Policy on Remuneration

Pursuant to 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 to this report. The same are also available on the website of the Company at www.dabur.com at weblink https://www.dabur.com/img/upload-files/111972-policy-on-Directors-appointment-and-policy-on-remuneration.pdf.

Particulars of remuneration of Directors/ KMP/ Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as 'Annexure 4A' to this report. Further, in terms of the provisions of Section 197(12) of the Act 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 employees drawing remuneration in excess of the limits set out in the said rules is attached as 'Annexure 4B' to this report.

Employees Stock Option Plan

During the year, 67,44,864 options in 3 tranches were granted to eligible employees of the Company in terms of Employees Stock Option Plan (Dabur ESOP 2000).

During the financial year 2018-19, there has been no change in the Employees Stock Option Plan (Dabur ESOP 2000) of the Company. Further, it is confirmed that the ESOP Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

The applicable disclosures as stipulated under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.dabur.com and weblink for the same is http://www.dabur.com/in/en-us/investor/investor-information/esops

Number of Meetings of the Board

During the Financial Year 2018-19, 4 (four) 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 Regulations, 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. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2018-19 in accordance with the framework. The details of evaluation process of the Board, its Committees and individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

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

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 42nd Annual General Meeting held on 26th July, 2017 until the conclusion of 47th Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee of the Board. However, as per the Companies Amendment Act, 2017, the requirement of annual ratification has been omitted.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated 1st May, 2019 from the Auditors to the effect, *inter-alia*, confirming that their appointment continues to be within the limits laid down by the Act, is as per the term provided under the Act, that they are not disqualified for continuing such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

The Auditors have 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.

Report of Statutory Auditors

M/s. Walker Chandiok & Co LLP, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2018-19, which forms part of the Annual Report 2018-19. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

Cost Auditors and their Report

As per Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules 2014, M/s Ramanath Iyer & Company, Cost Accountants, (Firm's Membership No. 000019) have been re-appointed as Cost Auditors for the financial year 2019-20 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing annual general meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2017-18, 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 on 23.08.2018.

Secretarial Auditors and their Report

M/s Chandrasekaran Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2018-19 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 5' to this report.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2018-19 which call for any explanation from the Board of Directors.

M/s Chandrasekaran Associates, Company Secretaries have been re-appointed to conduct the secretarial audit of the Company for the financial year 2019-20. They have confirmed that they are eligible for the said appointment.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

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 IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and Standard Operating Procedures (SOP's) and audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks from Pricewaterhouse Coopers Pvt. Ltd., 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 Auditors to the Audit Committee of the Board.

To further strengthen the internal control process, the Company has developed a very comprehensive legal compliance system 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 which should be adequate and shall operate 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 regulatory amendment is updated periodically 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 regular basis throughout the year as per agreed audit plan.
    - Tier-2: Transaction audits are conducted regularly 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 is done on an annual basis including Ind AS-36 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.
- The Company 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.
- The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- The Company 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 vs. budgets 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.
- After close of the financial year the internal auditors have issued their report apprising the company of certain gaps in design/ operating effectiveness of controls, for which the management has agreed to take remedial action.

Development and implementation of Risk Management

Dabur has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. The Risk Management Committee of the Board is responsible for preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, identifying and reviewing critical risks on regular basis, updating the Risk Register on quarterly basis, reporting of key changes in critical risks to the Board on an ongoing basis and a detailed report on yearly basis, evaluation of risk management systems by the Audit Committee 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, their impact 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 risks 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. The Board is responsible for framing, implementing and monitoring the risk management plan of the Company. During the year, Pricewaterhouse Coopers Pvt. Ltd., Internal auditors, had tested the Risk & Control Matrices for various processes as a part of Internal financial control framework. These Risk & Control Matrices were prepared by them during the last financial year.

In line with the Listing Regulations, during the year cyber security risk has been included in the risk management plan and a Risk Management Policy with respect to Commodities, including through hedging has also been framed by the Company.

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.

Dabur has a diverse portfolio consisting of a number of brands and sub-brands across the three verticals of Home and Personal care, Healthcare and Foods. In addition the Company has presence across various channels such as general groceries, chemists, organized retail and ecommerce. During the year, the company followed a channel focus strategy whereby each channel was leveraged through specific strategies and teams. This led to high growth in channels such as rural, organized retail and ecommerce.

During fiscal 2018-19 the Company launched the following new products:

In India

- Ethnic Masala Range of Juices in 3 variants - Masala Guava, Masala Pomegranate and Alphonso Mango Nectar
- A new variant of Hajmola called the Hajmola Chat Cola
- A new SKU of Honey Squeezy in 225 gm to increase the penetration and affordability of honey in India
- A new format of Odonil, in the form of a convenient fragrance card, called Odonil Smile
- Hridyasava, an Ayurvedic medicine beneficial for heart

Recognizing that India is a mosaic nation full of consumers of different cultures, beliefs and preferences, Dabur has embarked upon a region-focused and analytics-based initiative, RISE. Under this initiative, the company looks at India through the lens of 12 geographical clusters. The company successfully completed the first phase of project which entails collecting insights and ideas from these clusters. A pilot project was commenced in North East based on these insights and the region has shown tremendous growth. As we move along the course of RISE, we expect to launch products and initiatives with different propositions and characteristics which are closer to the consumer's pulse in the respective market.

During the year the company initiated a project called 'Lakshya' which entails improving range availability at C&FA and distributors, improving lead time adherence, improving the OTIF (On-Time and In-Full) metric for modern retail, reducing logistics cost and finished good inventory. It is a comprehensive supply chain project which will help us transform into a leaner and more efficient company. We have seen considerable improvements on this front in this fiscal year and expect to see further gains in the coming year.

New product launches under International Business:

In Overseas markets

- New range of Hair Waxes and Hair Mousse in Hobby, Turkey
- Vatika Afro Naturals Range in South Africa
- Olive Oil with Black Castor in South Africa
- ORS Fix-It Range
- Vatika Serum, Dermoviva Face Wash, Amla Hammam Zaith, Amla Kids and ORS in Egypt

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

Subsidiaries

Dabur Tunisie, a step down wholly owned subsidiary company which was decided to be dissolved during the financial year 17-18, is under process of liquidation and is expected to be completed by December, 2019.

Pursuant to Section 129 (3) of the Companies Act, 2013 and Ind - AS 110 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, separate audited accounts of the subsidiary companies shall be available on website of the Company at 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 highlights of performance of Subsidiaries, Associates and Joint Venture Companies and their contribution to the overall performance of the company.

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company is attached as 'Annexure 6' to this report.

Information with respect to financial position of the above entities can 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 7' to this report.

Environmental, Health and Safety (EHS) Review

Details with respect to Environmental, Health and Safety (EHS) review are attached as 'Annexure 8' to 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. Promotion of Education.

The annual report on CSR activities is furnished in 'Annexure 9' which is attached to this report.

Change in Capital Structure and Listing of Shares

The paid up share capital of the Company as on 31st March, 2019 is ₹1,76,62,91,141/- divided into 1,76,62,91,141 equity shares of ₹1/- each. The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). During the year 47,70,631 equity shares of ₹1/- each were allotted under ESOP scheme of the Company and admitted for trading in NSE and BSE.

Important changes which have occured after the close of Financial Year

After the close of Financial Year, on May 31, 2019, 7,64,531 equity shares of ₹1/- each were allotted under ESOP scheme of the Company and have been admitted for trading on NSE and BSE. Accordingly, the paid up share capital of the Company w.e.f. May 31, 2019 is ₹1,76,70,55,672/- divided into 1,76,70,55,672 equity shares of ₹1/- each.

The shares are actively traded on NSE and BSE and have not been suspended from trading.

Delisting of shares from Metropolitan Stock Exchange of India Ltd. (MSEI)

During the year, the Company had applied for voluntary delisting of its equity shares from Metropolitan Stock Exchange of India Ltd. (MSEI). Accordingly, trading in Equity Shares of the Company on MSEI was suspended w.e.f. October 03, 2018 and the Company was delisted from the Capital Market Segment of the Exchange w.e.f. October 10, 2018.

Annual Return

The extract of Annual Return as on March 31, 2019 in the prescribed Form No. MGT-9, pursuant to Section 92 of the Companies Act, 2013 is available on the website of the Company at www.dabur.com at the link https://www.dabur.com/img/assets/20306-extract-of-annual-return.pdf

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

Particulars of loans, guarantees and investments under Section 186 of the Act as at the end of the Financial Year 2018-19 are provided in the standalone financial statements (refer Note No. 47).

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' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2.

However, you may refer to Related Party transactions in Note No. 54 of the Standalone Financial Statements.

Disclosure on Audit Committee

The Audit Committee as on March 31, 2019 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. For more details kindly refer to the section 'Committees of the Board - Audit Committee', in the Corporate Governance Report, which forms part of this Report.

All recommendations of Audit Committee were accepted by the Board of Directors.

Disclosure on Public Deposits

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

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, leak or suspected leak of unpublished price sensitive information 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 'Policies, Affirmations and Disclosures' - Whistle-Blower Policy / Vigil Mechanism of the Corporate Governance Report.

Disclosure on Cost Records

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(5) of the Companies (Accounts) Rules, 2014 it is confirmed that maintenance of cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

Dividend Distribution Policy

To bring transparency in the matter of declaration of dividend and protect the interests of investors, Dabur had in place a Dividend Policy since long. The Policy was revised in Financial year 2016-17 in accordance with Regulation 43A of the Listing Regulations and the Companies Act, 2013 and has been displayed on the Company's website at www.dabur.com. The Policy is attached as 'Annexure 10' to this report.

Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

At Dabur, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Dabur, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Dabur.

The Company also has in place 'Prevention of Sexual Harassment Policy'. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

The Direct Touch (Whistle-Blower & Protection Policy) Policy also provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The policy also includes misconduct with respect to discrimination or sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- No. of complaints received: 0
- No. of complaints disposed of: 0
- No. of complaints pending: 0

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.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

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

AMIT BURMAN
Chairman
DIN: 00042050

Place : New Delhi
Date : July 19, 2019

Annexure 1

Independent Auditor's Certificate on Corporate Governance

To the Members of Dabur India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 July, 2018.
2. We have examined the compliance of conditions of corporate governance by Dabur India Limited ('the Company') for the year ended on 31 March 2019, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable generally accepted auditing standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March, 2019.

   We 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.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anupam Kumar
Partner
Membership No. 501531
UDIN: 19501531AAAAAH9832

Place : New Delhi
Date : May 2, 2019

Annexure 2

Policy on Appointment of Board Members

Constitution & Size

Members

- Chairman
- Promoter 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 for them

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

Skill profile of Board Members (multiple skills could be combined in one individual)

Key Skill Area/ Qualification	Essential/ positive Attributes	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
5. Finance	• At least 5 years as a CEO 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 & 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 or member of the Promoter Group of the 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 other than remuneration as such

Director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed 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 whose relatives—
   (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

   Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

   (ii) is indebted to the company, its holding, subsidiary or associate company or their Promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

   (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or Directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

   (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

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;

     Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.
   - 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 Statutory Auditors or Secretarial Auditors 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. who is not a Non-Independent Director of another company on the Board of which any Non-Independent Director of the Company is an Independent Director:

10. Shall possess such other qualifications as may be prescribed.

11. 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 shareholder 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 team's 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 and departmental goals.

g) Remuneration to Independent Directors:

1. Sitting Fee as approved by the Board.
2. Travel Cost and 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

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

S.N.	Particulars			
(i)	The Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the company for the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer	246: 1
		b	Mr. P D Narang, Whole Time Director	246: 1
		c	*Mr. Mohit Malhotra, Whole Time Director (CEO Designate)	133.1
(ii)	The percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer	10%
		b	Mr. P D Narang, Whole Time Director	10%
		c	**Mr. Mohit Malhotra, Whole Time Director (CEO Designate)	NA
		d	Mr. Lalit Malik, Chief Financial Officer	12.20%
		e	Mr. Ashok Kumar Jain, EVP (Finance) & Company Secretary	8.90%
(iii)	The percentage increase in the median remuneration of employees in the financial year.			6.70%
(iv)	The number of permanent employees on the rolls of the company.			4,974
(v)	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 percentile increase in the managerial remuneration has been 9.9% while for others it is about 9.8%. This is based on Remuneration policy of the Company that rewards people differentially based on their contribution and also ensures that external market competitiveness and internal relativities are taken care of.		
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

*Appointed as Whole Time Director w.e.f. 31.01.2019. However, for calculation of ratio full year remuneration has been considered.

**Not applicable as there was no increment in remuneration during his tenure as CEO designate / CEO.

NOTES:

1. Shares allotted under ESOP Scheme of the Company have not been included in the above.
2. The Non- Executive Independent Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The Non- Executive (Non- Independent) Directors of the Company do not receive any remuneration from the Company. The ratio of remuneration and percentage increase in remuneration of these Directors is therefore not considered for the above information.

Annexure 4B

Statement of particulars of employees pursuant to 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 31st March, 2019

Sl. No. Name, Designation/Nature of Duties, Qualifications Exp. (in Yrs.), Remuneration, Date of Appointment, Age (in Yrs.), Particulars of Last employment

1.Achar Sudhir, Executive Vice President - R & D (HPC & Foods) & CQA, M.Sc., Ph.D.,32, ₹1,54,20,269, 07/05/2012, 55, Head - Product Development (Personal Care), ITC Limited; 2. Duggal Sunil, Chief Executive Officer, B.E.(H),P.G.D.M., 38, ₹10,74,27,074, 20/05/1995, 62, All India Sales Operations Manager, Pepsi Foods Limited; 3. Gupta Arun, Executive Vice President - Corporate Affairs, B.Com.(H),C.A.,I.C.W.A., 33, ₹ 1,51,00,655, 01/07/2007, 57, Chief Financial Officer, Dabur Pharma Limited; 4. Jain Ashok Kumar, Executive Vice President - Finance and Company Secretary, B.Com.,C.A.,C.S. LLB, 32, ₹1,48,40,734, 17/08/1999, 56, Assistant Vice President - Finance ,Dabur Finance Limited; 5. Khan Adi Shahrukh, Executive Director – Operations, B.E., 33, ₹2,61,66,816, 07/05/2015, 56, Head of Operations-IBD, Dabur International Ltd.; 6. Krishnan V, Executive Director - Human Resources, B.Sc.- Engg, M.B.A., 33, ₹ 1,67,67,354, 22/04/2004, 55, Director - Corporate HR, Whirlpool of India Limited; 7. Malhotra Mohit, Chief Executive Officer - India Business, B.H.M,M.B.A, 25, ₹4,81,88,000, 01/04/2018, 50, Chief Executive Officer, Dabur International Limited, 8. Malik Lalit, Chief Financial Officer, B. Com., L.L. B, C.P. A., C.A. ,C.S., A.I.C.W.A., 30, ₹2,09,90,855, 19/11/2012, 52, Vice President - Finance & Accounts, Moser Baer India Limited; 9. Narang P.D., Group Director - Corporate Affairs, B.Com.,F.C.A.,M.I.I.A.,F.C.S., A.I.C.W.A., 43, ₹10,77,17,010, 01/07/1983, 65, Management Accountant, Dabur (Dr. S K Burman) Pvt. Limited, 10. Sharma Adarsh, Executive Vice President – Sales, B.Com., M.B.A, 33, ₹1,64,08,002, 16/09/1991, 56, Assistant Sales Manager, UniPepsi Bottlers Limited.

Notes

1. 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.
2. All appointments are contractual in nature.
3. None of the employees mentioned above are related to any Director of the Company, except Mr. P D Narang, Mr. Sunil Duggal and Mr. Mohit Malhotra who are themselves Directors of the Company.
4. 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 or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

Annexure 5

Secretarial Audit Report for the Financial Year ended March 31, 2019

To

The Members
Dabur India Limited
8/3, Asaf Ali Road
New Delhi – 110002

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, 2019 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, 2019 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 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(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, 2018;

(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, 2018; 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, rules and regulations made thereunder.
6. National Green Tribunal Act, 2010.

We have also examined compliance with the applicable clauses / Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 at a Shorter Notice for which necessary approvals obtained), 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 following specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a. The Shareholders of Company have approved limit under Section 186 of Companies Act, 2013 upto ₹8,000 Crores.
b. The Board of Directors has approved issuance of Commercial papers upto ₹250 Crores.
c. The Board of Directors has approved issuance of Unsecured/ Secured Redeemable Non- convertible debentures upto ₹250 Crores.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673

Place: New Delhi
Date : May 1, 2019

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure-A to the Secretarial Audit Report

To

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.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Managing Partner
Membership No. A16302
Certificate of Practice No. 5673

Place: New Delhi
Date : May 1, 2019

Annexure 6

Report on the highlights of performance of Subsidiaries, Associates and Joint Venture companies and their contribution to the overall performance of the company is as under:

1. **H & B Stores Ltd., India (Subsidiary)**

   The Company operates its specialised beauty retail business under the brand 'NewU'. These stores offer a wide range of international, domestic as well as private brands of beauty care, fragrance and personal care products and are located in premium high footfall malls and markets. Newu's store footprints are pan India with 102 stores in 35 cities. While most of the stores are company operated, company also has franchised stores operated by entrepreneurs while the products are supplied by the Company. Company also operates online through its own portal www.newu.in and various other e-commerce websites. Company has continued focus on its own private labels and some exclusive international labels, which have good opportunity for growth in India.

2. **Dermoviva Skin Essentials Inc., USA (Subsidiary)**

   Dermoviva operates in the hair care market for ethnic African population through Namaste Laboratories LLC. During the year acquisition of two companies – i) D&A Cosmetics Proprietary Limited (carrying on the business of development, manufacturing and sale of personal care products, hair care and creams) and ii) Atlanta Body & Health Products Proprietary Limited (engaged in the business of sale of personal care products, hair care and creams) was completed. Both companies are located in South Africa. D&A Cosmetics owns and operates the brand 'Long & Lasting' in South African market with a wide range of hair care products.

3. **Namaste Laboratories LLC, USA (Subsidiary)**

   The Company is engaged in the business of manufacture, marketing and distribution of hair and other personal care products.

   The Namaste business caters to Hair Care needs of the African American community and is a leader in the Hair Relaxers category. Although the overall hair relaxers category showed a decline, the market share of the Company rose by around 200 bps on account of Company's consistent focus on the fast growing styling segment. In the naturals segment, Company's Curls Unleashed continued to perform well and attracted good number of consumers. Besides this, it also received positive response from the consumer for its newly launched Hair Repair Brand. In order to create an effective link between on ground merchandising and sales, Namaste introduced Project Launchpad wherein it eliminated all the brokers and established direct relationships with key accounts like Target and Dollar general. The Namaste business reported subdued growth, as the Relaxer segment, which is a large part of business, remained under pressure due to the declining category.

   Namaste also markets its brand in African markets. The sub saharan region posted growth of 13% during the year backed by efforts to localize manufacturing and strengthen distribution in key markets like East Africa, West Africa and Southern Africa. The plan is to increase in-house sourcing to almost 100% by the end of FY 19-20. This initiative will further enhance the profitability of the International Region, strongly leveraging on local supply chains which have been set up in Nigeria, UAE, South Africa and Egypt.

4. **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 is based at Johannesburg, South Africa. Its performance has been driven by good growth in ORS hair relaxers & sheen spray. Key reasons for this momentum were structural change in distribution model from Master Distributor to Direct, (including selling directly to wholesale / Retails / modern trade), manufacturing of relaxer kit & sheen spray locally in South Africa at cheaper cost, strengthening of the local team and increasing footprint and penetration of our brands. Exports to SADC countries like Zambia/Tanzania have also increased with duty exemption benefits.

5. **Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria (Subsidiary)**

   The principal business activity of the Company is to engage in the business of the manufacture, marketing and distribution of hair and other personal care products in West Africa.

   The company's product portfolio is based upon ORS hair care products including relaxers, styling and nourishment products. The company recently launched "Crème on Crème Relaxer" will be a focus brand going forward. The business was impacted by severe economic headwinds but has been able to maintain its market share in different categories. The company made considerable investments in developing multi-distributor arrangement, replenishment based serving model, introduction of low unit price packs and developing an engaging stylist- hair association program which aided the Nigeria business perform in economically challenged time.

6. **Healing Hair Lab International LLC, USA (Subsidiary)**

   The entity is a non-operating company.

7. **Dabur (UK) Ltd., (Subsidiary)**

   The main activity of the company is making investments in step down subsidiaries.

8. Dabur International Ltd., (Subsidiary)

The principal business activity of the company is distribution of FMCG products. The company's portfolio includes a wide range of consumer products in hair care, oral care and skin care categories.

During the year, the company faced headwinds in the GCC markets on account of macro-economic issues which impacted category growths and in turn affecting the company as well. However, still Middle east is the largest market in the international business comprising 27.1% of international sales. The company took steps to mitigate the headwinds by altering the marketing mix by enhancing the value proposition to customers and increasing spends on Digital and on-ground activations. This helped to improve market shares in almost all product categories.

As regards sales and distribution the Company undertook a major distribution restructuring where multiple distributor model was implemented in three countries. Joint business planning discussions were entered into with the key retailers in both Saudi Arabia and UAE markets. The Company continues to push aggressively in the evolving e-commerce landscape in the Middle East. Most of the Company's products are now available on leading online portals such as Souq.com (Amazon) and also on webstores of leading retailers such as Carrefour and LuLu.

9. Naturelle LLC, UAE (Subsidiary)

Naturelle LLC, located at Ras al Khaimah (RAK) is the manufacturing hub of Dabur International Ltd. During the year, the RAK plant's capacity was enhanced from 54,100 MT to 57,700 MT per annum with the restructuring of manufacturing mixers and batch size increase in Tooth paste, Hair oil, Vatika Conditioner, Hot Oil Treatment (Hamam Zaith), Face mark & ORS (Shampoo/Conditioner). As a continuous improvement journey along with major automation like Vatika Hair cream bundling, Lotion line automatic capping and bundling, Automated Sealing and capping in Herbolene, the factory has taken several kaizen and TPM initiative to reduce cost of production. Some of the key initiatives include - Process improvement and changeover time reduction in Shampoo, Energy efficient pump & compressor, Customer friendly packing in FEM, Centralized FG storage and Over all equipment efficiency (OEE) improvement. During the year factory got the USFDA clearance through integrated management system audit viz. 5 in 1 Certification (ISO 9001, ISO 22716, ISO 14001, OHSAS 18001 & HACCP).

10. Dabur Egypt Ltd., Egypt (Subsidiary)

The Company is engaged in the manufacturing and marketing of FMCG goods in hair care, skin care and oral care categories. It is a market leader in hair care categories with 77.1% market share in hair oils, 55.2% in hair creams and 63.8% in Hammam Zaith. Vatika is the umbrella hair care brand in Egypt. Vatika Hair Gel has number 2 position in Egypt hair gels market. Other key brands are Dabur, Amla, Vatika, Miswak, Fem, Vatika Gel and Dabur Herbal Toothpaste.

During the year, the annual capacity of the plant was at around 27,400 Tons. The unit has implemented various production automation initiatives to reduce and optimize operational cost. The plant has also implemented various material cost reduction initiatives through value engineering and local vendor development.

The Company posted growth of 4% in constant currency terms. The country is going through a phase of high inflation coupled with shrinking demand due to tough economic measures This has impacted the business sales and the profitability. The Company invested strongly behind its brands and introduced several new products in the portfolio. With growth of digital media, the Company has undertaken many initiatives not only via Facebook but also through bloggers and influencers with integrations in both off line and online mediums. A new communication for Miswak targeting young consumers and Vatika Hair Oil with celebrity endorsement, launch of new products like Vatika Serum, Dermoviva Face Wash, Amla Hammam Zaith,Amla Kids, ORS as well as extensions of existing brands through launch of new relevant variants like Hair Gel 30 ml & 10 ml sachets, Vatika Henna Burgundy and a new range of ORS were some of the key initiatives during the fiscal year.

11. African Consumer Care Ltd., Nigeria (Subsidiary)

The company is engaged in the business of manufacturing and marketing of toothpastes, soaps, toilet cleaners etc., trading business of mosquito repellent cream and contract manufacturing of hair care products for a fellow subsidiary - Hair Rejuvenation and Revitalization Nigeria Limited. The Company is becoming a hub for exporting toothpaste and hair care products to East Africa and Central Africa markets.

12. Dabur Nepal Pvt. Ltd., Nepal (Subsidiary)

The Company, one of the largest FMCG companies in Nepal, 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 rapid growth and has occupied major share in turnover of the company of around 70%.

During the year the Company faced challenges due to uncertain economic instability, liquidity crisis, increase in interest rate, seasonal complexities and difficult business environment. During the Year the cost of doing business significantly increased due to increase in various taxes/ high conversion cost which affected profitability of the Company, however, the Company was able to maintain healthy competition in the market. This impact is clearly reflected in terms of turnover and profitability for the FY 18-19 which has been maintained at NPR. 1119.52 Crores and NPR. 68.52 Crores respectively. The Hair Care and Oral Care segments performed well. Despite the juice business being impacted by adverse seasonality and intense competitive environment, it registered healthy growth numbers. The Company also launched Himalayan Honey and Prostyle Soft & Shiny Hair Oil in order to broaden its market presence. In order to increase consumer reach, Company focused on expansion of its distribution reach in rural and increase its market penetration. In addition to this, a number of initiatives were taken for launching innovations targeting the local Nepalese consumers.

13. Asian Consumer Care Pakistan Pvt. Ltd., Pakistan (Subsidiary)

In FY 2018-19 the business posted a robust 36% growth in Sales despite challenging market conditions. The all new marketing campaign for Vatika Oils "Oil first than Shampoo" was very well received by consumers and brand delivered strong value growth of 44.4%, Amla Hair Oils grew by 30.4%. These brands collectively helped Dabur increase its market share in Hair Oils to 49%. Vatika Shampoo and Dabur RED paste posted robust 39% and 35% topline growth respectively.

The economic challenges kept the scenario immersive as currency kept declining along with massive hike in duties followed by other measures taken by the Government of Pakistan to curtail imports and control the current account and trade deficit. The inability to hedge the currency risk though direct measures further worsen the situation to manage the business margins. To respond to the situation the company started the toll manufacturing in Karachi for all the key brands and SKU w.e.f. Nov 2018.

14. Dabur Pakistan (Pvt.) Limited, Pakistan (Subsidiary)

This subsidiary comprises the Digestives business in Pakistan. The year 2018-19 proved to be the most challenging and volatile in terms of business environment. Despite overall strained economic environment the business posted robust value growth of 17% driven primarily through volume in major Digestive brand "Dabur Hajmola"

The brand Hajmola continued to penetrate the trade through better distribution and the consumer demand derived through the new TVC for "Dabur Hajmola".

15. Asian Consumer Care Pvt. Ltd., Bangladesh (Subsidiary)

The Company manufactures & markets wide range of Consumer goods under segments like Food, Consumer Care, Home Care, Personal Care etc. with products like Tooth Paste, Hair Oil, shampoo, Digestive Tablets, Honey, etc. During FY 2018-19 segments like Tooth paste, honey, shampoo, homecare have seen rapid growths.

Despite intense competitive environment and other regional complexities, the company's revenue grew by 10% in FY 2018-19. PAT increased by 26% on YoY basis. Company's revenue stood at BDT 151.89 Cr (PY BDT 138.05) while PAT was BDT 12.47 Cr (PY BDT 9.89 Cr).

The Company made notable progress in the year by boosting rural distribution with the appointment of 185 sub stockists which resulted in an increase of 33,000 new outlets. The low unit packs were also introduced across key brands with the aim to penetrate rural markets and collaborate with rural outreach initiative. The Company plans to continue its expansion in Bangladesh through portfolio enhancement by launching new products and variants.

16. Hobi Kozmetik İmalat Sanayi ve Ticaret Anonim Sirketi, Turkey (Subsidiary)

Hobi Kozmetik is a market leader in Hair Gel with 42% market share and one of the major players in Liquid soap, economy shampoo and wet wipes categories. The Company is one of the pioneering personal care product manufacturers in Turkey that also owns a deeply rooted brand heritage. Its product list includes more than 200 personal care and cosmetics products in the categories like Hair Gels, Hair Sprays, Mousses, Hair Wax, Hair Conditioners, Shampoos, Hair Care Complexes, Body Creams, Hand and Body Lotions, Shower Gels, Liquid Hand Soaps, Shampoo and Conditioner and Hair Styling Series. While the hair styling and body wash categories are brand equity builders for Hobby, hair care and liquid soap categories are volume drivers.

During the year Hobi achieved strong growth of 29% on constant currency basis despite tough macro economic situation in Turkey.

Hobi has re launched its hair styling subcategories with new packaging designs and additional variants for hair sprays, hair mousse, hair gel and wax categories. This relaunch helped it in gaining Market Share in Wax category. Hobi has re launched Fresh care series and made ATL investments for body wash category, which helped it to increase the market share of Hobby body wash during this year.

The Company also exports to 50+ countries and exports grew by substantial 40% during the year. Despite economical & political fluctuations in the region, the company is continuing to grow and making automation investments in its factory to increase efficiency.

17. Ra Pazarlama Limited Şirketi, Turkey (Subsidiary)

The Company markets the products that are produced by Hobi Kozmetik. It has expertise in distribution and handles all sales/distribution for Hobi products.

18. Dabur Lanka Pvt. Ltd., Sri Lanka (Subsidiary)

The Company has set-up a state of art fruit juice manufacturing facility at Yakadagala Estate, Kotadeniyawa, Sri Lanka. Its principal activity 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. During FY 2018-19 the Company manufactured 11.52 lac cases of 1 litre. and 2 lac cases of 200 ml juices which were primarily exported to India.

19. Dabur Consumer Care Pvt. Ltd., Sri Lanka (Subsidiary)

Principal activities of the company include importing on wholesale basis and distributing and dealing in all types of consumer care products such as health care, home care, hair care and personal care in the local Sri Lankan market. During FY 2018-19 the Company made import and trade of key brands like Honey, Odonil and Amla Hair Oil.

20. Dabur Tunisie, Tunisia (Subsidiary)

The Company is being dissolved and liquidation is under process.

21. Dabur Pars, Iran (Subsidiary)

The principal business activity of the company is distribution of FMCG products. The company achieved IRR 54.63 billion sale having growth of 222% over last year. Distribution got further strengthened during 2018-19 as a national distributor was appointed with pan Iran coverage. Brands like Dabur Miswak, Vatika Shampoo, Hamamzaith and Hair gel were launched in key cities during the year. Efforts on localization of procurement and addition of 3P for new range of products were other projects undertaken in this year.

22. Dabur South Africa (Pty) Ltd., (Subsidiary)

This Company incorporated in South Africa had bought over the assets of CTL Contracting Pty Ltd as a going concern in the year 2017. In the year 2018 it expanded its range as a third party contractor for ORS brand SKU's to a fellow subsidiary - Urban Laboratories International LLC, Long & Lasting brand SKUs to a fellow subsidiary - D&A Cosmetics Proprietary Limited and also other private and local brands like Calsa (Personal Care), BOB Martin (Pet Care) etc.

23. D & A Cosmetics Proprietary Limited (Subsidiary)

This newly acquired company in April, 2018 in South Africa markets its products (namely relaxers, aftercare, weaves, braids, dreads, treatments and serums) under the brand name of Long and Lasting. Before acquisition the Company was focusing on Coastal areas like East London, Kwazu Natal, etc. Post-acquisition it expanded its footprints in Non Coastal areas as well like Gauteng, Mpumalanga, etc. while maintaining its pace in Coastal areas. Long and Lasting range is manufactured in Dabur South Africa (Pty) Limited and sold through local trade channels.

24. Atlanta Body & Health Products Proprietary Limited (Subsidiary)

A new company acquired in South Africa in 2018 is handling the salon business for Long and Lasting Brand. The Company's Body and Health business was merged into the main company D&A Cosmetics Proprietary Limited post acquisition with transfer of all trained sales representative. This is a unique model where the company has managed to establish the brand at the root level. Product awareness and branding is the key function being carried out through this channel. Focus products are L&L Relaxer Kits, sprays, etc.

25. Forum I Aviation Pvt. Ltd., India (Joint Venture)

The Company primarily operates in the aviation sector. It is working with existing fleet of two aircrafts viz. Hawker 800XP (VT-FAF) & Hawker 850XP (VT-KNB).

Contribution of Subsidiaries, Associates and Joint Venture companies to the overall performance of the company:

The subsidiary companies contributed to 28.6% of the consolidated revenue from operations of Dabur India Limited. Through these subsidiaries the company accesses its overseas markets in North America, Europe, Gulf, Africa and Asia. The overseas business witnessed headwinds during the year on account of economic and geo-political challenges in some of its key markets. Adverse currency fluctuations also impacted the business in markets like Egypt and Turkey. The business was further impacted by a slowdown across categories in GCC markets. Despite the challenges the company continued to invest in its overseas business by enhancing its supply chain and distribution footprint across the regions. During the year, the company completed the acquisitions of two small companies in South Africa. By increasing the localization of manufacturing and supply chain, and focusing on digitization and process automation the business is reducing costs and increasing its efficiency and flexibility to access the local markets. Some of these markets are in investment phase therefore the profit margins are not yet at par with company average. Therefore profit contribution from subsidiaries is little lower than sales contribution. However this will improve with scale of business going up and the brands getting more established in these markets.

Annexure 7

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

A. Conservation of energy:

All business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy consumption (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

i) The steps taken or impact on conservation of energy:-

Some of the energy conservation measures adopted across the Company are outlined below:

- Herbs are used for manufacturing of Ayurevedic products, installation of In-house "Herb Briquette" manufacturing using these processed herbs. These Herb Briquettes are used as boiler feed, thereby reducing the land fill required for safe disposal of used herbs.
- Methane gas get generated during the treatment of effluents in Effluent treatment plant. Methane gas used to go in environment. Now DG set based on methane gas as feed has been installed and thereby restricting methane gas emission in environment

  The Company has incurred around ₹400 lacs expenditure on sustainability and reduction of environmental impacts. The above initiative also leads to approx. ₹100 lacs savings a year.

ii) The steps taken by the Company for utilizing alternate sources of energy:-

- Installation of Solar panels equivalent to 500 KW at Tezpur plant.

iii) The capital investment on energy conservation equipments:-

- Capital investment on energy conservation equipment during the year 2018-19 was ₹145 lacs with the net cost saving ₹110 lacs and 7.3 lacs kwh power saving.

The below table gives details of various projects for reference:

Sr. No.	Steps taken on conservation of energy	Power Saving (KWH)	Cost Saving (Lacs)	Capital Investment (Lacs) on energy conservation equipment's
1	LED Lightings, Power Trading & Power factor at 0.99	232,474	46.4	14.59
2	260 Ton in house Herb Briquette Production by Commissioning dry herb briquette plant	-	17.4	70.0
3	Energy consumption through ducting modification in Dehumidifier and HAVC & air interlocking in honey packing lines.	1,18,492	11.3	17.9
4	Installation of versatile plan sifter	90,000	7.1	11.0
5	The preparation of Raw Sugar Solution & recovering heat from ready sugar solution	66,134	5.6	1.4
6	Productivity improvement in Hajmola & Honey	70,895	5.2	3.0
7	VFD, door sensors in air curtain& daylights in utility.	62,981	4.7	2.0
8	Hot water Battery system for Spiraflow	46,816	4.0	7.2
9	Installation of Methane Gas Generator 63 Kva & supply Electricity to Partly Odonil & ETP section	25,600	1.7	11.5
10	Overhead tank installed near bore well to ensure gravity transfer of water into several units	13,500	0.8	0.0
11	Replacement of hard coal by LPG in workers dormitory	-	0.5	3.0
12	Scrubber motor of boiler interlocked with boiler to automate the operation & Thermic fluid heater efficiency improvement (5%)	3,960	4.8	3.2
13	Water recirculation of water in DM Plant & Replacement of Electro-pneumatic web aligner with latest electronic device for web aligning in sachet filling machine	3,100	0.2	-
14	Using condensate from sugar dissolver tank to circulate hot water in jacketed bulk pipe of Chyawanprash instead of using PHE to generate hot water	-	-	0.1

B. Technology Absorption:

i) The efforts made towards technology absorption and Benefits derived like product improvement, cost reduction, product development, import substitution

a) Use of counter pressure retort process for packing coconut water and molding bottles for same in IBM process instead of traditional EBM process and open pan technology. Increases productivity as more number of bottles can be processed at a time. Percentage increase 70%. Use of counter pressure helped reduce the weight of bottle by 20%.Use of IBM in manufacture of bottles helped reduce inline rejections from 3.5% to 1.8%.

b) Developed and implemented commercially local shrink films with additive to make the shrink film biodegradable after 18 months. The same has passed tests done by Intertech lab in Mumbai and has been commercially implemented.

c) Import substitution. Shrink films suitable for collation shrink of 6 pieces on high speed equipment supplied by Meurer Germany locally developed and tried. Under implementation at unit.

d) Shifting from conventional cold glue (fevicol) to hot glue application in Glucose CEKA pack in 2018-19 across all units. This will help in reducing quality defect and wastage of carton due to improper or over gluing.

e) In order to cater business requirement of LUP's (20/22/25g) in dangler format in oral care category (RTP), a dangler machine was installed at Pantnagar and Baddi. There by increasing the output and having flexibility in catering various pack sizes like 6, 12, 12+1 format without any major changes in machine.

ii) 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

iii) The expenditure incurred on Research and Development:

- An expenditure of ₹37.28 crores was incurred towards Research and Development during the financial year 2018-19.

C. Foreign Exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the Financial Year 2018-19: ₹250.65 crores.

The Foreign Exchange outgo in terms of actual outflows during the Financial Year 2018-19: ₹84.46 crores.

Annexure 8

Environmental, Health and Safety (EHS) Review

Dabur is committed towards Environment, Health & Safety Control Measures, creating a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by example. Dabur's Environment, Health & Safety (EHS) strategies are directed towards achieving the greenest and safest operations across all units by optimising usage of natural resources and providing a safe and healthy workplace. Systemic efforts continue to be made towards natural resource conservation by continuously improving resource-use efficiencies and enhancing the positive environmental footprint following a life-cycle based approach.

Dabur is addressing the critical area of climate change mitigation through several innovative and pioneering initiatives. These include continuous improvement in energy efficiency, enhancing the renewable energy portfolio, integrating green attributes into the built environment, better efficiency in material utilisation, maximising water use efficiencies and rain water harvesting, maximising collection, segregation, recycling and safe disposal of post-consumer generated plastic waste under solid waste management drive.

The year 2018-19 was an important year for Dabur India with respect to implementation of activities under new Environment Regulation viz. Central Ground Water Board Regulation 2016, Solid Waste Management Rule 2016; Plastic Waste Management Rule 2016; E-waste Management Rule 2016; Biomedical Waste Rule 2016 & Online Ground Water Monitoring System etc. We have ensured 100% implementation across Dabur manufacturing units.

A brief on Environmental, Health and Safety (EHS) initiatives of the Company is as under:

Environment

Environment (Pollution) Control Measures Taken:

Water: Dabur continues to focus on an integrated water management approach that includes water conservation and harvesting initiatives at its units. Interventions have been spearheaded to improve water use efficiencies by adopting latest technologies and increasing reuse and recycling practices within the fence. The supply side interventions include enhanced capture and storage of rainwater (in soil and storage ponds) and recharging aquifers. These initiatives are aimed at helping Dabur emerge as a water neutral company in the coming years.

We continue to follow the 3-R (Reduce, Reuse & Recycle) principle at our manufacturing units. Ground water is one of major source for us and DIL is committed to significant reduction in ground water usage by installing water efficient technology in processes, besides employing best effluent treatment system like Reverse Osmosis plants to re-utilise treated water into system. Due to segregation of all Trade and Domestic effluents through independent treatment systems and by installing/ up gradation of ETP/SwTP & UF/RO recycling plants, DIL successfully achieved 800 Lt/MT reduction in fresh Raw Water consumption, with 120 Lt/MT reduction in effluent generation, increased 150 Lt./MT treated effluent through reuse/recycle.

Waste: Dabur continues to make significant progress in reducing specific waste generation through constant monitoring and improvement of efficiencies. With these initiatives, Dabur has prevented waste reaching landfills and the associated problems of soil and groundwater contamination and GHG emissions, all of which can adversely impact public health. In the current year, Dabur has achieved over 0.10 KG/MT reduction in Hazardous waste generation, reduction in energy consumption by 15 KWH/MT, reduction in green-house gas emissions by 1.0 MT; reduction in SOx by 50 MT; reduced Ozone depleting Substances (ODS) by 100 kg and 2 MT of e-waste disposal to the approved e-waste recyclers during the FY 2018-19.

In the FMCG sector, we have been leading the drive for reduction in end-user Plastic waste and setting an example for other companies. Dabur is closely working with MoEF&CC, CPCB, CGWA, FICCI & CII to make it successful. Different projects has been initiated across India with the help of different NGOs and Associates to not just meet our PWM EPR (Extended Produced Responsibility) guidelines under PWM Rule 2016, amended 2018, but be the torchbearer when it comes to managing post-consumer plastic waste.

Under our EPR Activity, Dabur has mitigated around 5500 MT of CO2E emissions and saved 80000 GJ Energy by diverting approximate 4000 tonnes of Post-Consumer Plastic Waste from landfills to recycling.

Health and Safety

Dabur is committed to provide a safe and healthy workplace to all associates. Dabur's approach has been to institutionalise 3M (Man-Material-Machine) safety as a value-led concept with focus on inculcating a sense of ownership at all levels. In line with this approach, several operating units are progressively implementing 3M-based safety initiatives and customised risk assessment programmes to strengthen their safety culture. Environment, Health & Safety audits before commissioning and during the operation of units continued to be carried out to verify compliance with standards.

During FY 2018-19, we worked towards achieving and maintaining Fire-Safety Standards (ie. TAC-NBC/FM/UL approved) across Dabur. Our all units are equipped with best fire/smoke detection technology to get the information in-time in case of any fire incident.

Under Safety indicators, we have achieved 10% reduction in First Aid cases, 20% cut in Lost Time Accidents (LTA), 17% reduction in AIR (All injury rate), 19% reduction in FR (Frequency Rate) & 37% reduction in SR (Severity Rate). Training programmes on Safety Awareness were conducted covering 52000 Man-hours of safety training in FY 2018-19.

Occupational health system maintained and monitored at all locations as per Factory Act 1948 guidelines. Employee's medical fitness & vaccination via external agency to meet GMP requirement. We continued ISO9000:15000, ISO 14000:15000 & ISO 45000:2018/ OHSAS certificates this year also.

Annexure 9

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINACIAL YEAR 2018-19		
1	A brief out line 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; Promoting Sanitation** o Sanitation Drive to prove easy access to toilet and sanitation facilities in rural households and schools as also to the urban poor o Supplementing nutrition needs of poor and needy through joint initiatives and programmes with local NGOs • **Health Care and Preventive Health Care programmes** o Programme to provide nourishment to kids from underprivileged sections of the society o Promotion of health awareness & immunity building initiatives o Healthcare awareness programme across rural and urban India to create awareness on Malaria, Dengue, Cancer, HIV-AIDS and any other chronic disease o 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 o Health care camps across the country to give the urban and rural poor access to safe and reliable healthcare o Supporting health and wellness of people through Wellness Centre, offering treatment as well as advice and medicines o Addressing Health Care needs of Poor & Needy through joint initiatives and programmes with local NGOs and ASHA workers

	• **Ensuring Environment Sustainability** o Environment sustainability programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers, providing Bee-Keeping training o Tree Plantation Drive across villages/area near our manufacturing units and business locations o Promotion of Solar Energy o Water Conservation projects • **Promotion of Education through School Support Programme, Non-Formal Education Centres Remedial classes** • **Programmes for Employment Enhancing Vocational Skills Development and Women Empowermen**t **Web link:** https://www.dabur.com/img/upload-files/1136-dabur-india-ltd-csr-policy.pdf
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	Net Profit for last three financial years: FY 2017-18 : ₹1355.72 Cr; FY 2016-17 : ₹1254.98 Cr; FY 2015-16 : ₹1203.73 Cr Average net profit: ₹1271.48 Cr.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹25.43Cr.
5. Detail of CSR spent during the financial year	
(a) Total amount to be spent for the financial year	₹25.43 Cr.
Total amount spent during the financial year 2018-19	₹26.35 Cr.
(b) Amount unspent, if any	N.A.
(c) Manner in which the amount spent during the financial year is detailed below	

(₹ in Lacs)

(1) S. No.	(2) Activity No.	(3) CSR project or activity identified	(4) Sector in which the Project is covered	(5) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(6) Amount outlay (budget) project or program wise	(7) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(8) Total CSR Spend 2018-19	(9) Amount spent: Direct or through implementing agency
1. Eradicating Hunger, Poverty & Malnutrition; Promoting Sanitation								
1	1A	Sanitation Drive to provide easy access to toilets and sanitation facilities in rural households	Eradicating Hunger, Poverty & Malnutrition	1) Local area 2) Uttar Pradesh, Uttarakhand, Himachal Pradesh	102	Direct Expenditure	95	SUNDESH
2	1B	Programmes to meet nutrition needs of poor & needy	Eradicating Hunger, Poverty & Malnutrition	1) Local area & other area 2) Across India	700	Direct Expenditure	1014	Direct
3	1C	Support to Independent NGOs for Nutrition initiative	Eradicating Hunger, Poverty & Malnutrition	1) Local area & other area 2) Across India	25	Direct Expenditure	0	Jivanti Trust
2 Promoting Healthcare including Preventive Healthcare								
4	2A	Dil Se Dua programme to fight malnutrition among street children and also involve the general public in this drive	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Delhi-NCR, Punjab, Uttar Pradesh	50	Direct Expenditure	100	Direct
5	2B	Immune India awareness programme about the need of immunity in school going children	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Delhi-NCR, Uttar Pradesh, Bihar, Maharashtra, Madhya Pradesh	80	Direct Expenditure	25	Direct
6	2C	Dengue Fighter initiative to generate awareness about mosquitoes and prevention from mosquito borne diseases	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Delhi-NCR, Uttar Pradesh, Karnataka, Maharashtra, Tamil Nadu	10	Direct Expenditure	0	Direct
7	2C(i)	Kerala Flood Relief Programme	Promoting Healthcare including Preventive Healthcare	1) Other area 2) Kerala	0	Direct Expenditure	10	Direct

(1) S. No.	(2) Activity No.	(3) CSR project or activity identified	(4) Sector in which the Project is covered	(5) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(6) Amount outlay (budget) project or program wise	(7) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(8) Total CSR Spend 2018-19	(9) Amount spent: Direct or through implementing agency
8	2D	Health Camps to provide easy access to reliable healthcare for poor & needy	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Across India	50	Direct Expenditure	38	Direct
9	2E	Oral hygiene awareness Camps in schools	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Uttar Pradesh, Madhya Pradesh, Maharashtra	200	Direct Expenditure	143	Direct
10	2F	Wellness Centre to treat people	Promoting Healthcare including Preventive Healthcare	1) Local area 2) Delhi	25	Direct Expenditure	14	Direct
11	2G	Programmes for addressing health care needs of poor & needy	Promoting Healthcare including Preventive Healthcare	1) Local area & other area 2) Across India	300	Direct Expenditure	335	Direct
12	2H	Programmes for Safe & Nutritious Drive with FSSAI	Eradicating Hunger, Poverty & Malnutrition	1) Other area 2) Punjab	0	Direct Expenditure	30	Direct
13	2I	Ayurvedic Health OPDs for Rag-picker	Promoting Healthcare including Preventive Healthcare	1) Local area 2) Delhi	20	Direct Expenditure	12	Jivanti Trust
14	2J	Programmes for Diabetes Prevention & Management	Promoting Healthcare including Preventive Healthcare	1) Other area 2) Uttar Pradesh	100	Direct Expenditure	22	Jivanti Trust
3	**Ensuring Environment Sustainability**							
15	3A (i)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Chhattisgarh	200	Direct Expenditure	178	Jivanti Trust (Covenant Centre for Development)
16	3A (ii)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Andhra Pradesh		Direct Expenditure		Jivanti Trust (Kovel Foundation)
17	3A (iii)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Uttar Pradesh		Direct Expenditure		Jivanti Trust (Asha Gramodhyog)

(1) S. No.	(2) Activity No.	(3) CSR project or activity identified	(4) Sector in which the Project is covered	(5) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(6) Amount outlay (budget) project or program wise	(7) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(8) Total CSR Spend 2018-19	(9) Amount spent: Direct or through implementing agency
18	3A (iv)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Orissa		Direct Expenditure		Jivanti Trust (Baitarani Initiative)
19	3A (v)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Local area 2) Jammu & Kashmir, Assam		Direct Expenditure		Jivanti Trust (Pragya)
20	3A (vi)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Ratnagiri, Maharashtra		Direct Expenditure		Jivanti Trust (Indian Society for Agribusiness Professionals)
21	3A (vii)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Gujarat		Direct Expenditure		Jivanti Trust (Shri Umiya Majur Kamdar Sahkari Mandli Ltd.)
22	3A (viii)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Local area 2) Delhi		Direct Expenditure		Jivanti Trust (Delhi University -South Campus)
23	3A (ix)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Local area 2) Uttarakhand		Direct Expenditure		Jivanti Trust (Alakananda Ghaati Shilipi Federation)
24	3A (x)	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1) Other area 2) Karnataka		Direct Expenditure		Jivanti Trust (Foundation for Revitalisation)
25	3B	Vocational Training to women and villagers on bee-keeping	Ensuring Environment Sustainability	1) Local and other area 2) Bihar, Uttar Pradesh		Direct Expenditure		Jivanti Trust (Vaishali Shanti Samaj Kalyan Sansthan)

(1) S. No.	(2) Activity No.	(3) CSR project or activity identified	(4) Sector in which the Project is covered	(5) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(6) Amount outlay (budget) project or program wise	(7) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(8) Total CSR Spend 2018-19	(9) Amount spent: Direct or through implementing agency
26	3C	Developing & supplying seeds and seedlings to local farmers free of cost to enhance their livelihood and also protect endangered species	Ensuring Environment Sustainability	1.) Local area 2.) Uttarakhand	100	Direct Expenditure	67	Direct
27	3D	Tree Plantation Drive	Ensuring Environment Sustainability	1.) Local area 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	8	Direct Expenditure	8	SUNDESH
28	3E	Promotion of Solar Energy	Ensuring Environment Sustainability	1.) Local area 2.) Uttar Pradesh	8	Direct Expenditure	7	SUNDESH
29	3F	Promotion of Solar Energy	Ensuring Environment Sustainability	1.) Local area 2.) Rajasthan, Assam	21	Direct Expenditure	0	Jivanti Trust
30	3G	Water Conservation Project in Rajasthan + Water ATM	Ensuring Environment Sustainability	1.) Local area 2.) Rajasthan	50	Direct Expenditure	24	Jivanti Trust
31	3H	Consumer Waste Initiative for Multi-layer plastic (MLP) waste disposal	Ensuring Environment Sustainability	1.) Local and other area 2.) Uttar Pradesh, Gujrat	30	Direct Expenditure	44	Jivanti Trust
32	3I	Impact Assessment & Evaluation of Environmental Sustainability	Ensuring Environment Sustainability	1.) Other area 2.) Andhra Pradesh, Orissa	5	Direct Expenditure	1	Jivanti Trust
4 Promoting Education including Special Education								
33	4A (i)	Programmes for promoting education through NFEs, Remedial classes	Promoting Education including Special Education	1.) Local area 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	17	Direct Expenditure	15	SUNDESH
34	4A (ii)	Programmes for promoting education through NFEs, Remedial classes	Promoting Education including Special Education	1.) Local area 2.) Assam	2	Direct Expenditure	3	Jivanti Trust

(1) S. No.	(2) Activity No.	(3) CSR project or activity identified	(4) Sector in which the Project is covered	(5) Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	(6) Amount outlay (budget) project or program wise	(7) Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	(8) Total CSR Spend 2018-19	(9) Amount spent: Direct or through implementing agency
35	4B (i)	School Support Programmes like renovation work, sanitation facilities, benches & desks, potable water facility, educational aids such as libraries learning paintings etc.	Promoting Education including Special Education	1.) Local area 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	195	Direct Expenditure	182	SUNDESH
36	4B (ii)	School Support Programmes like renovation work, sanitation facilities, benches & desks, potable water facility, educational aids such as libraries learning paintings etc.	Promoting Education including Special Education	1.) Local area 2.) Rajasthan, Assam, J&K	79	Direct Expenditure	55	Jivanti Trust
5 Providing Employment Generating Vocational Skills and Women Empowerment								
37	5A	Vocational Training to women and villagers	Providing Employment Generating Vocational Skills and livelihood enhancement projects	1.) Local area 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	79	Direct Expenditure	74	SUNDESH
38	5B	Vocational Training to women and villagers	Providing Employment Generating Vocational Skills and livelihood enhancement projects	1.) Local area 2.) Assam, Rajasthan	5	Direct Expenditure	4	Jivanti Trust
39	5C	Programmes for Adult Literacy Centres and promoting & managing Self Help Groups for women	Promoting Gender Equality; Women Empowerment	1.) Local area 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh, Assam	14	Direct Expenditure	11	SUNDESH
6 Promotion of Sports								
40	6A	Sports Training Center	Providing Sports Training	1.) Local area 2.) Assam	0	Direct Expenditure	1	Jivanti Trust

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7 Incidental Expenses								
41	7A	Incidental & administrative expenses for running these programmes	Incidental Expenses	1) Local area 2) Uttar Pradesh	125	Overhead	123	Direct
TOTAL					**2,600**		**2,635**	

6 In case the company has failed to spend the two per cent 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

7 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)
Whole Time Director

(Dr. Ajay Dua)
Chairman - CSR Committee

Annexure 10

Dividend Distribution Policy

1. **INTRODUCTION**

The Company has in place a Dividend Policy since long. After incorporation of Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the existing Dividend policy has been revised and framed according to the Listing Regulations and the Companies Act, 2013.

The Company aims at rewarding its shareholders by sharing a part of its profits after retaining sufficient funds for the growth of the Company. The Company has been able to pursue its aim over years and has been able to maintain fairness, consistency and sustainability while distributing profits to its shareholders. This policy has been framed with an objective to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, this Policy lays down various guidelines, factors and parameters to be considered by the Board of Directors of the Company while recommending/ declaring Dividend from time to time.

2. **PURPOSE AND REGULATORY FRAMEWORK**

As per Regulation 43A of the Listing Regulations, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website. Accordingly, the Company has revised its existing Dividend Policy in line with the requirements of Listing Regulations and the Companies Act, 2013.

3. **POLICY**

A) Declaration of dividend only out of profits

Dividend shall be declared or paid only out of -

i) Current Year's profit

a) After providing for depreciation in accordance with law,

b) After transferring to the reserves of the Company such percentage of profits as may be considered appropriate or as may be prescribed, or

ii) The Profits for any previous financial year or years

a) after providing for depreciation in accordance with law, and

b) remaining undistributed, or

iii) out of i) & ii) both

B) Set off of Losses and depreciation of previous years

Before declaring any dividend, the carried over previous losses and depreciation not provided in previous year or years must be set off against the profits of the Company for the current year.

C) Declaration of Dividend out of reserves

Board of Directors should avoid the practice of Declaration of Dividend out of Reserves.

D) Amount of Dividend

Board of Directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% of Dabur India Ltd's standalone profit after tax OR 40% of Dabur India Ltd's consolidated profit after tax, subject to

- Company's need for Capital for its growth plan
- Positive Cash Flow

(* To be reviewed every 2 to 3 years, if need be)

E) Timing

1. Interim Dividend
   - Board of Directors to declare,
   - Based on review of profits earned during the current year - to date one to three times a year.
2. Final Dividend
   - Board of Directors to recommend to members for their approval,
   - Based on review of profits arrived at as per audited financial statements, for the year,
   - Maximum once in a year.

F) Parameters / factors to be considered before declaring dividend

1) Financial parameters
   - Current year profits
   - Operating cash flow
   - Outstanding borrowings, including debt to equity ratio.
   - Cost of borrowings
   - Past dividend trends

2) Internal Factors that shall be considered for declaration of dividend
   - Outlook of the company in line with its business plan
   - Future capital expenditure program including

     - New project

- Expansion of capacities of existing units
- Renovation/ Modernization
- Major Repairs & Maintenance

- Working capital requirements
- Likelihood of crystalization of contingent liabilities, if any
- Contingency Fund
- Acquisition of brands / businesses
- Sale of brands/ businesses.
- Restrictions in any agreements executed by the company.

3) <u>External factors</u>

- Prevailing regulatory and legal requirements, including tax regulations
- Industry trend
- State of economy in the country and worldwide.

4) <u>Parameters that shall be adopted with regard to various classes of shares</u>

Presently, the Authorized Share Capital of the Company is divided into equity shares of ₹1/-per share and accordingly, the issued and paid-up share capital of the Company comprises of only one class of equity shares.

As and when the Company shall issue other class of equity shares or other kind of shares, the Policy may be suitably amended.

G) Circumstances under which shareholders may or may not expect dividend

The Board of Directors shall consider the factors provided in this policy before determination of any dividend payout.

The shareholders of the Company may not expect Dividend under the following circumstances:

- In the event of inadequacy of profits or whenever the Company has incurred losses,
- Whenever the company undertakes or proposes to undertake a significant expansion Project or any acquisition or joint venture, requiring significant allocation of funds;

H) How the retained earnings will be utilised

The retained earnings shall be utilized for business purposes of the Company and to increase the value of the stakeholders in the long run. Utilization of retained earnings may be for:

- Acquisition of brands/ businesses;
- Entry into Joint Ventures;
- Expansion plans;
- Enhancement of production capacity;
- Modernization plans;
- Diversification of business;
- Long term Business plans;
- Declaration of any special dividend under any special circumstances, as permitted by law;
- Other such utilizations as may be deemed fit from time to time.

Disclosures

- The Company shall make appropriate disclosures as required under the Listing Regulations and the Companies Act, 2013.
- The Policy shall be disclosed in the Company's Annual Report and website.
- If the company proposes to declare dividend on the basis of parameters in addition to the parameters/ factors mentioned in this policy or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

I) Amendments to the policy

The Policy may be amended, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc

Independent Auditor's Report

To the Members of Dabur India Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Dabur India Limited ('the Company'), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March, 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition Refer note 32 to the standalone financial statements. Revenue of the Company consists primarily of sale of products and is recognized when control of products being sold is transferred to customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates, trade discounts. The estimation of discounts, incentives and rebates recognized, related to sales made during the year, is material and considered to be complex and subject to judgments. The complexity mainly relates to various discounts, incentives and scheme offers, diverse range of market presence and complex contractual agreements/commercial terms across those markets. Therefore, there is a risk of revenue being misstated as a result of inaccurate estimates of discounts and rebates.	**Our key procedures included, but were not limited to, the following:** a) Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to rebates and trade discounts by comparing with the applicable accounting standards; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue, calculation of discounts and rebates; c) Performed test of details: i. Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents; ii. Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards;

Key audit matter	How our audit addressed the key audit matter
The Company also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue by influencing the computation of rebates and discounts. Considering the materiality of amounts involved, significant judgements related to estimation of rebates and discounts, the same has been considered as a key audit matter.	iii. Assessed the Company's process for recording of the accruals for discounts and rebates as at the year-end for the prevailing incentive schemes; iv. Tested, on a sample basis, discounts and rebates recorded during the year to the relevant approvals and supporting documentation which includes assessing the terms and conditions defined in the prevalent schemes and customer contracts; and v. Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period. d) Compared the discount, incentives and rebates of the current year with the prior year for variance/trend analysis and where relevant, conducted further inquiries and testing to corroborate the variances by considering both internal and external benchmarks, overlaying our understanding of industry practices. e) Assessed the appropriateness of the Company's description of the accounting policy, disclosures related to discounts, incentives and rebates and whether these are adequately presented in the standalone financial statements.
B. Litigations and claims - provisions and contingent liabilities Refer note 45A and 48 to the standalone financial statements. The Company is involved in direct, indirect tax and other litigations ('litigations') that are pending with different statutory authorities. The level of management judgement associated with determining the need for, and the quantum of, provisions for any liabilities arising from these litigations is considered to be high. This judgement is dependent on a number of significant assumptions and assessments which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions. This matter is considered as a key audit matter, in view of the uncertainty regarding the outcome of these litigations, the significance of the amounts involved and the subjectivity involved in management's judgement as to whether the amount should be recognized as a provision or only disclosed as contingent liability in the standalone financial statements.	**Our key procedures included, but not limited to, the following:** a) Assessed the appropriateness of the Company's accounting policies relating to provisions and contingent liability by comparing with the applicable accounting standards; b) Assessed the Company's process and the underlying controls for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; c) Assessed the Company's assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the standalone financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts; d) Performed substantive procedures on the underlying calculations supporting the provisions recorded; e) Assessed the management's conclusions through understanding relevant judicial precedents in similar cases and the applicable rules and regulations; f) Obtained legal opinions from the Company's external legal counsel, where appropriate; g) Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the Company, where relevant, to validate management's conclusions; and h) Assessed the appropriateness of the Company's description of the accounting policy, disclosures related to litigations and whether these are adequately presented in the standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
C. Valuation of investments and impairment thereof Refer note 7 and 13 to the standalone financial statements. The Company's investment portfolio represents a significant portion of the Company's total assets, which primarily consists of: i. Bonds; ii. Non-convertible debentures; iii. Commercial papers; iv. Certificate of deposits; and v. Fixed deposits The aforementioned instruments are valued at amortized cost or fair value through other compressive income (FVOCI) depending upon the nature as summarized below: **1. Instrument valued at amortized cost:** a) Non-convertible debentures; b) Commercial papers; c) Certificate of deposits; and d) Fixed deposits **2. Instrument valued at fair value through other comprehensive income ('FVOCI'):** a) Bonds This is considered to be a significant area in view of the materiality of amounts involved, judgements involved in determining of impairment/ recoverability of instruments measured at amortized cost which includes assessment of market data/conditions and financial indicators of the investee and judgements in selecting the valuation basis and the complexities involved in the valuation of instruments carried at FVTOCI which includes assessment of the available trading yield of relevant instruments.	**Our key procedures included, but not limited to, the following:** **a)** Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instrument by comparing with the applicable accounting standards; **b) For instrument valued at fair value:** i. Assessed the availability of quoted prices in liquid markets; ii. Assessed whether the valuation process is appropriately designed and captures relevant valuation inputs; iii. Performed testing of the inputs/assumptions used in the valuation; and iv. Assessed pricing model methodologies and assumptions against industry practice and valuation guidelines **c) For instrument valued at amortized cost:** Assessed the instrument for impairment by evaluating if there is any significant increase in credit risk, which mainly involves: i. Evaluating the credit rating of individual instrument, where relevant, to assess if there is any rating downgrade; ii. Evaluating the regularity of the interest payment and principal repayment as per agreed plan/term of issuance of instrument, where applicable; and iii. Obtained the valuations of instruments, where required; **d)** Assessed the appropriateness of the Company's description of the accounting policy and disclosures related to investments and whether these are adequately presented in the standalone financial statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director's Report but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. 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 judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
    - Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its Directors during

the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure A, 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 it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) on the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2019 from being appointed as a Director in terms of Section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 2 May, 2019 as per Annexure B expressed unmodified opinion; and

    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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company, as detailed in note 45A to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March, 2019;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March, 2019;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2019; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November, 2016 to 30 December, 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.: 501531

Place : New Delhi
Date : May 2, 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of 'property, plant and equipment', 'capital work-in-progress', 'investment property' and 'other intangible assets'.

(b) The fixed assets comprising 'property, plant and equipment', 'capital work-in-progress' and 'investment property' have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (which are included under the head 'property, plant and equipment', capital work-in-progress and 'investment property') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of Clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹) in crores	Amount paid under protest (₹) in crores	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, Local Sales Tax Act and Value Added Tax	Value Added Tax /Central Sales Tax	89.75	29.45	1999-00 to 2017-18	Assessing Authority / Commissioner's Level / Revisional Board
		15.51	4.92	1997-98 to 2003-04, 2005-06 to 2016-17	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		17.66	1.19	1990-91 to 1994-95, 1996-97 to 2000-01, 2006-07 to 2010-11 and 2014-15	Hon'ble High Courts

Name of the statute	Nature of dues	Amount (₹) in crores	Amount paid under protest (₹) in crores	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	56.37	-	1995-96 to 2016-17	Commissioner (Appeals)
		66.80	11.15	1994-95 to 2015-16	CESTAT
Finance Act, 2004 and Service-tax Rules	Service tax	0.75	-	2004-05 to 2010-11	CESTAT
The Indian Stamp Act, 1899	Stamp duty	15.30	3.83	2007 to 2015	Hon'ble High Courts
The Income-tax Act, 1961	Income tax	180.62	-	Assessment year 2002-03 to 2015-16	Commissioner of Income Tax/ Income Tax Appellate Tribunals/ Hon'ble High Courts/ Hon'ble Supreme Court

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of Clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.: 501531

Place : New Delhi
Date : May 2, 2019

Annexure B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Dabur India Limited ("the Company") as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.: 501531

Place : New Delhi
Date : May 2, 2019

Standalone Balance Sheet

as at 31 March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2019	31 March, 2018
ASSETS			
Non-current assets			
a) Property, plant and equipment	6A	971.88	971.34
b) Capital work-in-progress	6B	21.69	26.82
c) Investment property	6C	49.37	50.36
d) Other intangible assets	6D	15.37	8.78
e) Financial assets			
(i) Investments	7	2,236.74	2,719.67
(ii) Loans	8	13.14	15.43
(iii) Others	9	77.64	4.09
f) Non-current tax assets (net)	10	0.86	3.28
g) Other non-current assets	11	67.74	54.09
Total non-current assets		**3,454.43**	**3,853.86**
Current assets			
a) Inventories	12	732.90	704.79
b) Financial assets			
(i) Investments	13	725.40	713.39
(ii) Trade receivables	14	431.46	321.34
(iii) Cash and cash equivalents	15	23.16	77.67
(iv) Bank balances other than (iii) above	16	101.55	9.35
(v) Loans	17	4.56	1.41
(vi) Others	18	14.12	4.06
c) Other current assets	19	91.20	126.83
Total current assets		**2,124.35**	**1,958.84**
Total assets		**5,578.78**	**5,812.70**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	20	176.63	176.15
b) Other equity	21	3,792.19	4,050.71
Total equity		**3,968.82**	**4,226.86**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	22	26.05	201.04
(ii) Other financial liabilities	23	4.56	4.25
b) Provisions	24	52.76	50.04
c) Deferred tax liabilities (net)	25	8.32	96.03
Total non-current liabilities		**91.69**	**351.36**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	26	108.72	85.49
(ii) Trade payables			
Due to Micro and Small Enterprises	27	54.61	7.37
Due to Others	27	943.71	953.25
(iii) Other financial liabilities	28	264.83	81.60
b) Other current liabilities	29	57.48	38.48
c) Provisions	30	81.09	64.39
d) Current tax liabilities (net)	31	7.83	3.90
Total current liabilities		**1,518.27**	**1,234.48**
Total liabilities		**1,609.96**	**1,585.84**
Total equity and liabilities		**5,578.78**	**5,812.70**
Summary of Significant accounting policies	**5**		

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31 March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2019	31 March, 2018
Income			
Revenue from operations	32	6,273.19	5,609.06
Other income	33	274.74	283.23
Total income		**6,547.93**	**5,892.29**
Expenses			
Cost of materials consumed	34	2,262.51	2,060.26
Excise duty		-	16.77
Purchases of stock-in-trade		984.91	916.46
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	10.09	(74.03)
Employee benefits expense	36	572.33	461.13
Finance costs	37	29.80	21.89
Depreciation and amortisation expense	38	108.83	102.50
Other expenses			
Advertisement and publicity		490.75	461.95
Others	39	585.36	537.69
Total expenses		**5,044.58**	**4,504.62**
Profit before exceptional items and tax		1,503.35	1,387.67
Exceptional items	40	-	14.54
Profit before tax		**1,503.35**	**1,373.13**
Tax expense	41		
Current tax		369.28	340.33
Deferred tax		(130.22)	(39.25)
Total tax expense		**239.06**	**301.08**
Net profit for the year		**1,264.29**	**1,072.05**
Other comprehensive income	42		
A (i) Items that will not be reclassified to profit or loss		1.04	(0.77)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.22)	0.16
B (i) Items that will be reclassified to profit or loss		(5.20)	(37.74)
(ii) Income tax relating to items that will be reclassified to profit or loss		1.21	8.79
Total other comprehensive income		**(3.17)**	**(29.56)**
Total comprehensive income for the year		**1,261.12**	**1,042.49**
Earnings per equity share			
Basic ₹	43	7.16	6.09
Diluted ₹		7.13	6.06
Summary of Significant accounting policies	**5**		

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Cash Flow Statement
for the year ended 31 March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,503.35	1,373.13
Adjustments for:		
Depreciation and amortisation expense	108.83	102.50
Profit on disposal of property, plant and equipment (net)	(0.89)	(2.42)
Share based payment expense	63.46	2.13
Provision for disputed liabilities	8.94	6.00
Provision for employee benefits	0.47	6.53
Finance costs	25.99	18.24
Interest income	(228.76)	(218.68)
Unrealised foreign exchange loss (net)	2.93	1.77
Expected credit loss / impairment of financial and non-financial assets	2.03	2.34
(Gain) / loss on fair valuation of financial instruments (net)	(0.79)	3.69
Net gain on sale of financial assets measured at FVTPL	(6.15)	(19.12)
Net gain on sale of financial assets measured at FVOCI	(1.45)	(19.87)
Exceptional items	-	14.54
Operating profit before working capital changes and other adjustments	**1,477.96**	**1,270.78**
Working capital changes and other adjustments:		
Inventories	(28.10)	(105.52)
Trade receivables	(112.39)	10.82
Current and non-current financial assets	0.29	(2.75)
Other current and non-current assets	28.06	(73.42)
Trade payables	37.75	31.57
Other current and non-current financial liabilities	14.74	17.92
Other current liabilities and provisions	24.82	(31.92)
Cash flow from operating activities post working capital changes	**1,443.13**	**1,117.48**
Direct taxes paid (net of refund)	(319.56)	(301.07)
Net cash flow from operating activities (A)	**1,123.57**	**816.41**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(125.28)	(110.74)
Proceeds from disposal of property, plant and equipment	4.08	11.71
Purchase of investments / bank deposits	(5,392.77)	(8,701.24)
Proceeds from sale of investments / bank deposits	5,710.25	8,317.17
Interest received	220.43	220.72
Net cash flow from/ (used in) investing activities (B)	**416.71**	**(262.38)**

Particulars	31 March, 2019	31 March, 2018
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	0.48	-
Proceeds from non-current borrowings (including current maturities)	0.02	0.40
Proceeds from / (repayment) of current borrowings (net)	3.15	(1.97)
Dividend paid	(1,324.71)	(396.34)
Dividend distribution tax paid	(272.30)	(80.69)
Finance costs paid	(26.03)	(17.58)
Net cash used in financing activities (C)	**(1,619.39)**	**(496.18)**
(Decrease) / increase in cash and cash equivalents (A+B+C)	(79.11)	57.85
Cash and cash equivalents at the beginning of the year	57.80	(1.25)
Net unrealised foreign exchange gain	1.07	1.20
Cash and cash equivalents at the end of the year	**(20.24)**	**57.80**
Note:		
Cash and cash equivalent (as per note 15 to the standalone financial statements)	**23.16**	**77.67**
Balances with banks in cash credit accounts (refer note 26)	(27.73)	(8.60)
Balances with banks in over draft accounts (refer note 26)	(15.67)	(11.27)
Cash and cash equivalent as per Standalone Cash Flow Statement	**(20.24)**	**57.80**

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31 March, 2019

A. Equity share capital *

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Number of shares	Amount
Balance as at 1 April, 2017	**1,76,15,20,510**	**176.15**
Issued during the year	-	-
Balance as at 31 March, 2018	**1,76,15,20,510**	**176.15**
Balance as at 1 April, 2018	**1,76,15,20,510**	**176.15**
Issued during the year	47,70,631	0.48
Balance as at 31 March, 2019	**1,76,62,91,141**	**176.63**

B. Other equity **

Particulars	Reserves and surplus					Other comprehensive income (OCI)	Total
	Capital reserve	Securities premium	Share option outstanding account	General reserve	Retained earnings	Debt instruments through OCI	
Balance as at 1 April, 2017	**26.92**	**230.25**	**89.08**	**513.43**	**2,592.66**	**29.39**	**3,481.73**
Profit for the year	-	-	-	-	1,072.05	-	1,072.05
Other comprehensive income for the year							
Re-measurements loss on defined benefit plans (net of tax of ₹ 0.16 crores)	-	-	-	-	(0.61)	-	(0.61)
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 8.79 crores)	-	-	-	-	-	(28.95)	(28.95)
Recognition of share based payment expenses (refer note 36)	-	-	2.13	-	-	-	2.13
Share based payment for employees of subsidiaries	-	-	1.39	-	-	-	1.39
Transactions with owners in their capacity as owners							
Dividends (refer note 44)	-	-	-	-	(477.03)	-	(477.03)
Balance as at 31 March, 2018	**26.92**	**230.25**	**92.60**	**513.43**	**3,187.07**	**0.44**	**4,050.71**

* refer note 20

** refer note 21

B. Other equity (Contd.)**

Particulars	Reserves and surplus					Other comprehensive income (OCI)	Total
	Capital reserve	Securities premium	Share option outstanding account	General reserve	Retained earnings	Debt instruments through OCI	
Balance as at 1 April, 2018	**26.92**	**230.25**	**92.60**	**513.43**	**3,187.07**	**0.44**	**4,050.71**
Profit for the year	-	-	-	-	1,264.29	-	1,264.29
Other comprehensive income for the year							
Re-measurements gain on defined benefit plans (net of tax of ₹ 0.22 crores)	-	-	-	-	0.82	-	0.82
Net fair value loss on investment in debt instruments through OCI (net of tax of ₹ 1.21 crores)	-	-	-	-	-	(3.99)	(3.99)
Transfer from share option outstanding account on exercise of options	-	94.98	(94.98)	-	-	-	-
Recognition of share based payment expences (refere note 36)	-	-	63.46	-	-	-	63.46
Share based payment for employees of subsidiaries	-	-	13.91	-	-	-	13.91
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-
Dividends (refer note 44)	-	-	-	-	(1,597.01)	-	(1,597.01)
Balance as at 31 March, 2019	**26.92**	**325.23**	**74.99**	**513.43**	**2,855.17**	**(3.55)**	**3,792.19**

** refer note 21

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Anupam Kumar
Partner
Membership No.:501531

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Place : New Delhi
Date : May 2, 2019

Summary of significant accounting policies and other explanatory information

for the year ended 31 March, 2019

(All amounts in ₹ crores, unless otherwise stated)

1. Company information

Dabur India Limited (the 'Company') is a domestic public limited Company with registered office situated at 8/3, Asaf Ali Road, New Delhi – 110002 and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is one of the leading fast moving consumer goods (FMCG) players dealing in consumer care and food products. It has manufacturing facilities across the length and breadth of the country and research and development center in Sahibabad, U.P and selling arrangements primarily in India through independent distributors. However, most of the institutional sales are handled directly by the Company.

2. General information and statement of compliance with Ind AS

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees ('₹') which is also the functional currency of the Company.

The financial statements for the year ended 31 March, 2019 were authorized and approved for issue by the Board of Directors on 2 May, 2019. The revision to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Amount in the financial statements are presented in ₹ crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

4. Recent accounting pronouncements

On 30 March, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendments Rules, 2019 notifying the new leasing standard Ind AS 116, 'Leases'. This amendment replaces Ind AS 17, 'Leases' and related interpretations. Also notifying an insertion of Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', amendment to Ind AS 12, 'Income Taxes' and amendment to Ind AS 19, 'Employee Benefits'. The amendments are applicable to the Company from 1 April, 2019.

- **Amendment to Ind AS 116, Leases**

  On 30 March, 2019, Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the standalone financial statements is being evaluated.

- **Amendment to Ind AS 12, Income taxes**

  On 30 March, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

- **Amendment to Ind AS 19, Employee benefits**

  On 30 March, 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

- **Amendment to Ind AS 23, Borrowing costs**

  On 30 March, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April, 2019. The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

- **Amendment to Ind AS 109, Financial instruments**

  On 30 March, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April, 2019. The Company is evaluating the requirements of the amendments and their impact on the standalone financial statements.

5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

a. Current / non-current classification:

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 the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Revenue recognition:

- Revenue from sale of products is recognised when control of products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers.

  Revenue is measured at fair value of the consideration received or receivable and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax.

  The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example taxes collected on behalf of government). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

  The transaction price is allocated by the Company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

  For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

  When either party to a contract has performed its obligation, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

- Income from export incentives such as duty drawback, premium on sale of import licenses and lease license fee are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

- Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

- Interest income is recognized using effective interest method.
- Dividend income is recognized at the time when the right to receive is established by the reporting date.
- Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

c. Property, plant and equipment:

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. These tangible assets are held for use in production, supply of goods or services or for administrative purposes.

- Cost comprises purchase cost, freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such costs also include borrowing cost if the recognition criteria are met.
- When a major inspection/repair occurs, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/repair is derecognized. All other repair and maintenance are recognized in the Standalone Statement of Profit and Loss as incurred.
- Depreciation on property, plant and equipment is provided over the useful lives of assets as specified in Schedule II to the Act except where the management, has estimated useful life of an asset supported by the technical assessment, external or internal i.e., higher or lower from the indicative useful life given under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	10 years

The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

- Components relevant to property, plant and equipment, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specific context.
- For new projects, all direct expenses and direct overheads (excluding services of non-exclusive nature provided by employees in Company's regular payroll) are capitalized till the assets are ready for intended use.
- During disposal of property, plant and equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a-vis carrying cost of assets is accounted for in Standalone Statement of Profit and Loss.

d. Capital work-in-progress and intangible assets under development:

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects / intangible assets under development and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

e. Investment property:

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act.

Significant parts of the property are depreciated separately based on their specific useful lives as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years

Any gain or loss on disposal of investment properties is recognized in Standalone Statement of Profit and Loss.

Fair value of investments properties under each category are disclosed under note 6C to the standalone financial statements. Fair values are determined based on the evaluation performed by an accredited external independent valuer applying a recognized and accepted valuation model or estimation based on available sources of information from market.

Transfers to or from the investment property is made only when there is a change in use and the same is made at the carrying amount of investment property.

f. Intangible assets:

- Intangible assets acquired separately are measured on initial recognition at cost of acquisition. The cost comprises of purchase price and directly attributable costs of bringing the assets to its working condition for intended use. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. In case of internally generated assets, measured at development cost subject to satisfaction of recognition criteria (identifiability, control and future economic benefit) in accordance with Ind AS 38 'Intangible Assets'.
- Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.
- Intangible assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.
- Amortization of intangible assets such as softwares is computed on a straight-line basis, at the rates representing estimated useful life of up to 5 years. The brands and trademarks acquired as part of business combinations normally have a remaining legal life of not exceeding ten years but is renewable every ten years at little cost and is well established.

g. Government subsidy / grants:

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

- Subsidy related to assets is recognized as deferred income which is recognized in the Standalone Statement of Profit and Loss on systematic basis over the useful life of the assets.
- Purchase of assets and receipts of related grants are separately disclosed in Standalone Statement of Cash Flow.
- Grants related to income are treated as other operating income in Standalone Statement of Profit and Loss subject to due disclosure about the nature of grant.

h. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Standalone Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Standalone Statement of Profit and Loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

i. Impairment of financial assets:

In accordance with Ind AS 109 'Financial Instruments', the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

j. Trade receivables:

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

k. Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

l. <u>Financial instruments:</u>

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

- **Financial assets carried at amortized cost**

  A financial asset is measured at the amortized cost, if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

  b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method.

- **Investments in equity instruments of subsidiaries and joint ventures**

  Investments in equity instruments of subsidiaries and joint ventures are accounted for at cost in accordance with Ind AS 27 'Separate Financial Statements'.

- **Investments in other equity instruments**

  Investments in equity instruments which are held for trading are classified as at fair value through profit or loss ('FVTPL'). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL'). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- **Debt instruments**

  Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of:

  a. the entity's business model for managing the financial assets and

  b. the contractual cash flow characteristics of the financial asset.

a. Measured at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the EIR method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Standalone Statement of Profit and Loss.

b. Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income ('OCI'). Interest income measured using the EIR method and impairment losses, if any are recognized in the Standalone Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Standalone Statement of Profit and Loss.

c. Measured at fair value through profit or loss

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Standalone Statement of Profit and Loss.

- **Investments in mutual funds**

  Investments in mutual funds are measured at FVTPL.

  De-recognition of financial assets

  A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

  Non-derivative financial liabilities

  Subsequent measurement

  Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

  De-recognition of financial liabilities

  A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Standalone Statement of Profit and Loss.

  Derivative financial instruments

  The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms.

  Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Standalone Statement of Profit and Loss when incurred.

- **Financial guarantee contracts**

  Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the Standalone Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m. Fair value measurement:

The Company measures financial instruments, such as, derivatives at fair value at each Standalone Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

n. <u>Leases:</u>

Where the Company is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Standalone Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease other than finance lease is treated as operating lease. Operating lease payments are recognized as an expense in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with general inflation index.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

o. <u>Inventories:</u>

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-trade valued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued at moving weighted average basis plus appropriate overheads.

p. <u>Employee benefits:</u>

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

- **Current employee benefits**

  a. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee dues payable in the Standalone Balance Sheet.

b. Employees' State Insurance ('ESI') is provided on the basis of actual liability accrued and paid to authorities.

c. The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

d. Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

- **Post separation employee benefit plan**

a. Defined benefit plan

- Post separation benefits of Directors are accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'.
- Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Standalone Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.
- The Company contributes its share of contribution to Employees' Provident Fund Scheme administered by a separate trust with its obligation to make good the shortfall, if any, in trust fund arising on account of difference between the return on investments of the trust and the interest rate on provident fund dues notified periodically by the Central Government.
- Actuarial gain / loss pertaining to gratuity and post separation benefits are accounted for as OCI. All remaining components of costs are accounted for in Standalone Statement of Profit and Loss.

b. Defined contribution plans

Liability for superannuation fund is provided on the basis of the premium paid to insurance company in respect of employees covered under Superannuation Fund Policy.

q. <u>Taxation:</u>

Tax expense recognized in Standalone Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income-tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Standalone Statement of Profit and Loss is recognized outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

r. **Provisions, contingent liability and contingent assets:**

- Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- Contingent liability is disclosed for:
  a. Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
  b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

s. **Foreign currency transactions and translations:**

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Standalone Statement of Profit and Loss in the year in which they arise.

t. **Share based payments - Employee Stock Option Scheme ('ESOP'):**

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

u. **Operating segments:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

v. **Earnings per share:**

Basic earnings per share are 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 attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares.

w. **Research and development:**

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

x. **Borrowing cost:**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

y. **Cash and cash equivalents:**

For the purpose of the Standalone Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

z. **Significant management judgement in applying accounting policies and estimation uncertainty:**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires, the management to make an assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Classification of leases**

  The Company executes leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on management's assessment of several factors, including but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased assets and extent of specialized nature of the leased asset.

- **Recoverability of advances / receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

- **Defined benefit obligation ('DBO')**

  Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Provisions**

  At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Contingencies**

  Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, (refer note 45). By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments by management and the use of estimates regarding the outcome of future events.

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to standalone financial statements.

- **Inventories**

  The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

- **Useful lives of depreciable / amortizable assets**

  Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Valuation of investment property**

  Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement to disclose fair value as at the balance sheet date. The Company engages independent valuation specialists to determine the fair value of its investment property as at reporting date.

- **Income taxes**

  The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 41). The extent to which deferred tax assets/ minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

6 A Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2018 and 31 March, 2019 are as follows:

Description	Leasehold land	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross block								
Balance as at 1 April, 2017	**23.66**	**37.97**	**444.97**	**803.23**	**62.58**	**20.64**	**44.76**	**1,437.81**
Addition for the year	7.90	1.57	35.47	62.86	7.23	7.18	2.73	124.94
Transfer from capital work-in-progress	0.02	-	5.92	16.23	0.07	-	-	22.24
Disposals / adjustments for the year	-	0.65	6.61	13.02	0.61	2.79	2.57	26.25
Balance as at 31 March, 2018	**31.58**	**38.89**	**479.75**	**869.30**	**69.27**	**25.03**	**44.92**	**1,558.74**
Addition for the year	0.02	0.69	11.74	56.78	6.94	2.24	8.09	86.50
Transfer from capital work-in-progress	-	-	4.99	14.24	0.12	-	0.67	20.02
Disposals / adjustments for the year	-	-	0.13	11.08	0.20	1.92	1.78	15.11
Balance as at 31 March, 2019	**31.60**	**39.58**	**496.35**	**929.24**	**76.13**	**25.35**	**51.90**	**1,650.15**
Accumulated depreciation								
Balance as at 1 April, 2017	**2.25**	**-**	**108.03**	**319.20**	**33.47**	**7.66**	**38.02**	**508.63**
Addition for the year	0.71	-	13.77	73.23	4.29	2.38	2.24	96.62
Disposals / adjustments for the year	-	-	5.32	7.70	0.59	1.77	2.47	17.85
Balance as at 31 March, 2018	**2.96**	**-**	**116.48**	**384.73**	**37.17**	**8.27**	**37.79**	**587.40**
Addition for the year	0.77	-	14.48	76.75	4.91	2.92	2.96	102.79
Disposals / adjustments for the year	-	-	0.01	8.89	0.28	1.05	1.69	11.92
Balance as at 31 March, 2019	**3.73**	**-**	**130.95**	**452.59**	**41.80**	**10.14**	**39.06**	**678.27**
Net block as at 1 April, 2017	**21.41**	**37.97**	**336.94**	**484.03**	**29.11**	**12.98**	**6.74**	**929.18**
Net block as at 31 March, 2018	**28.62**	**38.89**	**363.27**	**484.57**	**32.10**	**16.76**	**7.13**	**971.34**
Net block as at 31 March, 2019	**27.87**	**39.58**	**365.40**	**476.65**	**34.33**	**15.21**	**12.84**	**971.88**

Notes:

a) Addition to the above property, plant and equipment includes ₹ 2.09 crores (31 March, 2018: ₹ 5.98 crores) incurred at Company's inhouse research and development facilities at Sahibabad, Uttar Pradesh.

b) Plant and equipment have been hypothecated with banks against term loans, refer note 22.

c) **Contractual obligations** : Refer note 45 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

d) **Leasehold land :** Represents land taken on lease for the years ranging from 20 to 99.

e) **Impairment loss :** 'Disposals / adjustments for the year' above include impairment provision mainly pertaining to assets which are lying idle, damaged and having no future use amounting to ₹ Nil crores (31 March, 2018 : ₹ 4.44 crores)

6 B Capital work-in-progress

The changes in the carrying value of capital work-in-progress for the year ended 31 March, 2018 and 31 March, 2019 are as follows:

Description	Amount
Gross block	
Balance as at 1 April, 2017	**28.25**
Addition for the year	20.81
Transfer to property, plant and equipment	22.24
Disposal for the year	-
Balance as at 31 March, 2018	**26.82**
Addition for the year	19.92
Transfer to property, plant and equipment	20.02
Transfer to Intangible Asset	5.03
Disposal for the year	-
Balance as at 31 March, 2019	**21.69**

6 C Investment property

The changes in the carrying value of investment property for the year ended 31 March, 2018 and 31 March, 2019 are as follows:

Description	Freehold land	Buildings	Total
Gross block			
Balance as at 1 April, 2017	**5.06**	**53.57**	**58.63**
Addition for the year	-	-	-
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**5.06**	**53.57**	**58.63**
Addition for the year	-	-	-
Disposals for the year	-	-	-
Balance as at 31 March, 2019	**5.06**	**53.57**	**58.63**
Accumulated depreciation			
Balance as at 1 April, 2017	**-**	**7.28**	**7.28**
Addition for the year	-	0.99	0.99
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**-**	**8.27**	**8.27**
Addition for the year	-	0.99	0.99
Disposals for the year	-	-	-
Balance as at 31 March, 2019	**-**	**9.26**	**9.26**
Net block as at 1 April, 2017	**5.06**	**46.29**	**51.35**
Net block as at 31 March, 2018	**5.06**	**45.30**	**50.36**
Net block as at 31 March, 2019	**5.06**	**44.31**	**49.37**

Notes:

a) Amount recognized in Standalone Statement of Profit and Loss for investment properties:

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Rental income derived from investment properties	10.39	9.98
Less: direct operating expenses that generated rental income	0.48	0.31
Less: direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties before depreciation	**9.91**	**9.67**
Less: depreciation expense	0.99	0.99
Profit from leasing of investment properties after depreciation	**8.92**	**8.68**

b) As at 31 March, 2019, the fair value of investment properties are ₹ 161.77 crores (31 March, 2018: ₹ 157.52 crores). These valuations are based on valuations performed by accredited independent valuer. Fair Value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

c) **Leasing arrangements :** Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 49 for details on future minimum lease rentals.

6 D Other intangible assets

The changes in the carrying value of other intangible asset for the year ended 31 March, 2018 and 31 March, 2019 are as follows:

Description	Brands / trademarks	Computer software	Total
Gross block			
Balance as at 1 April, 2017	**12.94**	**40.20**	**53.14**
Addition for the year	-	0.87	0.87
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**12.94**	**41.07**	**54.01**
Addition for the year	-	6.61	6.61
Transfer from capital work-in-progress	-	5.03	5.03
Disposals for the year	-	-	-
Balance as at 31 March, 2019	**12.94**	**52.71**	**65.65**
Accumulated depreciation			
Balance as at 1 April, 2017	**11.84**	**28.50**	**40.34**
Addition for the year	0.12	4.77	4.89
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**11.96**	**33.27**	**45.23**
Addition for the year	0.12	4.93	5.05
Disposals for the year	-	-	-
Balance as at 31 March, 2019	**12.08**	**38.20**	**50.28**
Net block as at 1 April, 2017	**1.10**	**11.70**	**12.80**
Net block as at 31 March, 2018	**0.98**	**7.80**	**8.78**
Net block as at 31 March, 2019	**0.86**	**14.51**	**15.37**

7. Non-current investments

Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
I Investment in equity instruments				
a) **Subsidiary companies (at cost) (unquoted) (fully paid) ^**				
A Dabur International Limited	17,00,000	59.49	17,00,000	59.49
Shares of face value of PSTG 1 each				
B H & B Stores Limited	29,64,93,165	29.65	29,64,93,165	29.65
Shares of face value of ₹ 1 each				
C Dermoviva Skin Essentials Inc.	5,65,000	2.54	5,65,000	2.54
Shares of face value of USD 1 each				
Sub-Total		**91.68**		**91.68**
b) **Joint venture (at cost) (unquoted) (fully paid) ^**				
A Forum I Aviation Private Limited	74,87,251	6.99	74,87,251	6.99
Shares of face value ₹ 10 each				
Sub-Total		**6.99**		**6.99**
c) **Other entities (unquoted) (fully paid)#**				
A Sanat Products Limited	50,000	0.05	50,000	0.05
Shares of face value of ₹ 100 each				
B Shivalik Solid Waste Management Limited	18,000	0.02	18,000	0.02
Shares of face value of ₹ 10 each				
Sub-Total		**0.07**		**0.07**

Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
II Other investments				
a) Investments in government or trust securities (quoted) (fully paid)#				
A 8.97% Government Stock 2030 Units of face value of ₹ 100 each	-	-	20,00,000	22.54
B 8.83% Government Stock 2041 Units of face value of ₹ 100 each	80,00,000	92.26	80,00,000	91.71
C 9.20% NI Government Stock 2030 Units of face value of ₹ 100 each	60,00,000	67.15	70,00,000	78.28
D 9.23% NI Government Stock 2043 Units of face value of ₹ 100 each	1,20,00,000	143.79	1,60,00,000	191.97
E 8.60% Government of India 2028 Units of face value of ₹ 100 each	20,00,000	21.95	35,00,000	38.43
F 8.23% Gujarat State Development Loan 2025 Units of face value of ₹ 100 each	10,00,000	10.44	10,00,000	10.27
G 8.27% Karnataka State Development Loan 2025 Units of face value of ₹ 100 each	15,00,000	15.91	15,00,000	15.68
H 8.38% Karnataka State Development Loan 2026 Units of face value of ₹ 100 each	15,00,000	15.87	15,00,000	15.64
I 9.24% Maharashtra State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	11.01	10,00,000	10.88
J 9.11% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	11.11	10,00,000	10.95
K 8.87% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	15,00,000	16.68	15,00,000	16.43
Sub-Total		**406.17**		**502.78**
b) Investments in debentures or bonds				
i) Bonds (quoted) (fully paid)#				
A Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	1,050	112.37	1,100	120.38
B Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	650	70.22	650	71.48
C Power Grid Corporation of India Limited Units of face value of ₹ 10,00,000 each	250	27.17	250	27.42
D Housing Development Finance Corporation Limited Units of face value of ₹ 10,00,000 each	250	27.55	250	28.01
E Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	500	25.11	500	25.46
F Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	25	26.81	25	27.20
G LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,350	145.71	1,350	147.38
H IDFC Bank Limited Units of face value of ₹ 10,00,000 each	850	87.82	850	90.81
I ICICI Bank Limited Units of face value of ₹ 10,00,000 each	100	10.68	100	10.49
Sub-Total		**533.44**		**548.63**

Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
ii) **Non-convertible debentures (quoted) (fully paid)##**				
A Shriram Transport Finance Company Limited Units of face value of ₹ 10,00,000 each	200	21.15	750	77.61
B Bajaj Finance Limited Units of face value of ₹ 10,00,000 each	2,350	246.79	3,000	312.90
C Kotak Mahindra Prime Limited Units of face value of ₹ 10,00,000 each	1,500	156.72	1,650	172.24
D L&T Housing Finance Limited Units of face value of ₹ 25,00,000 each	200	53.01	200	53.01
E Aditya Birla Finance Limited Units of face value of ₹ 10,00,000 each	250	26.10	500	51.57
F Sundaram Finance Limited Units of face value of ₹ 10,00,000 each	100	10.43	100	10.43
G Tata Capital Financial Services Limited Units of face value of ₹ 10,00,000 each	250	26.38	500	51.54
H Reliance Home Finance Limited Units of face value of ₹ 5,00,000 each (31 March, 2019 : ₹ 0.64 impaired; 31 March, 2018 : ₹ Nil)	400	20.84	1,000	52.70
I Tata Capital Housing Finance Limited Units of face value of ₹ 10,00,000 each	100	10.61	100	10.61
J CanFin Homes Limited Units of face value of ₹ 10,00,000 each	250	25.64	500	51.43
K HDB Financial Services Limited Units of face value of ₹ 10,00,000 each	1,000	104.50	1,500	156.86
L Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	175	184.08	200	207.67
M PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	500	52.84	500	49.93
N Dewan Housing Finance Corporation Limited Units of face value of ₹ 1,000 each	-	-	2,50,000	26.50
O Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	1,000	54.08	1,000	54.33
P Hero FinCorp Limited Units of face value of ₹ 10,00,000 each	200	21.38	200	21.38
Q ICICI Home Finance Company Limited Units of face value of ₹ 5,00,000 each	500	26.42	500	26.42
R LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,000	105.54	1,000	105.46
S Mahindra & Mahindra Financial Services Limited Units of face value of ₹ 10,00,000 each	500	51.88	500	51.93
Sub-Total		**1,198.39**		**1,544.52**
c) **Investments in fixed deposits with others (unquoted) ##**				
Dewan Housing Finance Limited	-	-	-	25.00
Sub-Total		**-**		**25.00**
Total		**2,236.74**		**2,719.67**

^ All the investment in equity shares of subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'

All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVOCI').

These are measured at amortised cost

PSTG - Pound Sterling

USD - United States Dollar

Notes:

Particulars	31 March, 2019	31 March, 2018
a. Aggregate amount of quoted investments - at cost	2,060.18	2,519.66
b. Aggregate amount of quoted investments - at market value	2,138.00	2,595.93
c. Aggregate amount of unquoted investments - at cost	98.74	123.74
d. Aggregate amount of impairment in value of investments	0.64	-

8. Non-current loans

(*Unsecured, considered good unless otherwise stated*)

Security deposits		
Considered good	13.14	15.43
Considered doubtful	-	1.25
Less: Allowance for expected credit loss	-	(1.25)
Total	**13.14**	**15.43**

9. Others non-current financial assets

Bank deposit with more than 12 months maturity # *	77.64	4.09
Total	**77.64**	**4.09**
# Pledged as security with electricity/water department/government authorities	0.02	2.91
* Includes interest accrued but not due	0.35	0.15

10. Non-current tax assets (net)

Advance income tax (net)	0.86	3.28
Total	**0.86**	**3.28**

11. Other non-current assets

(*Unsecured, considered good unless otherwise stated*)

Capital advances	15.79	9.70
Advances other than capital advances		
Prepaid rent	0.35	1.22
Balance with government authorities		
Considered good	51.60	43.17
Considered doubtful	5.00	15.72
Less: Allowance for impairment	(5.00)	(15.72)
Total	**67.74**	**54.09**

12. Inventories ^*

(*Valued at lower of cost or net realisable value*)

Raw materials	224.47	202.80
Packing materials	86.85	70.35
Work-in-progress	95.34	99.10
Finished goods	243.65	256.27
Stock-in-trade (acquired for trading)	70.79	69.27
Stock-in-trade (acquired for trading)-in-transit	10.83	6.06
Stores and spares	0.97	0.94
Total	**732.90**	**704.79**

Note:

^ Inventories have been hypothecated with banks against working capital loans, refer note 26 for details.

* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ Nil crores (31 March, 2018 : ₹ 16.34 crores). Further, reversal of write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 2.32 crores (31 March, 2018 : ₹ Nil crores). These were recognized as an expense/reversal of expense respectively during the year and were included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in Standalone Statement of Profit and Loss.

13. Current investments

Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
I Other than trade				
a) Mutual funds (quoted) (fully paid) ^				
A Reliance Medium Term Fund - Direct Growth Plan Units of face value of ₹ 10 each	-	-	2,04,70,591	76.16
B ABSL Liquid Fund - Direct Growth Plan Units of face value of ₹ 100 each	8,33,030	25.03	-	-
C UTI Liquid Cash - Direct Growth Plan Units of face value of ₹ 1,000 each	1,58,650	48.56	-	-
D ICICI Prudential Savings Fund - Direct Growth Plan Units of face value of ₹ 100 each	-	-	16,98,247	45.91
E IDFC Cash Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,40,094	29.56
F SBI Premier Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,83,836	50.08
G Kotak Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,42,185	50.08
H Baroda Pioneer Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,762	0.35
Sub-Total		**73.59**		**252.14**
b) Commercial papers (quoted) (fully paid)#				
A Kotak Mahindra Investment Ltd. Units of face value of ₹ 5,00,000 each	1,000	49.54	-	-
Sub-Total		**49.54**	**-**	**-**
c) Non-convertible debentures (quoted) (fully paid)				
A Reliance Capital Limited ^ Units of face value of ₹ 10,00,000 each	-	-	50	5.23
B Bajaj Finance Limited # Units of face value of ₹ 10,00,000 each	650	66.05	-	-
C CanFin Homes Limited # Units of face value of ₹ 10,00,000 each	250	25.81	-	-
D Dewan Housing Finance Corporation Limited # Units of face value of ₹ 1,000 each (31 March, 2019 : ₹ 0.82 crores impaired; 31 March, 2018: ₹ Nil)	2,50,000	25.50	-	-
E Reliance Home Finance Limited # Units of face value of ₹ 5,00,000 each (31 March, 2019: ₹ 0.51 Crores impaired; 31 March 2018: ₹ Nil)	600	30.72	-	-
F HDB Financial Services Limited # Units of face value of ₹ 10,00,000 each	500	52.50	-	-
G Housing Development Finance Corporation Limited# Units of face value of ₹ 1,00,00,000 each	75	76.18	-	-
H Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,90,000 each	-	-	340	33.88
I Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,98,780 each	-	-	179	17.94
J Bajaj Finance Limited ^ Units of face value of ₹ 10,00,000 each	-	-	324	34.01
K Shriram Transport Finance Company Limited ^ Units of face value of ₹ 10,00,000 each	-	-	250	25.02

Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
L Capital First Limited ^	-	-	448	47.11
Units of face value of ₹ 10,00,000 each				
M LIC Housing Finance Limited ^	-	-	100	10.20
Units of face value of ₹ 10,00,000 each				
N Aditya Birla Finance Limited #	500	51.44	250	27.16
Units of face value of ₹ 10,00,000 each				
O Kotak Mahindra Investment Limited #	500	51.44	250	26.92
Units of face value of ₹ 10,00,000 each				
P Kotak Mahindra Prime Limited #	150	15.79	350	37.01
Units of face value of ₹ 10,00,000 each				
Q Sundaram Finance Limited #	250	25.23	100	10.77
Units of face value of ₹ 10,00,000 each				
R Tata Capital Housing Finance Limited #	-	-	150	16.15
Units of face value of ₹ 10,00,000 each				
S Reliance Capital Limited #	-	-	200	21.52
Units of face value of ₹ 10,00,000 each				
T Shriram Transport Finance Company Limited #	550	56.47	-	-
Units of face value of ₹ 10,00,000 each				
U Tata Capital Financial Services Limited #	250	25.16	-	-
Units of face value of ₹ 10,00,000 each				
Sub-Total		**502.29**		**312.92**
d) Investment in bonds (quoted) (fully paid) ^				
A Export–Import Bank of India	-	-	119	13.16
Units of face value of ₹ 10,00,000 each				
B Uttar Pradesh State Development Loans	-	-	1,49,000	1.58
Units of face value of ₹ 100 each				
C Power Finance Corporation Limited	-	-	19	1.94
Units of face value of ₹ 10,00,000 each				
D National Bank of Agriculture and Rural Development	-	-	266	28.04
Units of face value of ₹ 10,00,000 each				
E Rural Electrification Corporation Limited	-	-	100	11.22
Units of face value of ₹ 10,00,000 each				
F Andhra Bank	-	-	124	12.98
Units of face value of ₹ 10,00,000 each				
G PNB Housing Finance Limited	-	-	123	12.66
Units of face value of ₹ 10,00,000 each				
Sub-Total	**-**	**-**		**81.58**
e) Investment in Fixed deposits with others (Unquoted) #				
A Housing Development Finance Corporation Limited	-	-	-	66.75
B Dewan Housing Finance Limited	-	25.00	-	-
Sub-Total		**25.00**		**66.75**
f) Investment in Certificate of Deposit (quoted) (fully paid)#				
A Canara Bank	7,500	74.98	-	-
Units of face value of ₹ 1,00,000 each				
Sub-Total		**74.98**		**-**
Total	**-**	**725.40**	**-**	**713.39**

These are measured at amortised cost

^ These are measured at fair value through profit and loss (‘FVTPL’)

Notes:

Particulars	31 March, 2019	31 March, 2018
a. Aggregate amount of quoted investments - at cost	685.63	633.29
b. Aggregate amount of quoted investments - at market value	700.40	646.64
c. Aggregate amount of unquoted investments - at cost	25.00	66.75
d. Aggregate amount of impairment in value of investments	1.33	-

14. Trade receivables*

Unsecured, considered good	431.46	321.34
Unsecured, credit impaired	8.51	8.98
Sub-Total	**439.97**	**330.32**
Less: Allowance for expected credit loss	(8.51)	(8.98)
Total	**431.46**	**321.34**

* Trade receivables have been hypothecated with banks against working capital loans, refer note 26 for details. Also refer note 54 for related parties details.

15. Cash and cash equivalents

Balances with banks in current accounts	22.91	69.95
Cheques, drafts on hand	-	7.46
Cash on hand	0.25	0.26
Total	**23.16**	**77.67**

16. Bank balances other than cash and cash equivalents

Term deposit with maturity for more than 3 months but less than 12 months * #	92.08	2.79
Unpaid dividend account **	9.47	6.56
Total	**101.55**	**9.35**
# Pledged as security with electricity / water department / government authorities	2.76	-
* Includes interest accrued but not due	1.39	0.03
** These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note 28		

17. Current loans

(*Unsecured, considered good*)

Security deposits	4.56	1.41
Total	**4.56**	**1.41**

18. Other current financial assets

Advance recoverable in cash		
Due from subsidiary companies (refer note 54)	14.12	4.06
Total	**14.12**	**4.06**

19. Other current assets

(*Unsecured, considered good unless otherwise stated*)

Particulars	31 March, 2019	31 March, 2018
Advances to suppliers		
Considered good	17.45	6.45
Considered doubtful	1.27	1.27
Sub-Total	**18.72**	**7.72**
Less: Allowance for impairment	(1.27)	(1.27)
Sub-Total	**17.45**	**6.45**
Prepaid expenses	6.05	7.86
Advance to employees	2.26	2.15
Balance with statutory / government authorities	64.64	109.48
Other advances	0.80	0.89
Sub-Total	**73.75**	**120.38**
Total	**91.20**	**126.83**

20. Equity share capital

Authorised	31 March, 2019	31 March, 2018
2,07,00,00,000 (31 March, 2018: 2,07,00,00,000) equity shares of ₹ 1 each	207.00	207.00
Issued, subscribed and fully paid up		
1,76,62,91,141 (31 March, 2018: 1,76,15,20,510) equity shares of ₹ 1 each	176.63	176.15

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March, 2019		31 March, 2018	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,76,15,20,510	176.15	1,76,15,20,510	176.15
Add: Shares issued on exercise of employee stock option plan (ESOP)	47,70,631	0.48	-	-
Balance as at the end of the year	**1,76,62,91,141**	**176.63**	**1,76,15,20,510**	**176.15**

b) Rights, preference and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 1.00 per share. Each shareholder is entitled 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 of the Company, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the year: #

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No. of equity shares	% of shareholding	No. of equity shares	% of shareholding
Chowdry Associates	21,79,41,800	12.34%	21,79,41,800	12.37%
VIC Enterprises Private Limited	21,77,34,000	12.33%	21,77,34,000	12.36%
Gyan Enterprises Private Limited	20,22,37,980	11.45%	20,22,37,980	11.48%
Puran Associates Private Limited	18,92,12,000	10.71%	18,92,12,000	10.74%
Ratna Commercial Enterprises Private Limited	15,74,35,429	8.91%	15,71,94,429	8.92%
Milky Investment and Trading Company	10,61,47,503	6.01%	10,61,47,503	6.03%

As per the records of the Company including its register of member.

d) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the year end:

i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2014-15 to 2018-19:

Nil (during FY 2013-14 to 2017-18: Nil) equity shares of ₹ 1.00 each allotted without payment being received in cash.

ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares:

The Company has issued total 71,64,757 equity shares (during FY 2013-14 to 2017-18: 75,28,783 equity shares) during the period of five years immediately preceding 31 March, 2019 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

iii) Shares bought back during the financial year 2014-15 to 2018-19:

Nil (during FY 2013-14 to 2017-18: Nil) equity shares of ₹ 1.00 each bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013.

iv) Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2014-15 to 2018-19:

The Company has issued total 1,53,13,311 equity shares of ₹ 1.00 each (during FY 2013-14 to 2017-18: 1,10,56,716 equity shares) during the period of five years immediately preceding 31 March, 2018 on exercise of options granted under the employee stock option plan (ESOP).

v) Shares reserved for issue under options:

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 60. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Company on or before the vesting date.

21. Other equity

Particulars	31 March, 2019	31 March, 2018
Reserves and surplus		
Capital reserve	26.92	26.92
Securities premium	325.23	230.25
Share option outstanding account	74.99	92.60
General reserve	513.43	513.43
Retained earnings	2,855.17	3,187.07
Other comprehensive income		
Debt instruments through OCI	(3.55)	0.44
Total	**3,792.19**	**4,050.71**

Description of nature and purpose of each reserve

Capital reserve

Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

Securities premium

Securities premium is used to record the premium on issue of shares, which will be utilised in accordance with provisions of the Act.

Share option outstanding account

The reserve is used to recognize the grant date fair value of options issued to employees under employee stock option schemes and is adjusted on exercise/ forfeiture of options.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Debt instruments through other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments.

22. Non-current borrowing *#

Particulars	31 March, 2019	31 March, 2018
Secured		
Term loans from banks	25.00	200.00
Unsecured		
Long-term maturities of finance lease obligations	1.05	1.04
Total	**26.05**	**201.04**

* There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

22.1 Repayment terms and security disclosure for the outstanding non-current borrowings (excluding current maturities) as at 31 March, 2019:

Secured borrowings facility from banks:

Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Company.

22.2 Repayment terms and security disclosure for the outstanding non-current borrowings (excluding current maturities) as at 31 March, 2018:

Secured borrowings facility from banks:

i) Facility of ₹ 100.00 crores, bearing interest rate of 7.25% per annum having balance amount repayable by way of a bullet payment after 37 months from the date of disbursal, i.e., 5 July, 2016. The loan is secured by way of sole hypothecation and equitable mortgage over movable and immovable assets (created by the loan) at Pantnagar, Uttarakhand, owned by the Company.

ii) Facility of ₹ 75.00 crores, bearing interest rate of 6.90% per annum having balance amount repayable by way of bullet payment after 3 years from date of first drawdown, i.e., 26 September, 2016. The loan is secured by way of hypothecation over movable fixed assets at Sonitpur, Assam, owned by the Company.

iii) Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Company.

22.3 Reconciliation between the total of future minimum lease payments and their present value.

Description	As at 31 March, 2019		As at 31 March, 2018	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	0.10	0.09	0.09	0.08
More than one year but less than five years	0.44	0.31	0.43	0.31
More than five years	6.97	0.74	7.08	0.73
Total minimum lease payments	**7.51**	**1.14**	**7.60**	**1.12**
Less: Amounts representing finance charges	(6.37)		(6.48)	
Present value of minimum lease payments	**1.14**		**1.12**	
Classified as non-current	**1.05**		**1.04**	
Classified as current	**0.09**		**0.08**	

23. Other non-current financial liabilities

Particulars	31 March, 2019	31 March, 2018
Security deposit	4.13	3.16
Unearned rental income	0.43	1.09
Total	**4.56**	**4.25**

24. Non-current provisions

Provision for employee benefits (refer note 59)		
Post separation benefit of Directors	52.76	50.04
Total	**52.76**	**50.04**

25. Deferred tax liabilities (net)

Deferred tax liability arising on account of :		
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	110.90	113.68
Fair valuation of financial instruments through OCI	-	0.15
Fair valuation of financial instruments through FVTPL	0.03	-
Sub-Total	**110.93**	**113.83**
Deferred tax asset arising on account of :		
Expected credit loss / impairment of financial and non-financial assets	1.13	0.88
Lifetime expected credit loss of trade receivables	2.97	3.14
Provision for expense allowed for tax purpose on payment basis	17.45	13.53
Fair valuation of financial instruments through OCI	1.06	-
Fair valuation of financial instruments through FVTPL	-	0.25
Minimum alternate tax credit entitlement	80.00	-
Sub-Total	**102.61**	**17.80**
Total	**8.32**	**96.03**

25.1 Changes in deferred tax liabilities (net)

Particulars	1 April, 2018	Recognised in other comprehensive income	Recognised in Standalone Statement of Profit and Loss	31 March, 2019
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	113.68	-	(2.78)	110.90
Fair valuation of financial instruments through OCI	0.15	(0.15)	-	-
Fair valuation of financial instruments through FVTPL	-	-	0.03	0.03
Sub-total	**113.83**	**(0.15)**	**(2.75)**	**110.93**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.88	-	0.25	1.13

Particulars	1 April, 2018	Recognised in other comprehensive income	Recognised in Standalone Statement of Profit and Loss	31 March, 2019
Lifetime expected credit loss of trade receivables	3.14	-	(0.17)	2.97
Provision for expense allowed for tax purpose on payment basis	13.53	-	3.92	17.45
Fair valuation of financial instruments through FVTPL	0.25	-	(0.25)	-
Fair valuation of financial instruments through OCI	-	1.06	-	1.06
Sub-total	**17.80**	**1.06**	**3.75**	**22.61**
Minimum Alternate Tax credit entitlement				
Recognized	-	-	123.72	123.72
Utilised	-	-	-	(43.72)
Sub-total	**-**	**-**	**123.72**	**80.00**
Total	**96.03**	**(1.21)**	**(130.22)**	**8.32**

Particulars	1 April, 2017	Recognised in other comprehensive income	Recognised in Standalone Statement of Profit and Loss	31 March, 2018
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	104.07	-	9.61	113.68
Fair valuation of financial instruments through OCI	8.94	(8.79)	0.01	0.15
Fair valuation of financial instruments through FVTPL	0.35	-	(0.35)	-
Sub-total	**113.36**	**(8.79)**	**9.27**	**113.83**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.44	-	0.44	0.88
Lifetime expected credit loss of trade receivables	3.62	-	(0.48)	3.14
Provision for expense allowed for tax purpose on payment basis	11.02	-	2.51	13.53
Fair valuation of financial instruments through FVTPL	-		0.25	0.25
Sub-total	**15.08**	**-**	**2.72**	**17.80**
Minimum alternate tax credit entitlement				
Recognized	-	-	45.80	45.80
Utilised	-	-	-	(45.80)
Sub-total	-	**-**	**45.80**	**-**
Total	**98.28**	**(8.79)**	**(39.25)**	**96.03**

25.2 There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts considering the Company believes that it is not probable that the same can be utilized during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Assessment year	31 March, 2019	Expiry date	31 March, 2018	Expiry date
2009-2010	-	-	5.76	31 March, 2025
2010-2011	-	-	5.63	31 March, 2026
2011-2012	-	-	34.77	31 March, 2027
2012-2013	-	-	31.93	31 March, 2028
2013-2014	31.75	31 March, 2029	64.52	31 March, 2029
2014-2015	102.47	31 March, 2030	102.47	31 March, 2030
2015-2016	33.54	31 March, 2031	33.54	31 March, 2031
2016-2017	0.82	31 March, 2032	0.82	31 March, 2032
Total	**168.58**		**279.44**	

26. Current borrowings *

Particulars	31 March, 2019	31 March, 2018
i) Cash credits		
Secured, from bank (refer note 26.1and 26.2)	27.73	8.60
ii) Packing credit loan		
Unsecured, from bank	65.32	65.62
iii) Bank overdrafts		
Unsecured, from bank	15.67	11.27
Total	**108.72**	**85.49**

* There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

26.1 Repayment terms and security disclosure for the outstanding current borrowings as at 31 March, 2019:

Cash credit facility from banks:

Facility of ₹ 27.73 crores repayable on demand, is secured by way of first pari-passu charge / hypothecation over the current assets both present and future including inventories and book receivables, owned by the Company.

26.2 Repayment terms and security disclosure for the outstanding current borrowings as at 31 March, 2018:

Cash credit facility from banks:

Facility of ₹ 8.60 crores repayable on demand, is secured by way of first pari-passu charge / hypothecation over the current assets both present and future including inventories and book receivables, owned by the Company.

26.3 Rate of interest: The Company's current borrowings facilities have an effective weighted-average contractual rate of 5.26 % per annum (31 March, 2018 : 4.15 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

27. Trade payables

Due to micro and small enterprises #	54.61	7.37
Due to others*	943.71	953.25
Total	**998.32**	**960.62**

* includes acceptances arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks.

 # Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006)("MSMED Act, 2006"):

i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	54.61	7.37
ii) the amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Company.

28. Other current financial liabilities

Particulars	31 March, 2019	31 March, 2018
Current maturities of long-term borrowing	175.00	-
Current maturities of finance lease obligations	0.09	0.08
Interest accrued on borrowings	0.89	0.93
Security deposits	0.91	1.41
Unpaid dividends #	9.47	6.56
Creditors for capital goods	4.83	11.00
Employee dues payable	73.15	61.45
Other payables	0.49	0.17
Total	**264.83**	**81.60**

Not due for deposits to the Investor Education Protection Fund

29. Other current liabilities

Advances from customers	19.70	12.79
Statutory dues payable	30.42	22.39
Others	7.36	3.30
Total	**57.48**	**38.48**

30. Current provisions

Provision for employee benefits		
Provision for post-separation benefits of Directors (refer note 59)	0.43	0.43
Provision for compensated absences	0.58	2.91
Provision for gratuity (refer note 59)	2.53	2.45
Others		
Provision for disputed liabilities (refer note 48)	77.55	58.60
Total	**81.09**	**64.39**

31. Current tax liabilities (net)

Provision for income tax (net)	7.83	3.90
Total	**7.83**	**3.90**

32. Revenue from operations *

Operating revenue		
Sale of products (including excise duty)	6,189.54	5,552.26
Other operating revenues		
Budgetary support subsidy #	47.22	38.68
Export subsidy	8.41	5.77
Scrap sale	10.73	8.07
Miscellaneous	17.29	4.28
Sub-Total	**83.65**	**56.80**
Total	**6,273.19**	**5,609.06**

* Revenue for the period ended 31 March, 2019 is net of Goods and Service Tax (GST) which is applicable from 1 July, 2017, however, revenue for the periods upto 30 June, 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year

ended 31 March, 2019 is not comparable with the previous year presented in these financial statements. Similarly, cost of goods sold and expenses are also not comparable.

Represents the amount of budgetary support to be provided by the Government of India for the existing eligible manufacturing units operating under different industrial promotion tax exemption schemes, pursuant to the notification no: F.No. 10(1)/2017-DBA-II/NER issued by the Ministry of Commerce and Industry dated 5 October, 2017. The same has been recorded and disclosed in accordance with the Ind AS 20 'Government Grants'.

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers

A Reconciliation of revenue from sale of products with the contracted price

Particulars	31 March, 2019	31 March, 2018
Contracted Price	6,595.16	5,931.29
Less: Trade discounts, volume rebates, etc.	(405.62)	(379.03)
Sale of products	**6,189.54**	**5,552.26**

B Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenue from contracts with customers

i) Revenue from operations @		
(a) Consumer care business	5,097.16	4,509.67
(b) Food business	1,003.10	945.56
(c) Others	89.28	97.03
Operating revenue	**6,189.54**	**5,552.26**
ii) Other operating income (scrap sales)	10.73	8.07
Total revenue covered under Ind AS 115	**6,200.27**	**5,560.33**

@ The Company has disaggregated the revenue from contracts with customers on the basis of nature of products into consumer care business, food business, retail business and other segments (refer note 51). The Company believes that the disaggregation of revenue on the basis of nature of products have no impact on the nature, amount, timing and uncertainity of revenue and cash flows.

C Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Contract liabilities		
Advance from consumers	19.70	12.79
Total	**19.70**	**12.79**
Receivables		
Trade receivables	439.97	330.32
Less : Allowances for expected credit loss	(8.51)	(8.98)
Net receivables	**431.46**	**321.34**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

D Significant changes in the contract liabilities balances during the year are as follows:

Particulars	31 March, 2019	31 March, 2018
Opening balance	12.79	12.32
Addition during the year	19.70	12.79
Revenue recognised during the year	12.79	12.32
Closing balance	**19.70**	**12.79**

E The Company has applied Ind AS 115 prospectively from 1 April, 2018 and the adoption of this standard did not have a material impact on the standalone financial statements of the Company.

33. Other income

Interest income		
Investment in debt instruments measured at FVTOCI	78.35	83.99
Investment in debt instruments measured at FVTPL	4.81	18.58
Other financial assets carried at amortised cost	145.60	116.11
Dividend income	0.00	0.01
Other gains		
Sale of financial assets measured at FVTPL	6.15	19.12
Sale of financial assets measured at FVTOCI	1.45	19.87
Financial assets measured at FVTPL (net)	0.79	-
Sale of property, plant and equipment (net)	0.89	5.42
Foreign currency transactions and translations (net)	1.44	0.22
Other non-operating income		
Rent income*	12.42	12.06
Miscellaneous	22.84	7.85
Total	**274.74**	**283.23**

* Rent income include ₹10.39 (31 March, 2018 : ₹9.98 crores) towards investment property, refer note 6C.

34. Cost of materials consumed*

Raw material		
Opening stock	202.80	178.90
Add: Purchases	1,547.99	1,388.66
Less: Closing stock	224.47	202.80
Sub-Total	**1,526.32**	**1,364.76**
Packing material		
Opening stock	70.35	63.31
Add: Purchases	752.69	702.54
Less: Closing stock	86.85	70.35
Sub-Total	**736.19**	**695.50**
Total	**2,262.51**	**2,060.26**

* Includes research and development expenditure (refer note 39.1)

35. Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	31 March, 2019	31 March, 2018
Opening inventories		
(i) Finished goods	256.27	215.17
(ii) Work-in-progress	99.10	76.51
(iii) Stock-in-trade (acquired for trading) *	75.33	64.99
Closing inventories		
(i) Finished goods	243.65	256.27
(ii) Work-in-progress	95.34	99.10
(iii) Stock-in-trade (acquired for trading) *	81.62	75.33
Total	**10.09**	**(74.03)**

* includes stock-in-trade (acquired for trading)-in-transit

36. Employee benefits expense *

Salary and wages	455.62	408.32
Contribution to provident and other funds	35.77	34.42
Staff welfare expenses	17.48	16.26
Share based payment expenses	63.46	2.13
Total	**572.33**	**461.13**

* Includes research and development, refer note 39.1.

37. Finance costs

Interest expenses	25.99	18.24
Exchange differences regarded as an adjustment to borrowing cost	3.08	2.97
Other borrowing cost	0.73	0.68
Total	**29.80**	**21.89**

38. Depreciation and amortisation expense *

Depreciation on property, plant and equipment (refer note 6A)	102.79	96.62
Depreciation on investment property (refer note 6C)	0.99	0.99
Amortisation of intangible assets (refer note 6D)	5.05	4.89
Total	**108.83**	**102.50**

* Includes research and development, refer note 39.1.

39. Other expenses

Particulars	31 March, 2019	31 March, 2018
Others*		
Power and fuel	63.99	59.43
Consumption of stores, spares and consumables	22.32	19.70
Repair and maintenance		
Building	3.47	3.69
Machinery	7.67	7.05
Others	22.03	19.79
Processing charges	12.36	10.78
Rates and taxes	6.05	5.60
Rent	38.53	37.99
Freight and forwarding charges	113.20	98.41
Commission to carrying and forwarding agents	23.44	21.38
Travel and conveyance	56.65	52.04
Legal and professional	41.08	33.68
Directors' sitting fees	0.61	0.54
Security	10.33	10.41
Payment to auditors (refer note 46)	0.70	0.69
Net loss arising on financial assets measured at FVTPL	-	3.69
Expected credit loss / impairment of financial and non-financial assets	2.03	2.34
Loss on disposal / impairment of property, plant and equipment (net)	-	3.00
Provision for disputed liabilities	8.94	6.00
Donation and charity #	39.18	36.42
Information technology expenses	23.95	25.17
Distributor and retailer network expenses	29.71	28.43
Miscellaneous	59.12	51.46
Total	**585.36**	**537.69**

* Other expenses includes research and development, refer note 39.1.

Includes corporate social responsibility expenses (refer note 50 for details).

39.1 Research and development expenditure

Raw material consumed (refer note 34)	1.60	1.25
Employee benefits expense (refer note 36)	16.28	15.25
Depreciation and amortization (refer note 38)	2.84	2.47
Other expenses (refer note 39)		
Consumption of stores, spreares and consumable	0.50	0.31
Power and fuel	1.65	1.84
Repair and maintenance	1.91	1.52
Freight and forwarding charges	0.01	0.01
Rent	0.19	0.21
Rates and taxes	2.68	0.13
Travel and conveyance	0.98	0.88

Particulars	31 March, 2019	31 March, 2018
Legal and professional	1.27	0.78
Communication	0.33	0.31
Security	0.42	0.29
Miscellaneous	6.63	6.79
Total	**37.29**	**32.04**

40. The amount of ₹ Nil (31 March, 2018 : ₹ 14.54 crores) in exceptional items relates to provision made in respect of GST transition impact, on the inventories lying with distributors of the Company as at 30 June, 2017.

41. Taxation

The key components of income tax expense for the year ended 31 March, 2019 and 31 March, 2018 are:

A Standalone Statement of Profit and Loss:

(i) Profit and Loss section		
a) Current tax		
In respect of current year	369.48	342.88
Adjustments for current tax of prior periods	(0.20)	(2.55)
	369.28	**340.33**
b) Deferred tax		
In respect of current year	(130.22)	(39.25)
Income tax expense reported in the Standalone Statement of Profit and Loss	**239.06**	**301.08**
(ii) Other Comprehensive Income (OCI) section		
Income tax related to items recognised in OCI during the year:		
a) Re-measurement gains on defined benefit plans	0.22	(0.16)
b) Net fair value gain on investment in debt instruments through OCI	(1.21)	(8.79)
Income tax charged to OCI	**(0.99)**	**(8.95)**
Total	**238.07**	**292.13**

B Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

Accounting profit before tax	1,503.35	1,373.13
Statutory income tax rate	34.94%	34.61%
Tax expense at statutory income tax rate	**525.33**	**475.21**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Minimum Alternate Tax (MAT) credit recognized	(123.72)	(45.80)
Tax impact of expenses which will never be allowed	10.99	9.87
Tax benefits for expenses incurred for inhouse research and development	(2.94)	(5.12)
Tax impact of utilisation of brought forward capital losses	-	(6.88)
Tax impact of exempted income	(161.44)	(122.74)
Adjustments for current tax of prior periods	(0.20)	2.55
Others	(8.96)	(6.01)
Income tax expense at effective tax rate reported in the Standalone Statement of Profit and Loss	**239.06**	**301.08**

During the year ended 31 March, 2019 and 31 March, 2018, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The Company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence, Dividend Distribution Tax paid is charged to equity (refer note 44).

42. Other comprehensive income (OCI)

A Items that will not be reclassified to profit or loss

Particulars	31 March, 2019	31 March, 2018
Re-measurements gains/(loss) on defined benefit plans	1.04	(0.77)
Income tax relating to items that will not be reclassified to profit or loss	(0.22)	0.16
Sub-Total	**0.82**	**(0.61)**

B Items that will be reclassified to profit or loss

Net fair value loss on investment in debt instruments through OCI	(5.20)	(37.74)
Income tax relating to items that will be reclassified to profit or loss	1.21	8.79
Sub-Total	**(3.99)**	**(28.95)**
Total	**(3.17)**	**(29.56)**

43. Earning per share

Net profit attributable to equity shareholders

Net profit for the year	1,264.29	1,072.05
Total number of equity shares outstanding at the beginning of the year	1,76,15,20,510	1,76,15,20,510
Total number of equity shares outstanding at the end of the year	1,76,62,91,141	1,76,15,20,510
Weighted average number of equity shares for calculating basic earning per share	1,76,54,80,607	1,76,15,20,510
Basic earning per share (₹)	**7.16**	**6.09**
Nominal value per equity share (₹)	**1.00**	**1.00**
Weighted average number of equity shares for calculating diluted earning per share	1,76,54,80,607	1,76,15,20,510
Add: Weighted average number of potential equity shares on account of employee stock options	71,85,839	65,84,994
Weighted average number of equity shares for calculating diluted earning per share	1,77,26,66,446	1,76,81,05,504
Diluted earning per share (₹)	**7.13**	**6.06**

44. Dividend

Proposed Dividend		
Proposed final dividend for the financial year 2018-19 [₹ 1.5 per equity share of ₹ 1 each]^	264.95	-
Dividend distribution tax on proposed final dividend	54.46	-
Proposed final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1 each]^	-	1,100.95
Dividend distribution tax on proposed final dividend	-	226.30
Total	**319.41**	**1,327.25**
Paid Dividend		
Final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1 each]	1,103.92	-
Dividend distribution tax on final dividend	226.91	-
Interim dividend for the financial year 2018-19 [₹ 1.25 per equity share of ₹ 1 each]	220.79	-
Dividend distribution tax on interim dividend	45.39	-

Particulars	31 March, 2019	31 March, 2018
Final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each]	-	176.15
Dividend distribution tax on final dividend	-	35.86
Interim dividend for the financial year 2017-18 [₹ 1.25 per equity share of ₹ 1 each]	-	220.19
Dividend distribution tax on interim dividend	-	44.83
Total	**1,597.01**	**477.03**

^ The Board of Directors at its meeting held on 2 May, 2019 have recommended a payment of final dividend of ₹1.5 per equity share with face value of ₹1 each for the financial year ended 31 March, 2019, which amounts to ₹ 319.41 crores including dividend distribution tax of ₹ 54.46 crores.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

Paid to shareholders during the financial year 2018-19.

45. Contingent liabilities and commitments

A. Contingent liabilities

Guarantees issued on behalf of subsidiary and other companies	327.53	651.37
Claims against the Company not acknowledged as debt		
Claims by employees	1.21	1.28
Excise duty / service tax matters (refer note 48)	78.36	70.53
Sales tax matters (refer note 48)	100.99	99.52
Income tax matters	4.77	0.05
Demand for stamp duty #	15.30	15.30
Others #	8.58	8.58
Total	**536.74**	**846.63**

based on discussions with the solicitors / favourable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February, 2019, it was held that basic wages, for the purpose of provident fund, should include certain allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.

The Company has certain ongoing direct tax litigations in relation to which the management believes that there will be no outflow of resources embodying economic benefits that would be required to settle such obligations. However, in the event of any unfavourable outcome in respect to such litigations, that liability would be settled against unused minimum alternate tax credits which have not been recognized as an asset in the books of accounts as been explained in note 25.2.

B. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances of ₹ 15.79 crores (31 March, 2018 : ₹ 9.70 crores))	81.57	30.86

46. Payment to auditors *

Statutory audit and limited reviews	0.59	0.54
Certification fee and other services	0.01	0.01
For reimbursement of expenses	0.10	0.14
Total	**0.70**	**0.69**

* excluding goods and service tax, as applicable

47. Information on details of loans, guarantees and investments under Section 186 of the Act.

i) Details of investments made are given in note 7 and 13*

ii) There are no loans given by the Company in accordance with Section 186 of the Act read with rules issued thereunder.

iii) Details of guarantees issued by the Company are as follows: *

Guarantees outstanding, given on behalf of	Purpose	31 March, 2019	31 March, 2018
Dermoviva Skin Essentials Inc.	Against bank borrowings	318.09	641.93
Forum I Aviation Private Limited	Against bank borrowings	7.14	7.14
Broadcast Audience Research Council	Against bank borrowings	2.30	2.30
Total		**327.53**	**651.37**

* All transactions are in the ordinary course of business

48. Disclosure relating to provisions recorded in the these financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision of sales tax*/entry tax**		Provision of excise # / service tax ^	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Opening balance	**13.03**	**4.68**	**45.57**	**47.92**
Additions$	10.09	8.35	10.01	-
Utilisations##	(1.15)	-	-	-
Reversals	-	-	-	(2.35)
Closing balance	**21.97**	**13.03**	**55.58**	**45.57**

* Sales tax provisions made towards classification matters and towards rate differences matters at various levels including assessing authority / revisional board / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

** Entry tax provisions made towards tax difference matters at Orissa at various levels including assessing authority / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

$ Addition in provision of excise/service tax represent amount reclasified to 'provision for disputed liabilities' from provisions clubed under separate line of standalone financial statements.

Excise provisions made towards classification matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

The utilisation pretains to cases settled during the year against the Company, accordingly the Company deposited amount against aforementioned provision.

^ Service tax provisions made towards service tax distribution (ISD) matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

Notes:

i) These provisions represent estimates made mainly for probable claims arising out of litigations/disputes pending with authorities under various statutes (Excise duty, Service tax, Sales tax, Entry tax). The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

ii) Reversal of provision relates to determination of liability in and subsequent payment made by Company in relevant context.

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

iv) The Company presumes remote risk possibility of further cash outflow pertaining to contingent liabilities and commitments listed under note 45.

v) Discounting obligation has been ignored considering that these disputes relate to Government Authorities.

49. Information on lease transactions pursuant to Ind AS 17 - Leases

A Assets taken on operating lease *

The Company has taken on lease machines and vehicles under non-cancellable operating leases expiring within period not exceeding five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	31 March, 2019	31 March, 2018
Not later than 1 year	0.98	0.88
Later than 1 year not later than 5 year	1.50	1.14
Later than 5 year	-	-
Total	**2.48**	**2.02**

* Lease rent debited to the Standalone Statement of Profit and Loss of the current year is ₹ 38.53 crores (31 March, 2018 : ₹ 37.99 crores)

B Assets given on operating lease #

The Company has given buildings under non-cancellable operating leases expiring within period not exceeding five years. The contractual future minimum lease related receivables in respect of these leases are:

Not later than 1 year	8.95	7.59
Later than 1 year not later than 5 year	11.27	16.72
Later than 5 year	-	-
Total	**20.22**	**24.31**

Lease rent credited to the Standalone Statement of Profit and Loss of the current year is ₹12.42 crores (31 March, 2018 : ₹ 12.06 crores)

50. Corporate Social Responsibility (CSR) expenditure

In accordance with the provisions of Section 135 of the Act, the Board of Directors of the Company had constituted CSR Committee. The details for CSR activities are as follows:

i) Gross amount required to be spent by the Company during the year	25.43	22.94
ii) Amount spent during the year on the following:		
(a) Construction / acquisition of any asset	-	-
(b) On purpose other than (a) above	26.35	23.76
Total	**26.35**	**23.76**

51. Information on segment reporting pursuant to Ind AS 108 - Operating Segments

Operating segments:

Consumer care business	Home care, personal care and health care
Food business	Juices, beverages and culinary
Other segments	Guar gum, pharma and others

Identification of segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities:

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.

Particulars	31 March, 2019	31 March, 2018
1. Segment revenue		
A. Consumer care business	5,157.60	4,550.66
B. Food business	1,006.25	947.38
C. Other segments	89.28	97.03
D. Unallocated other operating revenue	20.06	13.99
Revenue from operations	**6,273.19**	**5,609.06**
2. Segment results		
A. Consumer care business	1,471.21	1,293.01
B. Food business	122.84	103.32
C. Other segments	7.30	2.81
Sub total	**1,601.35**	**1,399.14**
Less: Finance costs	29.80	21.89
Less: Unallocable expenditure net of unallocable income	68.20	(10.42)
Profit before exceptional items and tax	**1,503.35**	**1,387.67**
Exceptional items (refer note 40)	-	14.54
Profit before tax	**1,503.35**	**1,373.13**
Less: Tax expenses	239.06	301.08
Net profit for the year	**1,264.29**	**1,072.05**
3. Segment assets		
A. Consumer care business	1,802.55	1,740.45
B. Food business	319.39	284.10
C. Other segments	35.10	25.73
D. Unallocated	3,421.74	3,762.42
Total	**5,578.78**	**5,812.70**
4. Investment in joint venture		
Unallocated	6.99	6.99
5. Segment liabilities		
A. Consumer care business	811.92	762.86
B. Food business	267.11	268.27

Particulars	31 March, 2019	31 March, 2018
C. Other segments	14.14	15.44
D. Unallocated	516.79	539.27
Total	**1,609.96**	**1,585.84**
6. Capital expenditure		
A. Consumer care business	72.22	97.55
B. Food business	1.66	12.71
C. Other segments	0.54	0.72
D. Unallocated	38.60	35.65
Total	**113.02**	**146.63**
7. Depreciation and amortisation expense		
A. Consumer care business	66.06	60.92
B. Food business	15.33	16.65
C. Other segments	0.88	0.83
D. Unallocated	26.56	24.10
Total	**108.83**	**102.50**
8. Non-cash expenses other than depreciation		
Unallocated	63.46	2.13

9. Revenue from key customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

52. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Equity share capital	Total
Net debt as at 1 April, 2017	**200.64**	**83.04**	**176.15**	**459.83**
Proceeds from non-current borrowings (including current maturities) (net)	0.40	-	-	0.40
Repayment of current borrowings (net)	-	(0.29)	-	(0.29)
Unrealised foreign exchange loss	-	2.74	-	2.74
Net debt as at 31 March, 2018	**201.04**	**85.49**	**176.15**	**462.68**
Net debt as at 1 April, 2018	**201.04**	**85.49**	**176.15**	**462.68**
Proceeds from issue of equity share capital	-	-	0.48	0.48
Proceeds from non-current borrowings (including current maturities) (net)	0.02	-	-	0.02
Proceeds of current borrowings (net)	-	26.68	-	26.68
Reclassification of current maturities of long term borrowing to other current financial liabilities	(175.01)	-	-	(175.01)
Unrealised foreign exchange gain	-	(3.45)	-	(3.45)
Net debt as at 31 March, 2019	**26.05**	**108.72**	**176.63**	**311.40**

53. Information about subsidiaries and joint ventures is as follows:

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2019	Proportion of ownership (%) as at 31 March, 2018
A	**Subsidiary companies at any time during the year**				
1	H & B Stores Limited	India	Domestic wholly owned subsidiary	100.00%	100.00%
2	Dermovia Skin Essentials INC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
3	Dabur International Limited	Isle Of Man	Foreign wholly owned subsidiary	100.00%	100.00%
4	Naturelle LLC	Emirate of RAS Al Khaimah, United Arab Emirates	Foreign wholly owned subsidiary	100.00%	100.00%
5	Dabur Egypt Limited	Egypt	Foreign wholly owned subsidiary	100.00%	100.00%
6	African Consumer Care Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
7	Dabur Nepal Private Limited	Nepal	Foreign subsidiary	97.50%	97.50%
8	Asian Consumer Care Private Limited	Bangladesh	Foreign subsidiary	76.00%	76.00%
9	Asian Consumer Care Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
10	Hobi Kozmetik	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
11	RA Pazarlama	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
12	Dabur Lanka Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
13	Namaste Laboratories LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
14	Urban Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
15	Hair Rejuvenation & Revitalization Nigeria Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
16	Healing Hair Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
17	Dabur (UK) Limited	British Virgin Island, United Kingdom	Foreign wholly owned subsidiary	100.00%	100.00%
18	Dabur Consumer Care Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
19	Dabur Tunisie *	Tunisie	Foreign wholly owned subsidiary	100.00%	100.00%
20	Dabur Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
21	Dabur Pars	Iran	Foreign wholly owned subsidiary	100.00%	100.00%
22	Dabur South Africa (PTY) Limited	South Africa	Foreign wholly owned subsidiary	100.00%	100.00%
23	D&A Cosmetics (PTY) Limited (w.e.f. April 5, 2018)	South Africa	Foreign wholly owned subsidiary	100.00%	NA
24	Atlanta Body & Health Products (PTY) Limited (w.e.f. April 5, 2018)	South Africa	Foreign wholly owned subsidiary	100.00%	NA
B	**Joint venture at any time during the year**				
1	Forum I Aviation Private Limited	India	-	20.00%	20.00%

* The liquidation of Dabur Tunisie, is under process and is likely to be completed by 31 December, 2019. The liquidation was earlier expected to be completed by 31 March, 2019, but due to certain legal and regulatory compliances under the laws of Tunisia, the completion date was extended.

54. Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the relevant financial year:

A) List of related parties and relationships

i) Subsidiaries

1	H & B Stores Limited	13	Namaste Laboratories LLC
2	Dermovia Skin Essentials INC	14	Urban Laboratories International LLC
3	Dabur International Limited	15	Hair Rejuvenation & Revitalization Nigeria Limited
4	Naturelle LLC	16	Healing Hair Laboratories International LLC
5	Dabur Egypt Limited	17	Dabur (UK) Limited
6	African Consumer Care Limited	18	Dabur Consumer Care Private Limited
7	Dabur Nepal Private Limited	19	Dabur Tunisie (refer note 53)
8	Asian Consumer Care Private Limited	20	Dabur Pakistan Private Limited
9	Asian Consumer Care Pakistan Private Limited	21	Dabur Pars
10	Hobi Kozmetik	22	Dabur South Africa (PTY) Limited
11	RA Pazarlama	23	D&A Cosmetics (PTY) Limited (w.e.f. 5 April, 2018)
12	Dabur Lanka Private Limited	24	Atlanta Body & Health Products (PTY) Limited (w.e.f. 5 April, 2018)

ii) Joint venture	Forum I Aviation Private Limited
iii) Key Management Personnel	Mr. P.D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) cum Whole Time Director Mr. Mohit Malhotra, Whole Time Director (w.e.f. 31 January 2019) Mr. Lalit Malik, Chief Financial Officer (CFO) Mr. Ashok Kumar Jain, Executive Vice President (Finance) and Company Secretary
iv) Directors	Dr. Anand Chand Burman, Chairman Mr. Amit Burman, Vice Chairman Mr. Mohit Burman, Director Mr. Saket Burman, Director Mr. P.D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) cum Whole Time Director Mr. Mohit Malhotra, Whole Time Director (w.e.f. 31 January 2019) Mr. Pattamadai Natraja Sarma Vijay, Independent Director Mr. Ravindra Chandra Bhargava, Independent Director Dr. Subbaraman Narayan, Independent Director Dr. Ajay Kumar Dua, Independent Director Mr. Sanjay Kumar Bhattacharyya, Independent Director Ms. Falguni Sanjay Nayar, Independent Director Mr. Ajit Mohan Sharan, Independent Director (w.e.f. 31 January 2019)
v) Entities in which a Director or his/her relative is a member or Director *	Jetways Travels Private Limited Aviva Life Insurance Company Limited Lite Bite Foods Private Limited Universal Sompo General Insurance Company
vi) Relatives of KMPs/Directors*	Mr. Vivek Chand Burman, father of Director Ms. Asha Burman, mother of Director
vii) Post employment benefit plan entities	Dabur India Limited E.P.F Trust Dabur Gratuity Trust Dabur Superannuation Trust

* With whom the Company had transactions during the current year or previous year

B) Transactions with related parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	Transactions during the year		Balance at the end of the year	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
A Key Management Personnel / Directors				
i) Employee benefits	30.06	22.87	-	5.43
ii) Post separation benefits	5.01	4.52	48.54	45.58
iii) Reimbursement of expenses	0.26	0.27	-	-
iv) Share based payment	43.49	1.83	-	-
v) Directors' sitting fees	0.61	0.54	-	-
Total	**79.43**	**30.03**	**48.54**	**51.01**
Above includes the following material transactions:				
i) Employee benefits				
Mr. P.D. Narang	10.77	9.80	-	2.53
Mr. Sunil Duggal	10.74	9.94	-	2.51
Sub-Total	**21.51**	**19.74**	**-**	**5.04**
ii) Post separation benefits				
Mr. P.D. Narang	4.66	4.15	45.37	42.32
iii) Reimbursement of expenses				
Mr. P.D. Narang	0.18	0.18	-	-
Mr. Sunil Duggal	0.08	0.09	-	-
Sub-Total	**0.26**	**0.27**	**-**	**-**
iv) Share based payment				
Mr. P.D. Narang	18.92	0.64	-	-
Mr. Sunil Duggal	16.62	0.64	-	-
Sub-Total	**35.54**	**1.28**	**-**	**-**
v) Directors' sitting fees				
Mr. Pattamadai Natraja Sarma Vijay	0.13	0.11	-	-
Dr. Ajay Kumar Dua	0.12	0.10	-	-
Sub-Total	**0.25**	**0.21**		**-**
Total	**62.22**	**25.65**	**45.37**	**47.36**
B Subsidiaries				
i) Purchase of products	454.04	437.87	29.91	49.26
ii) Sale of products	100.96	85.91	21.80	19.61
iii) Miscellaneous income	5.03	4.50	5.03	4.50
iv) Share based payment	13.91	1.39	14.16	4.06
v) Reimbursement of expenses on behalf of Company	0.11	0.46	0.04	-
vi) Investments	-	-	91.68	91.68
vii) Guarantees and collaterals	323.84	188.15	318.09	641.93
Total	**897.89**	**718.28**	**480.71**	**811.04**
Above includes the following material transactions:				
i) Purchase of products				
Dabur Nepal Private Limited	392.81	377.16	23.88	44.66
Dabur Lanka Private Limited	60.98	60.56	6.05	4.60
Sub-Total	**453.79**	**437.72**	**29.93**	**49.26**

Particulars	Transactions during the year		Balance at the end of the year	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
ii) Sale of products				
Naturelle LLC	31.78	35.24	7.43	3.87
Namaste Laboratories LLC	23.71	9.25	4.16	4.52
Sub-Total	**55.49**	**44.49**	**11.59**	**8.39**
iii) Miscellaneous income				
Dabur International Limited	5.03	4.50	5.03	4.50
iv) Share based payment				
Dabur International Limited	13.55	1.33	13.60	1.32
v) Reimbursement of expenses				
Dabur International Limited	0.02	0.42	0.02	-
Asian Consumer Care Private Limited	0.06	-	0.02	-
Sub-Total	**0.08**	**0.42**	**0.04**	**-**
vi) Investments				
Dabur International Limited	-	-	59.49	59.49
H & B Stores Limited	-	-	29.65	29.65
Sub-Total	**-**	**-**	**89.14**	**89.14**
vii) Guarantees and collaterals				
Dermoviva Skin Essentials INC	323.84	175.18	318.09	641.93
Dabur Lanka Private Limited	-	12.97	-	-
Sub-Total	**323.84**	**188.15**	**318.09**	**641.93**
Total	**851.78**	**676.61**	**467.42**	**794.54**

C Joint venture

Forum I Aviation Private Limited				
i) Interest received on security deposit	0.02	0.03	-	-
ii) Miscellaneous expenses	2.98	3.44	0.12	0.01
iii) Investment	-	-	6.99	6.99
iv) Guarantees and collaterals	-	-	7.14	7.14
v) Security Deposit	-	-	0.38	0.38
Total	**3.00**	**3.47**	**14.63**	**14.52**

D Others

i) Post separation benefits paid	0.39	0.39	4.65	4.88
ii) Post employment benefit plan	51.29	43.68	-	-
iii) Purchase of goods/services	7.94	7.81	0.29	0.17
Total	**59.62**	**51.88**	**4.94**	**5.05**
Above includes the following material transactions:				
i) Post separation benefits				
Mr. Vivek Chand Burman	0.18	0.18	2.09	2.20
Ms. Asha Burman	0.21	0.21	2.56	2.69
Sub-Total	**0.39**	**0.39**	**4.65**	**4.89**
ii) Post employment benefit plan				
Dabur India Limited E.P.F Trust	40.23	34.15	-	-
iii) Purchase of goods / services				
Jetways Travels Private Limited	6.04	5.93	0.29	-
Total	**46.66**	**40.47**	**4.94**	**4.89**

E Disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no loans / advances in nature of loan given by the Company to related parties, accordingly the disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

55. Details of hedged and unhedged exposure in foreign currency denominated monetary items

A Exposure in foreign currency - hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Outstanding overseas exposure hedged by forward option/ contract against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Packing credit loan *	**31 March, 2019**	**USD**	**0.80**	**INR**	**55.32**
	31 March, 2018	USD	0.70	INR	45.62

* The nature of risk hedged is adverse currency fluctuations

B Exposure in foreign currency - unhedged

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Export receivables	**31 March, 2019**	**EUR**	**0.00**	**INR**	**0.16**
	31 March, 2018	EUR	0.02	INR	1.39
	31 March, 2019	**USD**	**0.55**	**INR**	**37.77**
	31 March, 2018	USD	0.66	INR	43.14
	31 March, 2019	**AUD**	**0.00**	**INR**	**0.00**
	31 March, 2018	AUD	-	INR	-
Overseas creditors	**31 March, 2019**	**USD**	**0.10**	**INR**	**7.16**
	31 March, 2018	USD	0.15	INR	9.54
	31 March, 2019	**EURO**	**0.00**	**INR**	**0.00**
	31 March, 2018	EURO	0.00	INR	0.00
	31 March, 2019	**SGD**	**0.00**	**INR**	**0.01**
	31 March, 2018	SGD	-	INR	-
	31 March, 2019	**AUD**	**0.00**	**INR**	**0.01**
	31 March, 2018	AUD	-	INR	-
Advances to suppliers	**31 March, 2019**	**USD**	**0.03**	**INR**	**1.86**
	31 March, 2018	USD	0.06	INR	3.66
Bank balances in exchange earner foreign currency (EEFC) account	**31 March, 2019**	**USD**	**0.13**	**INR**	**8.75**
	31 March, 2018	USD	0.01	INR	0.52
Advance from customers	**31 March, 2019**	**USD**	**0.02**	**INR**	**1.53**
	31 March, 2018	USD	0.03	INR	2.00

56. Capital management - policies and procedures

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company' s capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	31 March, 2019	31 March, 2018
Non-current borrowings (refer note 22)	26.05	201.04
Other financial liability (refer note 23 and 28)	269.39	85.85
Current borrowings (refer note 26)	108.72	85.49
Trade payables (refer note 27)	998.32	960.62
Less: Cash and cash equivalents (refer note 15)	(23.16)	(77.67)
Net debt	**1,379.32**	**1,255.33**
Equity share capital (refer note 20)	176.63	176.15
Other equity (refer note 21)	3,792.19	4,050.71
Total capital	**3,968.82**	**4,226.86**
Capital and net debt	**5,348.13**	**5,482.19**
Gearing ratio	**25.79%**	**22.90%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018.

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants which include Debt Service Coverage Ratio (DSCR), Fixed Asset Coverage Ratio (FACR) etc. The Company has complied with these covenants throughout the reporting period.

57. Financial risk management - objectives and policies

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly investments, loans, trade receivables, cash and cash equivalents, other balances with banks and other receivables.

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company's activities expose it to market risk, interest rate risk and foreign currency risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The risk management policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

A Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a Risk Management Committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the risk management policy on a quarterly basis.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs comprehensive interest rate risk management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign currency risk

The Company operates internationally with transactions entered into several currencies. Consequently the Company is exposed to foreign exchange risk towards honouring of export / import commitments.

Management evaluates exchange rate exposure in this connection in terms of its established risk management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Particulars	USD	EUR	AUD	SGD	Total
Foreign currency exposure as at 31 March, 2019					
Export receivables	37.77	0.16	0.00	-	**37.93**
Overseas creditors	7.16	0.00	0.01	0.01	**7.18**
Advance to supplier	1.86	-	-	-	**1.86**
Advance from customers	1.53	-	-	-	**1.53**
Bank balances in exchange earner foreign currency (EEFC) account	8.75	-	-	-	**8.75**
Packing credit loan (hedged through future contract)	55.32	-	-	-	**55.32**
Foreign currency exposure as at 31 March, 2018					
Export receivables	43.14	1.39	-	-	**44.53**
Overseas creditors	9.54	0.00	-	-	**9.54**
Advance to supplier	3.66	-	-	-	**3.66**
Advance from customers	2.00	-	-	-	**2.00**
Bank balances in exchange earner foreign currency (EEFC) account	0.52	-	-	-	**0.52**
Packing credit loan (hedged through future contract)	45.62	-	-	-	**45.62**

The above table represents total exposure of the Company towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 55 A and the details of unhedged exposures are given as part of note 55 B.

Foreign currency sensitivity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against ₹, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Change in foreign exchange rates	31 March, 2019		31 March, 2018	
	1% increase	1% decrease	1% increase	1% decrease
USD	0.40	(0.40)	0.36	(0.36)
EUR	0.00	(0.00)	0.01	(0.01)
AUD	(0.00)	0.00	-	-
SGD	0.00	(0.00)	-	-
Increase / (Decrease) in profit or loss	**0.40**	**(0.40)**	**0.37**	**(0.37)**

iii) Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher / lower prices of instruments on the Company's profit for the year:

Particulars	31 March, 2019	31 March, 2018
Price sensitivity		
Price increase by (5%) - FVOCI	46.98	52.58
Price decrease by (5%) - FVOCI	(46.98)	(52.58)
Price increase by (5%) - FVTPL	3.68	25.36
Price decrease by (5%) - FVTPL	(3.68)	(25.36)

B Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

Financial assets are written-off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis. The Company's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across the length and breadth of the country.

Exposure to credit risks	31 March, 2019	31 March, 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	2,236.74	2,719.67
Non-current loans	13.14	15.43
Other non-current financial assets	77.64	4.09
Current investments	725.40	713.39
Cash and cash equivalents	23.16	77.67
Bank balances other than cash and cash equivalents above	101.55	9.35
Current loans	4.56	1.41
Other current financial assets	14.12	4.06
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (LECL)		
Trade receivables	431.46	321.34

Summary of change in loss allowances measured using LECL

Opening allowance	8.98	9.28
Provided during the year	0.06	1.09
Amounts written-off	0.53	1.39
Closing allowance	**8.51**	**8.98**

During the year, the Company has recognised loss allowance of ₹ 1.97 (31 March, 2018 : ₹ 1.25 crores) under 12 month ECL model. No significant changes in estimation techniques or assumptions were made during the reporting period.

Concentration of financial assets

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables is that credit risk is low. The Company's exposure to credit risk for trade receivables is presented below:

A. Consumer care business	354.73	260.74
B. Food business	69.21	53.99
C. Other segments	6.14	5.29
D. Unallocated	1.38	1.32

C Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis-a-vis debt service fulfilment obligation.

Maturity profile of financial liabilities

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

Particulars	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
As at 31 March, 2019				
Finance lease obligations	0.10	0.44	6.97	**7.51**
Deposits payable	1.27	4.56	-	**5.83**
Non-current borrowings (including current maturities)	175.00	25.00	-	**200.00**
Current borrowings	108.72	-	-	**108.72**
Trade payables	998.32	-	-	**998.32**
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	88.47	-	-	**88.47**
As at 31 March, 2018				
Finance lease obligations	0.09	0.43	7.08	**7.60**
Deposits payable	1.45	4.27	-	**5.72**
Non-current borrowings (including current maturities)	-	200.00	-	**200.00**
Current borrowings	85.49	-	-	**85.49**
Trade payables	960.62	-	-	**960.62**
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	80.11	-	-	**80.11**

58. Category wise classification of financial instruments

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2018-19. The following methods and assumptions were used to estimate the fair values:

i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) The fair values of other investments measured at FVTOCI and FVTPL are determined based on observable market data other than quoted prices in active market.

iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in these financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

A The carrying values and fair values of financial instruments by categories as at 31 March, 2019 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss ('FVTPL')				
Investments in mutual funds	73.59	73.59	-	-
Total	**73.59**	**73.59**	**-**	**-**
Financial assets at fair value through other comprehensive income ('FVTOCI')				
Investments in debt instruments	939.61	-	939.61	-
Investments in equity instruments	0.07	-	-	0.07
Total	**939.68**	**-**	**939.61**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	1,198.39			
Investments in subsidiaries and joint venture	98.67			
(ii) Loans				
Security deposits	13.14			
(iii) Other financial assets	77.64			
Total	**1,387.84**			
Current				
(i) Investments				
Investments in debt instruments	651.81			
(ii) Loans				
Security deposits	4.56			
(iii) Trade receivables	431.46			
(iv) Cash and cash equivalents	23.16			
(v) Bank balances other than (iv) above	101.55			
(vi) Other financial assets	14.12			
Sub-Total	**1,226.66**			
Total	**2,614.50**			
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	26.05			
(ii) Other financial liabilities	4.56			
Total	**30.61**			
Current				
(i) Borrowings	108.72			
(ii) Trade payables	998.32			
(iii) Other financial liabilities	264.83			
Sub-Total	**1,371.87**			
Total	**1,402.48**			

* During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

B The carrying values and fair values of financial instruments by categories as at 31 March, 2018 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss ('FVTPL')				
Investments in debt instruments	254.97	-	254.97	-
Investments in mutual funds	252.14	252.14	-	
Total	**507.11**	**252.14**	**254.97**	**-**
Financial assets at fair value through other comprehensive income ('FVTOCI')				
Investments in debt instruments	1,051.41	-	1,051.41	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,051.48**	**-**	**1,051.41**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	1,569.52			
Investments in subsidiaries and joint venture	98.67			
(ii) Loans				
Security deposits	15.43			
(iii) Other financial assets	4.09			
Total	**1,687.71**			
Current				
(i) Investments				
Investments in debt instruments	206.28			
(ii) Loans				
Security deposits	1.41			
(iii) Trade receivables	321.34			
(iv) Cash and cash equivalents	77.67			
(v) Bank balances other than (iv) above	9.35			
(vi) Other financial assets	4.06			
Sub-Total	**620.11**			
Total	**2,307.82**			
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	201.04			
(ii) Other financial liabilities	4.25			
Total	**205.29**			
Current				
(i) Borrowings	85.49			
(ii) Trade payables	960.62			
(iii) Other financial liabilities	81.60			
Sub-Total	**1,127.71**			
Total	**1,333.00**			

* During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

C Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

(a) Investment in mutual funds: The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

(b) Investment in debt instruments: The fair value of investments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

59. Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

(A) Defined contribution plans

Amount of ₹ 4.03 crores (31 March, 2018 : ₹ 3.80 crores) is recognised as an expense and included in employee benefits expense in the Standalone Statement of Profit and Loss under Employees' Superannuation Fund.

(B) Defined benefit plans

Gratuity (funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. The weighted average duration of defined benefit obligation is 7.06 years (31 March, 2018 : 7.06 years).The Company makes contributions to Dabur Employees' Gratuity Trust, which is funded defined benefit plan for qualifying employees.

Post separation benefit of Directors

Post separation benefit of Directors includes car, telephone, medical and housing facility for eligible Directors.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

a) **Salary increases -** Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) **Investment risk -** If plan is funded then assets/liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) **Discount rate -** Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) **Mortality and disability -** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) **Withdrawals -** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarises the components of net benefit expense recognized in the Standalone Statement of Profit and Loss and the funded status and amounts recognized in the Standalone Balance Sheet:

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
I Change in present value of defined benefit obligation during the year				
Present value of obligation as at the beginning of the period	61.75	55.41	50.47	47.86

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
Interest cost	4.94	4.16	4.04	3.59
Service cost	6.10	5.43	1.37	1.32
Benefits paid	(4.31)	(4.29)	(0.87)	(0.42)
Total actuarial (gain)/loss on obligation	0.50	1.04	(1.82)	(1.88)
Present value of obligation as at the end of the period	68.98	61.75	53.19	50.47
II Change in fair value of plan assets during the year				
Fair value of plan assets at the beginning of the period	59.30	55.53	-	-
Expected interest income	4.74	4.16	-	-
Employer contribution	7.00	5.50	-	-
Benefits paid	(4.31)	(4.29)	-	-
Actuarial gain / (loss) for the year on asset	(0.28)	(1.62)	-	-
Fair value of plan assets at the end of the period	66.45	59.30	-	-
III Net asset / (liability) recognised in the Standalone Balance Sheet				
Present value of obligation at the end	68.98	61.75	53.19	50.47
Fair value of plan assets	66.45	59.30	-	-
Unfunded (liability) / assets in Standalone Balance Sheet	(2.53)	(2.45)	(53.19)	(50.47)
IV Expense recognised in the Standalone Statement of Profit and Loss during the year				
Service cost	6.10	5.43	1.37	1.32
Net interest cost	0.20	(0.01)	4.04	3.59
Total expense recognised in the employee benefit expense	6.30	5.42	5.41	4.91
V Recognised in other comprehensive income for the year				
Net cumulative unrecognised actuarial gain / (loss) opening	(2.64)	0.02	5.69	3.80
Actuarial (gain) / loss for the year on projected benefit obligation (PBO)	0.50	1.04	(1.82)	(1.88)
Actuarial gain / (loss) for the year on asset	(0.28)	(1.62)	-	-
Unrecognised actuarial gain / (loss) at the end of the year	(3.42)	(2.64)	7.51	5.69
VI Maturity profile of defined benefit obligation				
Within the next 12 months (next annual reporting period)	16.44	14.95	0.53	0.43
Between 2 to 5 years	16.52	15.40	32.37	30.47
More than 5 years	36.02	31.40	20.29	19.57

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
VII Quantitative sensitivity analysis for significant assumptions is as below				
a) Impact of change in discount rate				
Present value of obligation at the end of the period	68.98	61.74	53.19	50.47
Impact due to increase of 0.50%	(1.86)	(1.67)	(0.24)	(0.24)
Impact due to decrease of 0.50%	1.97	1.77	0.25	0.25
b) Impact of change in salary increase				
Present value of obligation at the end of the period	68.98	61.74	53.19	50.47
Impact due to increase of 0.50%	1.92	1.73	0.23	0.22
Impact due to decrease of 0.50%	(1.83)	(1.65)	(0.22)	(0.22)
Sensitivities due to mortality and withdrawals are not material, hence the impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lumpsum benefit on retirement.				
VIII The major categories of plan assets (as a percentage of total plan assets)				
Funds managed by insurer	100%	100%	N.A	N.A
IX Actuarial assumptions				
i) Discount rate	7.80 % PA	8.00 % PA	7.80 % PA	8.00 % PA
ii) Future salary increase	10.00 % PA	10.00 % PA	12.00 % PA	12.00 % PA
iii) Retirement age (years)	58	58	60/70	60/70
iv) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		100% of IALM (2006-08)	
v) Age	**Withdrawal rate (%)**	**Withdrawal rate (%)**	**Withdrawal rate (%)**	**Withdrawal rate (%)**
Upto 30 years	17	17	Nil	Nil
From 31 to 44 years	14	14	Nil	Nil
Above 44 years	5	5	Nil	Nil
vi) Expected best estimate of expense for the next annual reporting period				
Service cost	6.34	5.57	1.31	1.30
Net interest cost	0.20	0.20	4.15	4.04
Net periodic benefit cost	6.54	5.77	5.46	5.34

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(C) Provident fund

The Company makes contribution towards provident fund which is administered by Dabur India Limited E.P.F Trust. The rules of the Company's provident fund administered by a trust, requires that if the trust is unable to pay interest at the rate declared by the government under Para 60 of the Employees' Provident Funds Scheme, 1972 for the reason that the return on investments is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall. Accordingly, the Company has obtained actuarial valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contribution only. Contribution made by the Company to the provident fund trust set-up by the Company during the year is ₹ 10.18 Crores (31 March, 2018 : ₹ 9.04 crores).

Particulars	31 March, 2019	31 March, 2018
Plan assets at period end, at fair value	301.70	257.49
Present value of defined obligation at period end	285.18	240.54
Assumptions used in determining the present value of obligation:		
I Economic assumptions (actuarial)		
i) Expected statutory interest rate on the ledger balance	8.65%	8.55%
ii) Expected short fall in interest earnings on the fund	0.05%	0.05%
II Demographic assumptions (actuarial)		
i) Mortality	IALM (2006 -08)	IALM (2006 - 08)
ii) Disability	None	None
iii) Withdrawal Rate (Age related)		
Up to 30 Years	17%	17%
Between 31 - 44 Years	14%	14%
Above 44 Years	5%	5%
iv) Normal retirement age	58	58

60. Disclosures required pursuant to Ind AS 102 - Share Based Payment

Under Employee Stock Option Scheme (ESOP) of the Company, share options of the Company are granted to the senior executives subject to achievement of targets as defined in ongoing vision of the Company. Vesting period ranges from 1 to 5 years. Each option carries the right to the holder to apply for one equity share of the Company at par. There has been no variation in the terms of options during the year. The share options are valued at the fair value of the options as on the date of grant using Black Scholes pricing model. There is no cash settlement alternative.

A The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	Weighted Average Price (₹)	Number of options
Outstanding as at 1 April, 2017	**1.80**	**87,98,312**
Options granted during the year	1.00	36,720
Options forfeited/lapsed/expired during the year	1.00	38,63,411
Options exercised during the year	-	-
Options outstanding as at 31 March, 2018	**2.42**	**49,71,621**
Exercisable at the end of the period.	**-**	**49,71,621**

Particulars	Weighted Average Price (₹)	Number of options
Outstanding as at 1 April, 2018	**2.42**	**49,71,621**
Options granted during the year	1.00	67,44,864
Options forfeited/lapsed/expired during the year	22.14	3,47,912
Options exercised during the year*	1.00	47,70,631
Options outstanding as at 31 March, 2019 #	**1.00**	**65,97,942**
Exercisable at the end of the period.	-	**65,97,942**

* 47,70,631 Share options were exercised on a regular basis throughout the year. The weighted average share price during the period was ₹1.00 (31 March, 2018 : Nil).

The options outstanding as at 31 March, 2019 are with the exercise price of ₹ 1.00 (31 March, 2018 : ₹ 1.00 to 84.60) . The weighted average of the remaining contractual life is 3.40 years (31 March, 2018 : 0.12 years).

B Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year:

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
i) Date of grant: 19 April, 2018	**15-May-19**	**15-May-20**	**15-May-21**	**15-May-22**
Market price (₹)	358.35	358.35	358.35	358.35
Expected life (in years)	1.07	2.07	3.07	4.07
Volatility (%)	19.08	21.06	22.65	23.48
Risk free rate (%)	6.49	6.90	7.19	7.40
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	0.63	0.63	0.63	0.63
Fair value per vest (₹)	355.01	352.84	350.68	348.54
Vest (%)	7.57	18.09	8.00	66.34
Option fair value (₹)	349.98	349.98	349.98	349.98
ii) Date of grant: 31 July, 2018	**31-Jul-19**	**15-May-20**	**15-May-21**	**15-May-22**
Market price (₹)	393.45	393.45	393.45	393.45
Expected life (in years)	1.00	1.79	2.79	3.79
Volatility (%)	20.54	20.17	21.74	23.41
Risk free rate (%)	6.92	7.36	7.63	7.80
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	1.91	1.91	1.91	1.91
Fair value per vest (₹)	385.07	379.35	372.22	365.23
Vest (%)	6.24	6.24	6.24	81.28
Option fair value (₹)	367.79	367.79	367.79	367.79
iii) Date of grant: 29 November, 2018	**30-Nov-19**	**15-May-20**	**15-May-21**	**15-May-22**
Market price (₹)	414.80	414.80	414.80	414.80
Expected life (in years)	1.00	1.46	2.46	3.46
Volatility (%)	25.86	24.25	22.81	24.04
Risk free rate (%)	6.90	7.02	7.21	7.35

Particulars	Vest 1	Vest 2	Vest 3	Vest 4
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	1.81	1.81	1.81	1.81
Fair value per vest (₹)	406.43	403.08	395.90	388.84
Vest (%)	6.25	6.25	6.25	81.25
Option fair value (₹)	391.27	391.27	391.27	391.27

Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during year ended 31 March, 2018:

i) Date of grant: 21 April, 2017	**Vesting Date: 15 May, 2018**
Market price (₹)	291.25
Expected life (in years)	1.07
Volatility (%)	22.55
Risk free rate (%)	6.26
Exercise price (₹)	1.00
Dividend yield (%)	0.77
Fair value per vest (₹)	287.93
Vest (%)	100.00
Option fair value (₹)	287.93
ii) Date of grant: 4 August, 2017	**Vesting Date: 4 August, 2018**
Market price (₹)	307.30
Expected life (in years)	1.00
Volatility (%)	19.90
Risk free rate (%)	6.05
Exercise price (₹)	1.00
Dividend yield (%)	0.73
Fair value per vest (₹)	304.12
Vest (%)	100.00
Option fair value (₹)	304.12
iii) Date of grant: 31 October, 2017	**Vesting Date: 31 October, 2018**
Market price (₹)	332.85
Expected life (in years)	1.00
Volatility (%)	20.09
Risk free rate (%)	6.15
Exercise price (₹)	1.00
Dividend yield (%)	0.67
Fair value per vest (₹)	329.69
Vest (%)	100.00
Option fair value (₹)	329.69

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on NSE over these years.

61. The figures of the previous year have been re-grouped / re-classified to render them comparable with the figures of the current year.

62. In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Independent Auditor's Report

To the Members of Dabur India Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Dabur India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March, 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter(s) described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition Refer note 34 to the consolidated financial statements. Revenue of the Group consists primarily of sale of products and is recognized when control of products being sold is transferred to customer and there is no unfulfilled obligation. Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates, trade discounts. The estimation of discounts, incentives and rebates recognized, related to sales made during the year, is material and considered to be complex and subject to judgments. The complexity mainly relates to various discounts, incentives and scheme offers, diverse range of market presence and complex contractual agreements/commercial terms across those markets. Therefore, there is a risk of revenue being misstated as a result of inaccurate estimates of discounts and rebates. The Group also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue by influencing the computation of rebates and discounts. Considering the materiality of amounts involved, significant judgements related to estimation of rebates and discounts, the same has been considered as a key audit matter. This matter has also been reported as key audit matter to the audit opinion on the consolidated financial statements of Dabur International Limited, a subsidiary of the Holding Company, by an independent firm of Chartered Accountants vide its report dated 26 April, 2019.	**Our key procedures included, but were not limited to, the following:** a) Assessed the appropriateness of the Group's revenue recognition accounting policies, including those relating to rebates and trade discounts by comparing with the applicable accounting standards; b) Tested the design and operating effectiveness of the general IT control environment and the manual controls for recognition of revenue, calculation of discounts and rebates; c) Performed test of details: i. Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents; ii. Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards; iii. Assessed the Group's process for recording of the accruals for discounts and rebates as at the year-end for the prevailing incentive schemes; iv. Tested, on a sample basis, discounts and rebates recorded during the year to the relevant approvals and supporting documentation which includes assessing the terms and conditions defined in the prevalent schemes and customer contracts; and v. Obtained supporting documentation for a sample of credit notes issued after the year end to determine whether the transaction was recognized in the correct accounting period. d) Compared the discount, incentives and rebates of the current year with the prior year for variance/trend analysis and where relevant, conducted further inquiries and testing to corroborate the variances by considering both internal and external benchmarks, overlaying our understanding of industry practices; and e) Assessed the appropriateness of the Group's description of the accounting policy, disclosures related to discounts, incentives and rebates and whether these are adequately presented in the consolidated financial statements.
B. Litigations and claims - provisions and contingent liabilities Refer note 47A and 48 to the consolidated financial statements. The Group is involved in direct, indirect tax and other litigations ('litigations') that are pending with different statutory authorities. The level of management judgement associated with determining the need for, and the quantum of, provisions for any liabilities arising from these litigations is considered to be high. This judgement is dependent on a number of significant assumptions and assessments which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions.	**Our key procedures included, but not limited to, the following:** a) Assessed the appropriateness of the Group's accounting policies relating to provisions and contingent liability by comparing with the applicable accounting standards; b) Assessed the Group's process and the underlying controls for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; c) Assessed the Group's assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the consolidated financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts;

Key audit matter	How our audit addressed the key audit matter
This matter is considered as a key audit matter, in view of the uncertainty regarding the outcome of these litigations, the significance of the amounts involved and the subjectivity involved in management's judgement as to whether the amount should be recognized as a provision or only disclosed as contingent liability in the consolidated financial statements. This matter has also been reported as key audit matter to the audit opinion on the consolidated financial statements of Dabur International Limited, a subsidiary of the Holding Company, by an independent firm of Chartered Accountants vide its report dated 26 April, 2019.	d) Performed substantive procedures on the underlying calculations supporting the provisions recorded; e) Assessed the management's conclusions through understanding relevant judicial precedents in similar cases and the applicable rules and regulations; f) Obtained legal opinions from the Group's external legal counsel, where appropriate; g) Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the Group, where relevant, to validate management's conclusions; and h) Assessed the appropriateness of the Group's description of the accounting policy, disclosures related to litigations and whether these are adequately presented in the consolidated financial statements.
C. Valuation of investments and impairment thereof Refer note 8 and 14 to the consolidated financial statements. The Group's investment portfolio represents a significant portion of the Group's total assets, which primarily consists of: i. Bonds; ii. Non-convertible debentures; iii. Commercial papers; iv. Certificate of deposits; and v. Fixed deposits The aforementioned instruments are valued at amortized cost or fair value through other compressive income (FVOCI) depending upon the nature as summarized below: **1. Instrument valued at amortized cost:** a) Non-convertible debentures; b) Commercial papers; c) Certificate of deposits, and d) Fixed deposits **2. Instrument valued at fair value through other comprehensive income ('FVOCI'):** a) Bonds This is considered to be a significant area in view of the materiality of amounts involved, judgements involved in determining of impairment/ recoverability of instruments measured at amortized cost which includes assessment of market data/conditions and financial indicators of the investee and judgements in selecting the valuation basis and the complexities involved in the valuation of instruments carried at FVTOCI which includes assessment of the available trading yield of relevant instruments. This matter has also been reported as key audit matter to the audit opinion on the consolidated financial statements of Dabur International Limited, a subsidiary of the Holding Company, by an independent firm of Chartered Accountants vide its report dated 26 April, 2019.	**Our key procedures included, but not limited to, the following:** **a)** Assessed the appropriateness of the relevant accounting policies of the Group, including those relating to recognition and measurement of financial instrument by comparing with the applicable accounting standards; **b) For instrument valued at fair value:** i. Assessed the availability of quoted prices in liquid markets; ii. Assessed whether the valuation process is appropriately designed and captures relevant valuation inputs; iii. Performed testing of the inputs/assumptions used in the valuation; and iv. Assessed pricing model methodologies and assumptions against industry practice and valuation guidelines **c) For instrument valued at amortized cost:** Assessed the instrument for impairment by evaluating if there is any significant increase in credit risk, which mainly involves: i. Evaluating the credit rating of individual instrument, where relevant, to assess if there is any rating downgrade; ii. Evaluating the regularity of the interest payment and principal repayment as per agreed plan/term of issuance of instrument, where applicable; and iii. Obtained the valuations of instruments, where required; **d)** Assessed the appropriateness of the Group's description of the accounting policy and disclosures related to investments and whether these are adequately presented in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
The following key audit matter with respect to the audit opinion on the consolidated financial statements of Dabur International Limited, a subsidiary of the Holding Company, has been reported by an independent firm of Chartered Accountants vide its report dated 26 April, 2019 and has reproduced by us as under:	
D. Recoverability of goodwill pertaining to step down subsidiaries companies Refer note 7D to the consolidated financial statements. The consolidated financial statements of the Group as at 31 March, 2019 carries goodwill amounting to ₹ 336.07 crores. This goodwill was recorded on the acquisition of step down subsidiaries in earlier years. Goodwill is tested for impairment annually at the cash generating unit level, whereby the carrying amount of the Cash Generating Unit (including goodwill) is compared with the recoverable amount of the cash generating unit. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the cash generating unit. The present value is determined using discounted cash flow model. The Group's approved annual plans forms the starting point which is then updated with assumptions of long term growth rates. This also takes into account expectations about future market developments and other macroeconomic factors. The discounting is based on weighted average cost of capital of the cash generating unit. The result of this evaluation is highly dependent on management estimates, which among others include, the expected business and earnings forecasts for future years, the assumed long-term growth rates and the discount rate used and is therefore subject to considerable judgement.	**Our key procedures included, but not limited to, the following:** a) Read group audit instructions, received from the principal auditor, in relation to testing of goodwill for impairment; b) Assessed the appropriateness of the Group's accounting policies, including those relating to recognition, measurement and impairment of goodwill by comparing with the applicable accounting standards; c) Assessed the appropriateness of the significant assumptions as well as the Group's valuation model with the support of our valuation specialists. This included a discussion of the expected development of the business and results as well as of the underlying assumptions used with those responsible for the planning process. The Group has engaged external experts to carry out impairment analysis. We also assessed the relevant skill set/experience of the management expert in respect of carrying out the valuation; d) Compared the discount rate used (in particular the underlying parameters such as risk free rate, market risk premium and the beta factor) with the publicly available information and also checked mathematical accuracy of the valuation model; e) Evaluated the appropriateness of the weighted average cost of capital considered in the valuation; f) Assessed the robustness of financial projections prepared by management by comparing projections for previous financial years with actual results realized and analysed significant deviations, if any; g) Performed a sensitivity analysis for reasonably possible changes in the sales growth, discount rate applied and the long-term growth rate; and h) Assessed the appropriateness of the Group's description of the accounting policy and disclosures related to goodwill and impairment testing and whether these are adequately presented in the consolidated financial statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Report on Corporate Governance and the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /Management of the companies included in the Group, and its joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its joint venture covered under the Act have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of 23 subsidiaries, whose financial statements reflects total assets of ₹ 2,938.81 crores and net assets of ₹ 1,736.33 crores as at 31 March, 2019, total revenues of ₹ 2,716.39 crores and net cash inflows amounting to ₹ 31.27 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements and matters identified and disclosed under key audit matters section above, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Sub-Section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditor.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

16. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 0.96 crores for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of Sub-Section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by Section 197(16) of the Act, we report that the Holding Company covered under the Act paid remuneration to their respective Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to

the Act. Further, we report that a subsidiary company covered under the Act has not paid or provided for any managerial remuneration during the year. Further, we also report that the provisions of Section 197 read with Schedule V to the Act are not applicable to a joint venture company covered under the Act, since such company is not a public company as defined under Section 2(71) of the Act.

18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, 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 purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account 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 auditor;

    c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the Directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the report of statutory auditor of a subsidiary company, none of the Directors of the Group companies covered under the Act, are disqualified as on 31 March, 2019 from being appointed as a Director in terms of Section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary company and a joint venture company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

    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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiaries:

        i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 47A to the consolidated financial statements.;

        ii. the Group and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March, 2019;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March, 2019 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company and joint venture company covered under the Act, during the year ended 31 March, 2019; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.: 501531

Place : New Delhi
Date : May 2, 2019

Annexure A

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Dabur India Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary company, and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company, and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of the Company's 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, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary company, and its joint venture company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary company, and its joint venture company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because

of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary company and its joint venture company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the IFCoFR in so far as it relates to a joint venture company, which is company incorporated in India, in respect of which, the Group's share of net profit of ₹ 0.96 crores for the year ended 31 March, 2019, has been considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary company, and its joint venture company, which are companies incorporated in India, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid joint venture company, which is company incorporated in India, is based solely on representations provided by the management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion is not modified in respect of the above matter with respect to our reliance on representations provided by the management.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.: 501531

Place : New Delhi
Date : May 2, 2019

Consolidated **Balance Sheet**

as at 31st March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2019	31 March, 2018
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	7A	1,547.97	1,552.10
b) Capital work-in-progress	7B	63.76	41.51
c) Investment property	7C	52.10	54.16
d) Goodwill	7D	336.07	411.54
e) Other intangible assets	7E	32.92	10.31
f) Financial assets			
(i) Investments	8	2,633.35	3,091.78
(ii) Loans	9	17.56	18.96
(iii) Others	10	77.66	4.11
g) Non-current tax assets (net)	11	0.89	3.33
h) Other non-current assets	12	88.13	74.08
Total Non-Current Assets		**4,850.41**	**5,261.88**
Current Assets			
a) Inventories	13	1,300.53	1,256.18
b) Financial assets			
(i) Investments	14	725.41	713.39
(ii) Trade receivables	15	833.56	706.08
(iii) Cash and cash equivalents	16	107.69	153.80
(iv) Bank balances other than (iii) above	17	220.47	152.26
(v) Loans	18	11.04	34.88
(vi) Others	19	26.47	28.27
c) Current tax assets (net)	20	1.32	1.96
d) Other current assets	21	359.50	391.01
e) Asset held for sale	63	0.24	1.92
Total Current Assets		**3,586.23**	**3,439.75**
Total Assets		**8,436.64**	**8,701.63**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	22	176.63	176.15
b) Other equity	23	5,455.05	5,530.37
Equity attributable to shareholders of the Holding Company		**5,631.68**	**5,706.52**
c) Non-controlling interest		31.38	26.53
Total Equity		**5,663.06**	**5,733.05**
Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
(i) Borrowings	24	26.05	364.34
(ii) Other financial liabilities	25	4.56	4.25
b) Provisions	26	59.52	56.50
c) Deferred tax liabilities (net)	27	23.14	109.05
Total Non-Current Liabilities		**113.27**	**534.14**
Current Liabilities			
a) Financial liabilities			
(i) Borrowings	28	498.23	464.49
(ii) Trade payables			
Due to micro and small enterprises	29	54.61	7.37
Due to others	29	1,400.82	1,402.95
(iii) Other financial liabilities	30	327.62	238.20
b) Other current liabilities	31	198.14	173.03
c) Provisions	32	130.24	107.47
d) Current tax liabilities (net)	33	50.65	40.93
Total Current Liabilities		**2,660.31**	**2,434.44**
Total Liabilities		**2,773.58**	**2,968.58**
Total Equity And Liabilities		**8,436.64**	**8,701.63**
Summary of significant accounting policies	**6**		

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2019	31 March, 2018
Income			
Revenue from operations	34	8,533.05	7,748.34
Other income	35	296.17	305.18
Total income		**8,829.22**	**8,053.52**
Expenses			
Cost of materials consumed	36	3,475.35	3,220.05
Excise duty		18.06	26.49
Purchases of stock-in-trade		802.98	665.80
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	12.64	(65.93)
Employee benefits expense	38	937.91	792.79
Finance costs	39	59.58	53.05
Depreciation and amortization expense	40	176.90	162.18
Other expenses			
Advertisement and publicity		608.33	606.71
Others	41	938.22	884.99
Total expenses		**7,029.97**	**6,346.13**
Profit before share of profit from joint venture and exceptional items		**1,799.25**	**1,707.39**
Share of profit of joint venture	55	0.96	0.24
Profit before exceptional items and tax		**1,800.21**	**1,707.63**
Exceptional items	42	75.34	14.54
Profit before tax		**1,724.87**	**1,693.09**
Tax expense	43		
Current tax		406.99	371.34
Deferred tax		(128.37)	(35.99)
Total tax expense		**278.62**	**335.35**
Net profit for the year		**1,446.25**	**1,357.74**
Other comprehensive income	44		
A (i) Items that will not be reclassified to profit or loss		1.89	(4.20)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.22)	0.15
B (i) Items that will be reclassified to profit or loss		0.01	(28.04)
(ii) Income tax relating to items that will be reclassified to profit or loss		1.21	8.79
Total other comprehensive income		**2.89**	**(23.30)**
Total comprehensive income for the year		**1,449.14**	**1,334.44**
Net profit attributable to:			
Owners of the Holding Company		1,442.33	1,354.39
Non-controlling interest		3.92	3.35
Other comprehensive income attributable to:			
Owners of the Holding Company		1.97	(21.72)
Non-controlling interest		0.92	(1.58)
Total comprehensive income attributable to:			
Owners of the Holding Company		1,444.30	1,332.67
Non-controlling interest		4.84	1.77
Earnings per equity share			
Basic ₹	45	8.17	7.69
Diluted ₹		8.14	7.66
Summary of significant accounting policies	**6**		

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

(All amounts in ₹ crores, unless otherwise stated)

Particulars	31 March, 2019	31 March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,724.87	1,693.09
Adjustments for:		
Depreciation and amortization expense	176.90	162.18
(Gain)/ loss on disposal / impairment of property, plant and equipment (net)	(0.71)	3.44
Share based payment expense	77.33	3.51
Provision for disputed liability	8.94	6.02
Allowance for expected credit loss	4.32	4.23
Provisions for employee benefits	8.73	12.66
Finance costs	49.20	42.38
Unrealised foreign exchange (gain)/ loss (net)	(3.45)	3.48
Interest income	(249.39)	(241.52)
Share of profit of joint venture	(0.96)	(0.24)
(Gain)/ loss on fair valuation of financial instruments (net)	(0.79)	3.69
Net gain on sale of financial assets measured at FVTPL	(6.15)	(19.12)
Net gain on sale of financial assets measured at FVOCI	(1.45)	(19.87)
Effect of exchange rates on translation of operating cashflows	5.21	9.70
Exceptional items	75.34	14.54
Operating profit before working capital changes and other adjustments	**1,867.94**	**1,678.17**
Working capital changes and other adjustments:		
Inventories	(44.35)	(149.47)
Trade receivables	(130.25)	(59.89)
Current and non-current financial assets	24.13	(26.41)
Other current and non-current assets	23.38	(147.22)
Trade payables	45.11	85.75
Other current and non-current financial liabilities	28.78	31.50
Other current and non-current liabilities and provisions	35.12	3.99
Cash flow from operating activities post working capital changes	**1,849.86**	**1,416.42**
Direct taxes paid (net of refund)	(350.73)	(324.92)
Net cash flow from operating activities (A)	1,499.13	**1,091.50**

Particulars		31 March, 2019	31 March, 2018
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment, capital work-in-progress, investment properties and intangible assets		(234.35)	(206.96)
Proceeds from disposal of property, plant and equipment, capital work-in-progress, investment properties and intangible assets		9.34	6.67
Purchases of investments/ bank deposits		(5,392.77)	(9,001.06)
Proceeds from sale of investments		5,710.25	8,417.64
Interest received		244.44	243.72
Net cash flow from / (used in) investing activities (B)		**336.91**	**(539.99)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity share capital		0.48	-
Repayments of non-current borrowing (including current maturities)		(271.96)	(61.57)
Proceeds from current borrowings (net)		31.81	4.30
Dividend paid		(1,324.71)	(396.34)
Dividend distribution tax paid		(272.30)	(80.69)
Finance costs paid		(51.52)	(42.81)
Net cash used in financing activities (C)		**(1,888.20)**	**(577.11)**
Decrease in cash and cash equivalents (A+B+C)		(52.16)	(25.60)
Cash and cash equivalents at the beginning of the year		89.21	115.75
Net unrealised foreign exchange (gain)/loss		0.67	(0.94)
Cash and cash equivalents at the end of the year		**37.72**	**89.21**
Note:			
Cash and cash equivalent (as per note 16 to the financial statements)		**107.69**	**153.80**
Balances with banks in cash credit accounts (refere note 28)		(54.30)	(48.00)
Balances with banks in over draft accounts (refere note 28)		(15.67)	(16.59)
Cash and cash equivalents as per Consolidated Cash Flow Statements		**37.72**	**89.21**
Significant accounting policies	**6**		

Note: The above consolidated statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 'Statement of Cash Flows'.

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2019

A. Equity share capital *

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Number of shares	Amount
Balance as at 1 April, 2017	**1,76,15,20,510**	**176.15**
Issued during the year	-	-
Balance as at 31 March, 2018	**1,76,15,20,510**	**176.15**
Balance as at 1 April, 2018	**1,76,15,20,510**	**176.15**
Issued during the year	47,70,631	0.48
Balance as at 31 March, 2019	**1,76,62,91,141**	**176.63**

B. Other equity **

Particulars	Attributable to owners of the Holding Company										Total attributable to owners of the Holding Company	Attributable to non-controlling interest	Total
	Reserves and surplus								Other comprehensive income (OCI)				
	Capital reserve	Securities premium	Statutory reserve	Special fund	Employee housing reserve	Share option outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Debt instruments through OCI			
Balance as at 1 April, 2017	**26.92**	**230.25**	**14.66**	**3.14**	**15.18**	**89.08**	**513.43**	**3,954.80**	**(205.62)**	**29.39**	**4,671.23**	**24.77**	**4,696.00**
Profit for the year	-	-	-	-	-	-	-	1,354.39	-	-	1,354.39	3.35	1,357.74
Other comprehensive income for the year													
Re-measurements loss on defined benefit plans (net of tax of ₹ 0.15 crores)	-	-	-	-	-	-	-	(4.05)	-	-	(4.05)	-	(4.05)
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 8.79 crores)	-	-	-	-	-	-	-	-	-	(28.95)	(28.95)	-	(28.95)
Movement in foreign currency translation reserve during the year	-	-	-	-	-	-	-	-	11.28	-	11.28	(1.58)	9.70
Recognition of share based payment expenses	-	-	-	-	-	3.52	-	-	-	-	3.52	-	3.52
Transactions with owners in their capacity as owners													
Dividends (refer note 46)	-	-	-	-	-	-	-	(477.03)	-	-	(477.03)	-	(477.03)
Transfer from retained earnings	-	-	-	-	2.79	-	-	(2.79)	-	-	-	-	-
Others	-	-	-	-	-	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Balance as at 31 March, 2018	**26.92**	**230.25**	**14.66**	**3.14**	**17.97**	**92.60**	**513.43**	**4,825.30**	**(194.34)**	**0.44**	**5,530.37**	**26.53**	**5,556.90**

* refer note 22

** refer note 23

B. Other equity (Contd.)**

Particulars	Attributable to owners of the Holding Company										Total attributable to owners of the Holding Company	Attributable to non-controlling interest	Total
	Reserves and surplus								Other comprehensive income (OCI)				
	Capital reserve	Securities premium	Statutory reserve	Special fund	Employee housing reserve	Share option outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Debt instruments through OCI			
Balance as at 1 April, 2018	**26.92**	**230.25**	**14.66**	**3.14**	**17.97**	**92.60**	**513.43**	**4,825.30**	**(194.34)**	**0.44**	**5,530.37**	**26.53**	**5,556.90**
Profit for the year	-	-	-	-	-	-	-	1,442.33	-	-	1,442.33	3.92	1,446.25
Other comprehensive income for the year													
Re-measurements gain on defined benefit plans (net of tax of ₹ 0.22 crores)	-	-	-	-	-	-	-	1.67	-	-	1.67	-	1.67
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 1.21 crores)	-	-	-	-	-	-	-	-	-	(3.99)	(3.99)	-	(3.99)
Movement in foreign currency translation reserve during the year	-	-	-	-	-	-	-	-	4.29	-	4.29	0.92	5.21
Recognition of share based payment expenses	-	-	-	-	-	77.37	-	-	-	-	77.37	-	77.37
Transfer from share option outstanding account on exercise of options	-	94.98	-	-	-	(94.98)	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners													
Dividends (refer note 46)	-	-	-	-		-	-	(1,597.01)	-	-	(1,597.01)	-	(1,597.01)
Others	-	-	-	-	-	-	-	-	0.02	-	0.02	0.01	0.03
Balance as at 31 March, 2019	**26.92**	**325.23**	**14.66**	**3.14**	**17.97**	**74.99**	**513.43**	**4,672.29**	**(190.03)**	**(3.55)**	**5,455.05**	**31.38**	**5,486.43**

** refer note 23

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

1. **Group information**

Dabur India Limited (the 'Holding Company') is a domestic public limited company with registered office situated at 8/3, Asaf Ali Road, New Delhi – 110002 and is listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India (NSE).

The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries and joint venture collectively hereinafter referred to as the 'Group'. The Group is one of the leading global fast moving consumer goods (FMCG) players' dealing in consumer care and food products. It has wide network of operations in local as well as foreign markets.

2. **General information and statement of compliance with Ind AS**

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees ('₹') which is also the functional currency of the Holding Company.

The financial statements for the year ended 31 March, 2019 were authorized and approved for issue by the Board of Directors on 02 May, 2019. The revision to financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. **Basis of preparation**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Amount in the financial statements are presented in ₹ crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00 crores.

4. **Basis of consolidation**

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed off during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intercompany transactions, balances and un-realized gains/ losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Consolidated Statement of Profit and Loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Joint venture

Interest in joint venture is accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Consolidated Statement of Profit and Loss (including the OCI) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

5. Recent accounting pronouncements

On 30 March, 2019, the Ministry of Corporate Affairs ('MCA') issued the Companies (Indian Accounting Standards) Amendments Rules, 2019 notifying the new leasing standard Ind AS 116, 'Leases'. This amendment replaces Ind AS 17, 'Leases' and related interpretations. Also notifying an insertion of Appendix C, 'Uncertainty over Income Tax Treatments' to Ind AS 12, 'Income Taxes', amendment to Ind AS 12, 'Income Taxes' and amendment to Ind AS 19, 'Employee Benefits'. The amendments are applicable to the Group from 1 April, 2019.

- **Amendment to Ind AS 116, Leases**

  On 30 March, 2019, MCA has clarified that Ind AS 116 is effective for annual periods beginning on or after 1 April, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Group is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

- **Amendment to Ind AS 12, Income taxes**

  On 30 March, 2019, MCA has notified Appendix C to Ind AS 12 Income taxes – "Uncertainty over Income Tax Treatments". The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is 1 April, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 "Income Taxes" which clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events in accordance with Ind-AS 109. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

- **Amendment to Ind AS 19, Employee benefits**

  On 30 March, 2019, MCA has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

- **Amendment to Ind AS 23, Borrowing costs**

  On 30 March, 2019, MCA issued an amendment to Ind-AS 23 "Borrowing Costs" clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that any entity borrows generally when calculating the capitalization rate on general borrowings. This amendment is effective for annual periods beginning on or after 1 April, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

- **Amendment to Ind AS 109, Financial instruments**

  On 30 March, 2019, MCA issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after 1 April, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

6. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below:

a. Current / non-current classification:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Business combinations

- The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.

  Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

- Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

- Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

c. Revenue recognition:

- Revenue from sale of products is recognised when control of products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers.

  Revenue is measured at fair value of the consideration received or receivable and are accounted for net of returns, rebates and trade discount. Sales, as disclosed, are exclusive of goods and services tax, where applicable.

  The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example taxes collected on behalf of government). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

  The transaction price is allocated by the Group to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

  For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

  When either party to a contract has performed its obligation, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

- Income from export incentives such as duty drawback, premium on sale of import licenses and lease license fee are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

- Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

- Interest income is recognized using effective interest method.

- Dividend income is recognized at the time when the right to receive is established by the reporting date.
- Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

d. Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. These tangible assets are held for use in production, supply of goods or services or for administrative purposes.

- Cost comprises of purchase cost, freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such costs also include borrowing cost if the recognition criteria are met.
- When a major inspection / repair occur, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection / repair is derecognized. All other repair and maintenance are recognized in the Consolidated Statement of Profit and Loss as incurred.
- Depreciation on property, plant and equipment is provided over the useful lives of assets as specified in Schedule II to the Act except where the management, has estimated useful life of an asset supported by the technical assessment, external or internal i.e., higher or lower from the indicative useful life given under Schedule II. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	10 years

The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

- Components relevant to property, plant and equipment, where significant, are separately depreciated on straight-line basis in terms of their life span assessed by technical evaluation in item specific context.
- For new projects, all direct expenses and direct overheads (excluding services of non-exclusive nature provided by employees in Group's regular payroll) are capitalized till the assets are ready for intended use.
- During disposal of property, plant and equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a-vis carrying cost of assets is accounted for in Consolidated Statement of Profit and Loss.

e. Capital work-in-progress and intangible assets under development:

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects / intangible assets under development and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

f. Investment property:

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act.

Significant parts of the property are depreciated separately based on their specific useful lives as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years

Any gain or loss on disposal of investment properties is recognized in Consolidated Statement of Profit and Loss.

Fair value of investments properties under each category are disclosed under note 7C to the financial statements. Fair values are determined based on the evaluation performed by an accredited external independent valuer applying a recognized and accepted valuation model or estimation based on available sources of information from market.

Transfers to or from the investment property is made only when there is a change in use and the same is made at the carrying amount of investment property.

g. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 'Business Combinations'.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

h. Intangible assets:

- Intangible assets acquired separately are measured on initial recognition at cost of acquisition. The cost comprises of purchase price and directly attributable costs of bringing the assets to its working condition for intended use. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. In case of internally generated assets, measured at development cost subject to satisfaction of recognition criteria (identifiability, control and future economic benefit) in accordance with Ind AS 38 'Intangible Assets'.
- Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.
- Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit and Loss.
- Amortization of intangible assets such as softwares is computed on a straight-line basis, at the rates representing estimated useful life of up to 5 years. The brands and trademarks acquired as part of business combinations normally have a remaining legal life of not exceeding ten years but is renewable every ten years at little cost and is well established.

i. Government subsidy / grants:

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

- Subsidy related to assets is recognized as deferred income which is recognized in the Consolidated Statement of Profit and Loss on systematic basis over the useful life of the assets.
- Purchase of assets and receipts of related grants are separately disclosed in Consolidated Statement of Cash Flow.
- Grants related to income are treated as other operating income in Consolidated Statement of Profit and Loss subject to due disclosure about the nature of grant.

j. Impairment of non-financial assets:

- **Goodwill**

  Goodwill is tested for impairment on annual basis. If on testing, any impairment exists, the carrying amount of goodwill is reduced to the extent of any impairment loss and such loss is recognized in the Consolidated Statement of Profi t and Loss.

- **Other assets**

  At each reporting date, the Group assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Consolidated Statement of Profit and Loss.

k. Impairment of financial assets:

In accordance with Ind AS 109 'Financial Instruments', the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

l. **Trade receivables:**

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

m. **Other financial assets:**

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

n. **Financial instruments:**

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

- **Financial assets carried at amortized cost**

  A financial asset is measured at the amortized cost, if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

  b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method.

- **Investments in other equity instruments**

  Investments in equity instruments which are held for trading are classified as at fair value through profit or loss ('FVTPL'). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL'). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- **Debt instruments**

  Debt instruments are initially measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of:

  a. the entity's business model for managing the financial assets; and

  b. the contractual cash flow characteristics of the financial asset.

  a. Measured at amortized cost

  Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the EIR method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Consolidated Statement of Profit and Loss.

b. **Measured at fair value through other comprehensive income**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income ('OCI'). Interest income measured using the EIR method and impairment losses, if any are recognized in the Consolidated Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Consolidated Statement of Profit and Loss.

c. **Measured at fair value through profit or loss**

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Consolidated Statement of Profit and Loss.

- **Investments in mutual funds**

Investments in mutual funds are measured at FVTPL.

De-recognition of financial assets

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

Derivative financial instruments

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms.

Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Consolidated Statement of Profit and Loss when incurred.

- **Financial guarantee contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

o. **Fair value measurement:**

The Group measures financial instruments, such as, derivatives at fair value at each Consolidated Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

p. **Leases:**

Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease other than finance lease is treated as operating lease. Operating lease payments are recognized as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with general inflation index.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

q. Inventories:

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-trade valued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued at moving weighted average basis plus appropriate overheads.

r. Employee benefits:

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

- **Current employee benefits**
  a. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee dues payable in the Consolidated Balance Sheet.
  b. Employees' State Insurance ('ESI') is provided on the basis of actual liability accrued and paid to authorities.
  c. The Group has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.
  d. Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

- **Post separation employee benefit plan**

  a. Defined benefit plan

  ▪ Post separation benefits of Directors are accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'.

  ▪ Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Consolidated Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

  ▪ Group contributes its share of contribution to Employees' Provident Fund Scheme administered by a separate trust with its obligation to make good the shortfall, if any, in trust fund arising on account of difference between the return on investments of the trust and the interest rate on provident fund dues notified periodically by the Central Government.

  ▪ Actuarial gain / loss pertaining to gratuity and post separation benefits are accounted for as OCI. All remaining components of costs are accounted for in Consolidated Statement of Profit and Loss.

  b. Defined contribution plans

  Liability for superannuation fund is provided on the basis of the premium paid to insurance company in respect of employees covered under Superannuation Fund Policy.

s. Taxation:

Tax expense recognized in Consolidated Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations of the respective jurisdictions. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under provisions of the Income Tax Acts of the respective jurisdictions.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Consolidated Statement of Profit and Loss is recognized outside Consolidated Statement of Profit and Loss (either in other comprehensive income or in equity).

t. Provisions, contingent liability and contingent assets:

- Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- Contingent liability is disclosed for:
  a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
  b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

u. Foreign currency translation:

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise.

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. For all the foreign operations of the Group, all assets and liabilities (excluding equity share capital and opening reserves and surplus) are translated into Indian Rupees ('₹') using the exchange rate prevailing at the reporting date. Equity share capital, reserves and surplus are carried at historical cost. Revenues, costs and expenses are translated using the weighted-average exchange rate during the reporting period. The resultant currency translation difference is recognized as foreign currency translation reserve under the head 'other equity'.

v. Share based payments - Employee Stock Option Scheme ('ESOP'):

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

w. Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

x. Earnings per share:

Basic earnings per share are 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 attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares.

y. Research and development:

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

z. Borrowing cost:

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss as incurred.

aa. Cash and cash equivalents:

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash management.

ab. Assets held for sale

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

ac. Significant management judgement in applying accounting policies and estimation uncertainty:

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires, the management to make an assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Classification of leases**

  The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased assets and extent of specialized nature of the leased asset.

- **Recoverability of advances / receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

- **Defined benefit obligation ('DBO')**

  Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Provisions**

  At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Contingencies**

  Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, refer note 47. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and share based payments. This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to consolidated financial statements.

- **Inventories**

  The Group estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

- **Useful lives of depreciable / amortizable assets**

  Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Valuation of investment property**

  Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

- **Business combinations and intangible assets**

  The Holding Company uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination. In particular, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability. These valuations are conducted by independent valuation experts.

- **Income taxes**

  Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 43). The extent to which deferred tax assets/minimum alternate tax credit can be recognized is based on management's assessment of the probability of the future taxable income against which the deferred tax assets/minimum alternate tax credit can be utilized.

- **Recognition of deferred tax liability on undistributed profits**

  The extent to which the Holding Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

7A Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2018 and 31 March, 2019 are as follows :

Description	Leasehold land	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross block								
Balance as at 1 April, 2017	**25.89**	**71.78**	**714.08**	**1,303.48**	**94.06**	**35.40**	**61.78**	**2,306.47**
Addition for the year *	8.82	1.60	46.55	127.16	9.85	11.22	3.44	208.64
Transfer from capital work-in-progress	0.02	-	10.65	23.11	0.14	-	-	33.92
Disposals / adjustments for the year	(8.25)	6.44	8.98	16.67	(0.26)	4.46	5.90	33.94
Foreign currency translation difference	(0.12)	(1.64)	0.34	(6.55)	(0.48)	0.10	-	(8.35)
Balance as at 31 March, 2018	**42.86**	**65.30**	**762.64**	**1,430.53**	**103.83**	**42.26**	**59.32**	**2,506.74**
Addition for the year *	0.05	0.69	18.37	92.17	11.51	4.23	9.42	136.44
Transfer from capital work-in-progress	-	-	8.13	22.83	0.19	0.29	0.85	32.29
Disposals / adjustments for the year	0.45	-	0.38	17.23	1.31	3.71	2.21	25.29
Foreign currency translation difference	(0.23)	(0.59)	(0.71)	(1.08)	(1.44)	0.62	0.26	(3.17)
Balance as at 31 March, 2019	**42.23**	**65.40**	**788.05**	**1,527.22**	**112.78**	**43.69**	**67.64**	**2,647.01**
Accumulated depreciation								
Balance as at 1 April, 2017	**3.10**	**-**	**178.08**	**534.01**	**48.63**	**14.15**	**49.48**	**827.45**
Addition for the year	1.38	-	23.69	115.04	7.64	4.25	3.95	155.95
Disposals / adjustments for the year	(2.73)	-	13.65	5.29	0.82	3.08	4.31	24.42
Foreign currency translation difference	(0.10)	-	0.10	(4.02)	(0.30)	0.01	(0.03)	(4.34)
Balance as at 31 March, 2018	**7.11**	**-**	**188.22**	**639.74**	**55.15**	**15.33**	**49.09**	**954.64**
Addition for the year	1.51	-	25.12	124.26	8.32	4.99	4.40	168.60
Disposals/adjustments for the year	0.20	-	0.36	14.29	1.16	2.24	1.97	20.22
Foreign currency translation difference	0.28	-	(2.11)	(1.89)	(0.84)	0.35	0.23	(3.98)
Balance as at 31 March, 2019	**8.70**	**-**	**210.87**	**747.82**	**61.47**	**18.43**	**51.75**	**1,099.04**
Net block as at 1 April, 2017	**22.79**	**71.78**	**536.00**	**769.47**	**45.43**	**21.25**	**12.30**	**1,479.02**
Net block as at 31 March, 2018	**35.75**	**65.30**	**574.42**	**790.79**	**48.68**	**26.93**	**10.23**	**1,552.10**
Net block as at 31 March, 2019	**33.53**	**65.40**	**577.18**	**779.40**	**51.31**	**25.26**	**15.89**	**1,547.97**

* includes addition in property, plant and equipment pursuant to acquisitions of assets under business combinations falling part of Ind AS 103 'Business Combinations', refer note 62A for details.

Notes:

a) Plant and equipment have been hypothecated with banks against term loans, refer note 24.

b) Addition to the above property, plant and equipment includes ₹ 2.09 crores (31 March, 2018: ₹ 5.98 crores) incurred at the Holding Company's inhouse research and development facilities at Sahibabad, Uttar Pradesh.

c) **Contractual obligations :** Refer note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

d) **Leasehold land :** Represents land taken on lease for the years ranging from 20 to 99.

e) **Impairment loss :** 'Disposals / adjustments for the year' above include impairment provision mainly pertaining to assets which are lying idle, damaged and having no future use amounting to ₹ Nil crores (31 March, 2018 : ₹ 4.44 crores)

7B Capital work-in-progress

The changes in the carrying value of capital work-in-progress for the year ended 31 March, 2018 and 31 March, 2019 are as follows :

Description	Amount
Balance as at 1 April, 2017	**42.10**
Addition for the year	32.40
Transfer to property, plant and equipment	(33.92)
Foreign currency translation difference	0.93
Balance as at 31 March, 2018	**41.51**
Addition for the year	58.01
Transfer to property, plant and equipment	(32.29)
Transfer to intangible asset	(5.03)
Foreign currency translation difference	1.56
Balance as at 31 March, 2019	**63.76**

7C Investment property

The changes in the carrying value of investment property for the year ended 31 March, 2018 and 31 March, 2019 are as follows :

Description	Freehold land	Buildings	Total
Gross block			
Balance as at 1 April, 2017	**5.27**	**58.29**	**63.56**
Addition for the year	-	-	-
Disposals for the year	-	-	-
Foreign currency translation difference	0.01	0.32	0.33
Balance as at 31 March, 2018	**5.28**	**58.61**	**63.89**
Addition for the year	-	0.01	0.01
Disposals for the year	-	1.86	1.86
Foreign currency translation difference	0.02	0.42	0.44
Balance as at 31 March, 2019	**5.30**	**57.18**	**62.48**
Accumulated depreciation			
Balance as at 1 April, 2017	**-**	**8.57**	**8.57**
Addition for the year	-	1.11	1.11
Disposals for the year	-	-	-
Foreign currency translation difference		0.05	0.05
Balance as at 31 March, 2018	**-**	**9.73**	**9.73**
Addition for the year		1.12	1.12
Disposals for the year		0.59	0.59
Foreign currency translation difference		0.12	0.12
Balance as at 31 March, 2019	**-**	**10.38**	**10.38**
Net block as at 1 April, 2017	**5.27**	**49.72**	**54.99**
Net block as at 31 March, 2018	**5.28**	**48.88**	**54.16**
Net block as at 31 March, 2019	**5.30**	**46.80**	**52.10**

Notes:

a) Amount recognized in Consolidated Statement of Profit and Loss for investment properties:

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Rental income derived from investment properties	10.83	10.60
Less: direct operating expenses that generated rental income	0.48	0.31
Less: direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties before depreciation	**10.35**	**10.29**
Less: depreciation expense	1.12	1.11
Profit from leasing of investment properties after depreciation	**9.23**	**9.18**

b) As at 31 March, 2019, the fair value of investment properties is ₹ 165.00 crores (31 March, 2018: ₹ 162.15 crores). These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categoried in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

c) **Leasing arrangements :** Certain investment properties are leased to tenants under long-term operating leases with rentals payable montly. Refer note 49 for details on future minimum lease rentals.

7D Goodwill

The changes in the carrying value of goodwill for the year ended 31 March, 2018 and 31 March, 2019 are as follows :

Description	Goodwill
Balance as at 1 April, 2017	**410.53**
Additions pursuant to business combination	0.89
Foreign currency translation difference	0.12
Impairment	-
Balance as at 31 March, 2018	**411.54**
Additions pursuant to business combination	-
Foreign currency translation difference	(0.13)
Impairment	75.34
Balance as at 31 March, 2019	**336.07**

Notes:

i) **Allocation of Goodwill to reportable segments:**

The Group has identified consumer care business, foods and others as its reportable segments. The goodwill amounting to ₹ 336.07 crores (31 March, 2018 : ₹ 411.54 crores) acquired through business combination has been entirely allocated to 'Consumer Care Business' segment of the Group.

ii) **Allocation of goodwill to Cash Generating Units (CGUs):**

Goodwill has been allocated to the following CGUs for impairment testing purpose with carrying amount of goodwill being significant in comparison with the entity's total carrying amount of goodwill with indefinite useful lives :

Particulars	31 March, 2019	31 March, 2018
Goodwill relating to HOBI Group and Namaste Group being part of consumer care business	314.29	389.63

The recoverable amount of the above mentioned Groups, for impairment testing is determined based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management covering a five-year period, as the Group believes this to be the most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows. Cash flows beyond the five-year period were extrapolated using estimate rates stated below.

iii) **Impairment of Goodwill:**

As at 31 March, 2019, the Group recognised impairment in the value of goodwill amounting to ₹ 75.34 crores (31 March, 2018: ₹ Nil cores). The impairment charge pertains to the HOBI Group (represented by M/s Hobi Kozmetic and M/s Rapazarlama, Turkey) in view of currency devaluation in the country of its operation. Such impairment was recognized as an expense during the year and was included in 'exceptional items' in Consolidated Statement of Profit and Loss.

iv) **Key assumptions used for value in use calculations are as follows: *#**

The Group prepares its cash flow forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 4% to 15% (31 March, 2018 : 4% to 15%) for the five-year period. The growth rates used for extrapolation of cash flows beyond the five-year period covered by the forecast ranges from 1% to 3% (31 March, 2018 : 1% to 3%). The rates used to discount the forecasted cash flows ranges from 5% to 16% (31 March, 2017 : 5% to 12%).

* **Discount rates** - Management estimates discount rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC).

 # Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.

The management has performed sensitivity analysis around the base assumptions and has concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value.

7E Other intangible assets

The changes in the carrying value of intangible asset for the year ended 31 March, 2018 and 31 March, 2019 are as follows :

Description	Brands / trademarks	Computer software	Total
Gross block			
Balance as at 1 April, 2017	**14.20**	**47.94**	**62.14**
Addition for the year	-	1.41	1.41
Transfer from capital work-in-progress	-	-	-
Disposals / adjustments for the year	-	-	-
Foreign currency translation difference	0.07	(0.03)	0.04
Balance as at 31 March, 2018	**14.27**	**49.32**	**63.59**
Addition for the year	20.00	7.91	27.91
Transfer from capital work-in-progress	-	5.03	5.03
Disposals / adjustments for the year	0.83	-	0.83
Foreign currency translation difference	(2.21)	(0.17)	(2.38)
Balance as at 31 March, 2019	**31.23**	**62.09**	**93.32**
Accumulated depreciation			
Balance as at 1 April, 2017	**12.41**	**35.87**	**48.28**
Addition for the year	0.20	4.92	5.12
Foreign currency translation difference	(0.05)	(0.07)	(0.12)
Balance as at 31 March, 2018	**12.56**	**40.72**	**53.28**
Addition for the year	2.00	5.18	7.18
Foreign currency translation difference	0.09	(0.15)	(0.06)
Balance as at 31 March, 2019	**14.65**	**45.75**	**60.40**
Net block as at 1 April, 2017	**1.79**	**12.07**	**13.86**
Net block as at 31 March, 2018	**1.71**	**8.60**	**10.31**
Net block as at 31 March, 2019	**16.58**	**16.34**	**32.92**

8 Non-current investments

Particulars	No. of units/ shares	Amount	No. of units/ shares	Amount
	31 March, 2019	31 March, 2019	31 March, 2018	31 March, 2018
I Investment in equity instruments				
a) Joint venture (at cost) (unquoted) (fully paid) ^				
A Forum I Aviation Private Limited Shares of face value ₹ 10 each	74,87,251	12.29	74,87,251	11.33
Sub-Total		**12.29**		**11.33**
b) Other entities (unquoted) (fully paid) #				
A Sanat Products Limited Shares of face value of ₹ 100 each	50,000	0.05	50,000	0.05

Particulars		No. of units/ shares	Amount	No. of units/ shares	Amount
		31 March, 2019	31 March, 2019	31 March, 2018	31 March, 2018
B	Shivalik Solid Waste Management Limited Shares of face value of ₹ 10 each	18,000	0.02	18,000	0.02
	Sub-Total		**0.07**		**0.07**
II	**Other investments**				
a)	**Investments in government or trust securities (quoted) (fully paid) #**				
A	8.97% Government Stock 2030 Units of face value of ₹ 100 each	-	-	20,00,000	22.54
B	8.83% Government Stock 2041 Units of face value of ₹ 100 each	80,00,000	92.26	80,00,000	91.71
C	9.20% NI Government Stock 2030 Units of face value of ₹ 100 each	60,00,000	67.15	70,00,000	78.28
D	9.23% NI Government Stock 2043 Units of face value of ₹ 100 each	1,20,00,000	143.79	1,60,00,000	191.97
E	8.60% Government of India 2028 Units of face value of ₹ 100 each	20,00,000	21.95	35,00,000	38.43
F	8.23% Gujarat State Development Loan 2025 Units of face value of ₹ 100 each	10,00,000	10.44	10,00,000	10.27
G	8.27% Karnataka State Development Loan 2025 Units of face value of ₹ 100 each	15,00,000	15.91	15,00,000	15.68
H	8.38% Karnataka State Development Loan 2026 Units of face value of ₹ 100 each	15,00,000	15.87	15,00,000	15.64
I	9.24% Maharashtra State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	11.01	10,00,000	10.88
J	9.11% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	11.11	10,00,000	10.95
K	8.87% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	15,00,000	16.68	15,00,000	16.43
	Sub-Total		**406.17**		**502.78**
b)	**Investments in debentures or bonds**				
i)	**Bonds (quoted) (fully paid) #**				
A	Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	1,050	112.37	1,100	120.38
B	Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	650	70.22	650	71.48
C	Power Grid Corporation of India Limited Units of face value of ₹ 10,00,000 each	250	27.17	250	27.42
D	Housing Development Finance Corporation Limited Units of face value of ₹ 10,00,000 each	250	27.55	250	28.01
E	Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	500	25.11	500	25.46
F	Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	25	26.81	25	27.20
G	LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,350	145.71	1,350	147.38

Particulars		No. of units/ shares 31 March, 2019	Amount 31 March, 2019	No. of units/ shares 31 March, 2018	Amount 31 March, 2018
H	IDFC Bank Limited Units of face value of ₹ 10,00,000 each	850	87.82	850	90.81
I	ICICI Bank Limited Units of face value of ₹ 10,00,000 each	100	10.68	100	10.49
	Sub-Total		**533.44**		**548.63**
ii)	**Bonds (unquoted) (fully paid) ##**				
A	3.88% Syndicate Bank Bonds Units of face value of USD 100 each	1,30,000	91.54	1,30,000	87.05
B	6.25% Bank of India Units of face value of USD 100 each	1,37,850	100.95	1,37,850	97.52
C	3.25% State Bank of India Units of face value of USD 100 each	3,50,500	245.42	3,50,500	231.99
D	3.50% ICICI Bank Limited Units of face value of USD 100 each	46,600	32.43	46,600	30.73
E	3.25% State Bank of India Units of face value of USD 100 each	18,000	12.65	18,000	12.16
	Sub-Total		**482.99**		**459.45**
iii)	**Non-convertible debentures (quoted) (fully paid)##**				
A	Shriram Transport Finance Company Limited Units of face value of ₹ 10,00,000 each	200	21.15	750	77.61
B	Bajaj Finance Limited Units of face value of ₹ 10,00,000 each	2,350	246.79	3,000	312.90
C	Kotak Mahindra Prime Limited Units of face value of ₹ 10,00,000 each	1,500	156.72	1,650	172.24
D	L&T Housing Finance Limited Units of face value of ₹ 25,00,000 each	200	53.01	200	53.01
E	Aditya Birla Finance Limited Units of face value of ₹ 10,00,000 each	250	26.10	500	51.57
F	Sundaram Finance Limited Units of face value of ₹ 10,00,000 each	100	10.43	100	10.43
G	Tata Capital Financial Services Limited Units of face value of ₹ 10,00,000 each	250	26.38	500	51.54
H	Reliance Home Finance Limited Units of face value of ₹ 5,00,000 each (31 March, 2019: ₹ 0.64 crores impaired; 31 March, 2018: Nil)	400	20.84	1,000	52.70
I	Tata Capital Housing Finance Limited Units of face value of ₹ 10,00,000 each	100	10.61	100	10.61
J	CanFin Homes Limited Units of face value of ₹ 10,00,000 each	250	25.64	500	51.43
K	HDB Financial Services Limited Units of face value of ₹ 10,00,000 each	1,000	104.50	1,500	156.86
L	Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	175	184.08	200	207.67
M	PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	500	52.84	500	49.93

Particulars	No. of units/ shares	Amount	No. of units/ shares	Amount
	31 March, 2019	31 March, 2019	31 March, 2018	31 March, 2018
N Dewan Housing Finance Corporation Limited	-	-	2,50,000	26.50
Units of face value of ₹ 1,000 each				
O Housing Development Finance Corporation Limited	1,000	54.08	1,000	54.33
Units of face value of ₹ 5,00,000 each				
P Hero FinCorp Limited	200	21.38	200	21.38
Units of face value of ₹ 10,00,000 each				
Q ICICI Home Finance Company Limited	500	26.42	500	26.42
Units of face value of ₹ 5,00,000 each				
R LIC Housing Finance Limited	1,000	105.54	1,000	105.46
Units of face value of ₹ 10,00,000 each				
S Mahindra & Mahindra Financial Services Limited	500	51.88	500	51.93
Units of face value of ₹ 10,00,000 each				
Sub-Total		**1,198.39**		**1,544.52**
e) Investments in fixed deposits with others (unquoted) ##				
Dewan Housing Finance Limited		-		25.00
Total		**2,633.35**		**3,091.78**

^ Investment in joint venture is measured as per equity method in accordance with Ind AS 28 'Investments in Associates and Joint Ventures'

All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVOCI').

These are measured at amortised cost

USD - United States Dollar

Notes:

a.	Aggregate amount of quoted investments - at cost	2,060.18	2,519.66
b.	Aggregate amount of quoted investments - at market value	2,138.00	2,595.93
c.	Aggregate amount of unquoted investments - at cost	495.35	495.85
d.	Aggregate amount of impairment in value of investments	0.64	-

9 Non-current loans

Particulars	31 March, 2019	31 March, 2018
(Unsecured, considered good unless otherwise stated)		
Deposits with government authorities	0.01	0.01
Security deposits		
Considered good	17.55	18.95
Credit impaired	-	1.25
Sub-Total	**17.56**	**20.21**
Less: Allowance for expected credit loss	-	(1.25)
Total	**17.56**	**18.96**

10 Others non-current financial assets

Bank deposit with more than 12 months maturity # *	77.66	4.11
Total	**77.66**	**4.11**
# Pledged as security with electricity/water department/government authorities	0.04	2.93
* Includes interest accrued but not due	0.35	0.15

11 Non-current tax assets (net)

Particulars	31 March, 2019	31 March, 2018
Advance income taxes (net)	0.89	3.33
Total	**0.89**	**3.33**

12 Other non-current assets

(Unsecured, considered good unless otherwise stated)

Capital advances	16.65	10.73
Advances other than capital advances		
Prepaid rent	1.80	2.13
Amalgamation adjustment account	18.07	18.07
Balance with government authorities		
Considered good	51.61	43.15
Considered doubtful	5.00	15.72
Sub-Total	**93.13**	**89.80**
Less: Allowance for impairment	(5.00)	(15.72)
Total	**88.13**	**74.08**

13 Inventories ^*

(Valued at lower of cost or net realisable value)

Raw materials	415.07	382.92
Packing materials	203.99	179.37
Work-in-progress	116.52	117.59
Finished goods	322.07	326.84
Stock-in-trade (aquired for trading)	230.22	241.79
Stock-in-trade (aquired for trading)-in-transit	10.83	6.06
Stores and spares	1.83	1.61
Total	**1,300.53**	**1,256.18**

^ Inventories have been hypothecated with banks against working capital loans, refer note 28 for details.

* Write-down of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 0.06 crores (31 March, 2018 : ₹ 22.82 crores). Further, reversal of write-down of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 2.32 crores (31 March, 2018 : ₹ Nil crores). These were recognized as an expense/reversal of expense respectively during the year and were included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in Consolidated Statement of Profit and Loss.

14 Current investments

	Particulars	No. of units	Amount	No. of units	Amount
		31 March, 2019	31 March, 2019	31 March, 2018	31 March, 2018
I	Other than trade				
a)	Mutual funds (quoted) (fully paid) ^				
A	Reliance Medium Term Fund - Direct Growth Plan	-	-	2,04,70,591	76.16
	Units of face value of ₹ 10 each				
B	ABSL Liquid Fund - Direct Growth Plan	8,33,030	25.03	-	-
	Units of face value of ₹ 100 each				
C	UTI Liquid Cash - Direct Growth Plan	1,58,650	48.56	-	-
	Units of face value of ₹ 1,000 each				

	Particulars	No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
D	ICICI Prudential Savings Fund- Direct Growth Plan Units of face value of ₹ 100 each	-	-	16,98,247	45.91
E	IDFC Cash Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,40,094	29.56
F	SBI Premier Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,83,836	50.08
G	Kotak Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,42,185	50.08
H	Baroda Pioneer Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,762	0.35
	Sub-Total		**73.59**		**252.14**
b)	**Commercial papers (quoted) (fully paid) #**				
A	Kotak Mahindra Investment Ltd. Units of face value of ₹ 5,00,000 each	1,000	49.54	-	-
	Sub-Total		**49.54**		-
c)	**Non-convertible debentures (quoted) (fully paid)**				
A	Reliance Capital Limited ^ Units of face value of ₹ 10,00,000 each	-	-	50	5.23
B	Bajaj Finance Limited # Units of face value of ₹ 10,00,000 each	650	66.05	-	-
C	CanFin Homes Limited # Units of face value of ₹ 10,00,000 each	250	25.81	-	-
D	Dewan Housing Finance Corporation Limited # Units of face value of ₹ 1,000 each (31 March, 2019: ₹ 0.82 crores impaired; 31 March, 2018: ₹ Nil crores)	2,50,000	25.50	-	-
E	Reliance Home Finance Limited # Units of face value of ₹ 5,00,000 each (31 March, 2019: ₹ 0.51 crores impaired; 31 March, 2018: ₹ Nil crores)	600	30.72	-	-
F	HDB Financial Services Limited # Units of face value of ₹ 10,00,000 each	500	52.50	-	-
G	Housing Development Finance Corporation Limited # Units of face value of ₹ 1,00,00,000 each	75	76.18	-	-
H	Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,90,000 each	-	-	340.00	33.88
I	Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,98,780 each	-	-	179.00	17.94
J	Bajaj Finance Limited ^ Units of face value of ₹ 10,00,000 each	-	-	324.00	34.01
K	Shriram Transport Finance Company Limited ^ Units of face value of ₹ 10,00,000 each	-	-	250.00	25.02
L	Capital First Limited ^ Units of face value of ₹ 10,00,000 each	-	-	448.00	47.11
M	LIC Housing Finance Limited ^ Units of face value of ₹ 10,00,000 each	-	-	100.00	10.20
N	Aditya Birla Finance Limited # Units of face value of ₹ 10,00,000 each	500	51.44	250.00	27.16

Particulars		No. of units 31 March, 2019	Amount 31 March, 2019	No. of units 31 March, 2018	Amount 31 March, 2018
O	Kotak Mahindra Investment Limited #	500	51.44	250.00	26.92
	Units of face value of ₹ 10,00,000 each				
P	Kotak Mahindra Prime Limited #	150	15.79	350.00	37.01
	Units of face value of ₹ 10,00,000 each				
Q	Sundaram Finance Limited #	250	25.23	100.00	10.77
	Units of face value of ₹ 10,00,000 each				
R	Tata Capital Housing Finance Limited #	-	-	150.00	16.15
	Units of face value of ₹ 10,00,000 each				
S	Reliance Capital Limited #	-	-	200.00	21.52
	Units of face value of ₹ 10,00,000 each				
T	Shriram Transport Finance Company Limited #	550	56.47	-	-
	Units of face value of ₹ 10,00,000 each				
U	Tata Capital Financial Services Limited #	250	25.16	-	-
	Units of face value of ₹ 10,00,000 each				
	Sub-Total		**502.29**		**312.92**
d)	**Investment in bonds (quoted) (fully paid) ^**				
A	Export–Import Bank of India	-	-	119	13.16
	Units of face value of ₹ 10,00,000 each				
B	Uttar Pradesh-State Development Loans	-	-	1,49,000	1.58
	Units of face value of ₹ 100 each				
C	Power Finance Corporation Limited	-	-	19	1.94
	Units of face value of ₹ 10,00,000 each				
D	National Bank of Agriculture and Rural Development	-	-	266	28.04
	Units of face value of ₹ 10,00,000 each				
E	Rural Electrification Corporation Limited	-	-	100	11.22
	Units of face value of ₹ 10,00,000 each				
F	Andhra Bank	-	-	124	12.98
	Units of face value of ₹ 10,00,000 each				
G	PNB Housing Finance Limited	-	-	123	12.66
	Units of face value of ₹ 10,00,000 each				
	Sub-Total		**-**		**81.58**
e)	**Investments in fixed deposits with others (unquoted) (fully paid) #**				
A	Housing Development Finance Corporation Limited		-		66.75
B	Dewan Housing Finance Limited		25.00		-
	Sub-Total		**25.00**		**66.75**
f)	**Investments in certificate of deposit (quoted) (fully paid) #**				
A	Canara Bank	7,500	74.99		-
	Units of face value of ₹ 1,00,000 each				
	Total		**725.41**		**713.39**

#These are measured at amortised cost

^These are measured at fair value through profit and loss ('FVTPL')

Note:

a.	Aggregate amount of quoted investments - at cost		685.63		633.29
b.	Aggregate amount of quoted investments - at market value		700.41		646.64
c.	Aggregate amount of unquoted investments - at cost		25.00		66.75
d.	Aggregate amount of impairment in value of investments		1.33		-

15 Trade receivables*

Particulars	31 March, 2019	31 March, 2018
Unsecured, considered good	833.56	706.08
Unsecured, credit impaired	16.72	15.62
Sub-Total	**850.28**	**721.70**
Less: Allowance for expected credit loss	(16.72)	(15.62)
Total	**833.56**	**706.08**

* Trade receivables have been hypothecated with banks against working capital loans, refer note 28 for details.

16 Cash and cash equivalents

Balances with banks in current accounts	99.67	140.91
Cheques, drafts on hand	6.69	10.06
Cash on hand	0.87	0.80
Term deposit with original maturity less than 3 months	0.46	2.03
Total	**107.69**	**153.80**

17 Bank balances other than cash and cash equivalents

Term deposit with maturity for more than 3 months but less than 12 months * #	211.00	145.70
Unpaid dividend account **	9.47	6.56
Total	**220.47**	**152.26**
# Pledged as security with statutory authorities / banks	2.79	2.82
* Includes interest accrued but not due	1.54	0.03

** These balances are not available for use by the Group and corresponding balance is disclosed as unclaimed dividend in note 30.

18 Current loans

(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	11.04	34.88
Credit impaired	0.07	0.07
Sub-Total	**11.11**	**34.95**
Less: Allowance for expected credit loss	(0.07)	(0.07)
Total	**11.04**	**34.88**

19 Other current financial assets

Advance for acquisition of entity (refer note 63B)	-	23.60
Other receivables	26.47	4.67
Total	**26.47**	**28.27**

20 Current tax assets (net)

Advance income taxes (net)	1.32	1.96
Total	**1.32**	**1.96**

21 Other current assets

Particulars	31 March, 2019	31 March, 2018
(Unsecured, considered good unless otherwise stated)		
Advances to suppliers		
Considered good	93.48	93.80
Considered doubtful	1.27	1.27
Prepaid expenses	6.48	8.18
Advance to employees	22.02	16.88
Excess of planned assets towards gratuity obligations	-	0.50
Balance with statutory / government authorities	236.66	270.74
Other advances	0.86	0.91
Sub-Total	**360.77**	**392.28**
Less: Allowance for impairment	(1.27)	(1.27)
Total	**359.50**	**391.01**

22 Equity share capital

Authorised	31 March, 2019	31 March, 2018
2,07,00,00,000 (31 March, 2018: 2,07,00,00,000) equity shares of ₹ 1 each	207.00	207.00
Issued, subscribed and fully paid up		
1,76,62,91,141 (31 March, 2018: 1,76,15,20,510) equity shares of ₹ 1 each	176.63	176.15

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March, 2019		31 March, 2018	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,76,15,20,510	176.15	1,76,15,20,510	176.15
Add: Shares issued on exercise of Employee Stock Option Plan (ESOP)	47,70,631	0.48	-	-
Balance as at the end of the year	**1,76,62,91,141**	**176.63**	**1,76,15,20,510**	**176.15**

b) **Rights, preference and restrictions attached to equity shares:**

The Group has only one class of equity shares having a par value of ₹ 1 per share. Each shareholder is entitled 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 of the Holding Company, the equity shareholders are entitled to receive the remaining assets of the Group, after distribution of all preferential amounts, in proportion of their shareholding.

c) **List of shareholders holding more than 5% of the equity share capital of the Holding Company at the beginning and at the end of the year: #**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No. of equity shares	% of shareholding	No. of equity shares	% of shareholding
Chowdry Associates	21,79,41,800	12.34%	21,79,41,800	12.37%
VIC Enterprises Private Limited	21,77,34,000	12.33%	21,77,34,000	12.36%
Gyan Enterprises Private Limited	20,22,37,980	11.45%	20,22,37,980	11.48%
Puran Associates Private Limited	18,92,12,000	10.71%	18,92,12,000	10.74%
Ratna Commercial Enterprises Private Limited	15,74,35,429	8.91%	15,71,94,429	8.92%
Milky Investment and Trading Company	10,61,47,503	6.01%	10,61,47,503	6.03%

As per the records of the Holding Company including its register of member.

d) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the year end :

i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2014-15 to 2018-19:

Nil (during FY 2013-14 to 2017-18: Nil) equity shares of ₹ 1 each allotted without payment being received in cash.

ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares:

The Holding Company has issued total 71,64,757 equity shares (during FY 2013-14 to 2017-18: 75,28,783 equity shares) during the period of five years immediately preceding 31 March, 2019 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

iii) Shares bought back during the financial year 2014-15 to 2018-19:

Nil (during FY 2013-14 to 2017-18: Nil) equity shares of ₹ 1 each bought back pursuant to **Section 68, 69 and 70** of the Companies Act, 2013.

iv) Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2014-15 to 2018-19:

The Holding Company has issued total 1,53,13,311 equity shares of ₹ 1 each (during FY 2013-14 to 2017-18: 1,10,56,716 equity shares) during the period of five years immediately preceding 31 March, 2019 on exercise of options granted under the Employee Stock Option Plan (ESOP).

v) Shares reserved for issue under options:

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer note 57. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Group on or before the vesting date.

23 Other equity

Particulars	31 March, 2019	31 March, 2018
Reserves and surplus		
Capital reserve	26.92	26.92
Securities premium	325.23	230.25
Statutory reserve	14.66	14.66
Special fund	3.14	3.14
Employee housing reserve	17.97	17.97
Share option outstanding account	74.99	92.60
General reserve	513.43	513.43
Retained earnings	4,672.28	4,825.30
Other comprehensive income		
Foreign currency translation difference	(190.03)	(194.34)
Debt instruments through OCI	(3.55)	0.44
Total	**5,455.05**	**5,530.37**

Description of nature and purpose of each reserve

Capital reserve

Capital reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

Securities premium

Securities premium is used to record the premium on issue of shares, which will be utilised in accordance with provisions of the Act.

Statutory reserve and special fund

This represents the statutory reserves required under Turkish Commercial Law and respective subsidiary's corporation charter. The same have been inherited from subsidiaries in Turkey at the point of their acquisition by the Group.

Employee housing reserve

This reserve pertains to Dabur Nepal Private Limited, a wholly owned subsidiary of the Holding Company and is created by way of appropriation of retained earnings for building residential quarters for workers as required under labour laws of Nepal and the same is not distributable.

Share option outstanding account

The reserve is used to recognize the grant date fair value of options issued to employees under employee stock option schemes and is adjusted on exercise/ forfeiture of options.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

Debt instruments through other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to Consolidated Statement of Profit and Loss when such assets are disposed-off and impairment losses on such instruments.

24 Non-current borrowing *#

Particulars	31 March, 2019	31 March, 2018
Secured		
Term loans from banks	25.00	200.00
Unsecured		
Term loans from banks	-	163.11
Long-term maturities of finance lease obligations	1.05	1.23
Total	**26.05**	**364.34**

* There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

24.1 Repayment terms and security disclosure for the outstanding non-current borrowings (excluding current maturities) as at 31 March, 2019

A Secured borrowings facility from banks:

Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Holding Company.

24.2 Repayment terms and security disclosure for the outstanding non-current borrowings (excluding current maturities) as at 31 March, 2018:

A Secured borrowings facility from banks:

i) Facility of ₹ 100.00 crores, bearing interest rate of 7.25% per annum having balance amount repayable by way of a bullet payment after 37 months from the date of disbursal, i.e., 5 July, 2016. The loan is secured by way of sole hypothecation and equitable mortgage over movable and immovable assets (created by the loan) at Pantnagar, Uttarakhand, owned by the Holding Company.

ii) Facility of ₹ 75.00 crores, bearing interest rate of 6.90% per annum having balance amount repayable by way of bullet payment after 3 years from date of first drawdown, i.e., 26 September, 2016. The loan is secured by way of hypothecation over movable fixed assets at Sonitpur, Assam, owned by the Holding Company.

iii) Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Holding Company.

B Unsecured borrowings facility from banks:

i) Facility of ₹ 54.37 crores, bearing interest rate of LIBOR + 1.65% per annum (which is 3.96% as at 31 March, 2018) having balance amount repayable in June 2019.

ii) Facility of ₹ 108.74 crores, bearing interest rate of LIBOR + 1.40% per annum (which is 3.71% as at 31 March, 2018) having balance amount repayable in 2 yearly installments from June, 2019.

24.3 Reconciliation between the total of future minimum lease payments and their present value:

Description	31 March, 2019		31 March, 2018	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	0.10	0.09	0.15	0.14
More than one year but less than five years	0.44	0.31	0.63	0.45
More than five years	6.97	0.74	10.72	0.78
Total minimum lease payments	**7.51**	**1.14**	**11.50**	**1.37**
Less: Amounts representing finance charges	(6.37)		(10.13)	
Present value of minimum lease payments	**1.14**		**1.37**	
Classified as non-current	**1.05**		**1.23**	
Classified as current	**0.09**		**0.14**	

25 Other non-current financial liabilities

Particulars	31 March, 2019	31 March, 2018
Security deposit	4.13	3.16
Unearned rental income	0.43	1.09
Total	**4.56**	**4.25**

26 Non-current provisions

Provision for employee benefits		
Post-separation benefit of employees	6.76	6.46
Post-separation benefit of Directors (refer note 56)	52.76	50.04
Total	**59.52**	**56.50**

27 Deferred tax liabilities (net) *

Deferred tax liability arising on account of :		
Property, plant and equipment, investment property and other intangible assets - depreciation and amortization	125.72	126.70
Fair valuation of financial instruments through OCI	-	0.15
Fair valuation of financial instruments through PL	0.03	-
Total	**125.75**	**126.85**
Deferred tax asset arising on account of :		
Expected credit loss / impairment of financial and non-financial assets	1.13	0.88
Lifetime expected credit loss of trade receivables	2.97	3.14

Particulars	31 March, 2019	31 March, 2018
Provision for expense allowed for tax purpose on payment basis	17.45	13.53
Fair valuation of financial instruments through OCI	1.06	-
Fair valuation of financial instruments through PL	-	0.25
Minimum alternate tax credit entitlement	80.00	-
Sub-Total	**102.61**	**17.80**
Total	**23.14**	**109.05**

* Deferred tax liability has not been recognised with respect to unremitted earnings with respect to certain subsidiaries where the Group is in a position to control the timing of distribution of the profits and it is probable that the subsidiary will not distribute the profits in the foreseeable future. The temporary differences associated with respect to unremitted earnings aggregating to ₹ 2,524.77 crores as at 31 March, 2019 (31 March, 2018 : ₹ 2,238.40 crores) respectively.

27.1 Changes in deferred tax liabilities (net)

Particulars	1 April, 2018	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31 March, 2019
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortization	126.70	-	(0.93)	125.77
Fair valuation of financial instruments through OCI	0.15	(0.15)	-	-
Fair valuation of financial instruments through PL	-	-	0.03	0.03
Sub-total	**126.85**	**(0.15)**	**(0.90)**	**125.80**
Assets				
Expected credit loss / impairment of financial and non-financial assets	0.88	-	0.25	1.13
Lifetime expected credit loss of trade receivables	3.14	-	(0.17)	2.97
Provision for expense allowed for tax purpose on payment basis	13.53	-	3.92	17.45
Fair valuation of financial instruments through PL	0.25	-	(0.25)	-
Fair valuation of financial instruments through OCI	-	1.06	-	1.06
Sub-total	**17.80**	**1.06**	**3.75**	**22.61**
Minimum alternative Tax-Credit entitlement				
Recognized	-	-	123.72	123.72
Utilised	-	-	-	(43.72)
Sub-total	**-**	**-**	**123.72**	**80.00**
Foreign currency translation difference	**-**	**-**	**-**	**(0.05)**
Total	**109.05**	**(1.21)**	**(128.37)**	**23.14**

Particulars	1 April, 2017	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31 March, 2018
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortization	113.83	-	12.87	126.70
Fair valuation of financial instruments through OCI	8.94	(8.79)	0.00	0.15
Fair valuation of financial instruments through PL	0.35	-	(0.35)	-
Sub-total	**123.12**	**(8.79)**	**12.52**	**126.85**

Particulars	1 April, 2017	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31 March, 2018
Assets				
Expected credit loss / impairment of financial and non-financial assets	0.44	-	0.44	0.88
Lifetime expected credit loss of trade receivables	3.62	-	(0.48)	3.14
Provision for expense allowed for tax purpose on payment basis	11.02	-	2.52	13.53
Fair valuation of financial instruments through PL	-		0.25	0.25
Sub-total	**15.08**	**-**	**2.73**	**17.80**
Minimum alternate tax credit entitlement				
Recognized	-	-	45.80	45.80
Utilised	-	-	-	(45.80)
Sub-total	**-**	**-**	**45.80**	**-**
Foreign currency translation difference	**-**	**-**	**-**	**(0.00)**
Total	**108.04**	**(8.79)**	**(35.99)**	**109.05**

27.2 Unused tax losses and credits

- **Unused tax losses and unabsorbed depreciation:**

The Group has the following unused tax losses and unabsorbed depreciation which arose on incurrence of business losses under the Income Tax Act, 1961, for which no deferred tax asset has been recognised in the books of accounts considering the Group believes that there is no probability which demonstrates realisation of such assets in the near future:

Particulars	31 March, 2019	31 March, 2018
Unused tax losses for which no deferred tax asset has been recognised	302.15	265.62
Potential tax benefit		
Tax benefit @ 21% (31 March, 2018 : 21%)	54.64	46.13
Tax benefit @ 28% (31 March, 2018 : 28%)	3.09	2.35
Tax benefit @ 27.82% (31 March, 2018 : 27.82%)	8.60	10.45

a) Unused business losses that can be carried forward based on the year of origination as follows:

Financial year of origination	Financial year of expiry	31 March, 2019	31 March, 2018
31 March, 2011	31 March, 2019	0	6.65
31 March, 2012	31 March, 2020	8.45	8.45
31 March, 2013	31 March, 2021	5.43	5.43
31 March, 2014	31 March, 2023	2.05	2.05
31 March, 2014	31 March, 2024	1.24	0
31 March, 2014	31 March, 2034	1.61	1.61
31 March, 2015	31 March, 2024	1.61	0
31 March, 2015	31 March, 2035	54.22	54.22
31 March, 2016	31 March, 2024	1.72	0
31 March, 2016	31 March, 2036	54.46	54.46
31 March, 2017	31 March, 2024	1.94	0
31 March, 2017	31 March, 2037	55.02	55.02
31 March, 2018	31 March, 2024	1.75	0
31 March, 2018	31 March, 2038	54.36	54.36
31 March, 2019	31 March, 2039	40.53	0
Total		**284.40**	**242.25**

b) Unused business losses and unabsorbed depreciation that can be carried forward indefintely are as follows:

Financial year of origination	Financial year of expiry	31 March, 2019	31 March, 2018
31 March, 2008	Not applicable	2.50	2.50
31 March, 2009	Not applicable	4.54	4.54
31 March, 2010	Not applicable	2.07	2.07
31 March, 2011	Not applicable	1.40	1.40
31 March, 2012	Not applicable	1.31	1.31
31 March, 2013	Not applicable	1.16	1.16
31 March, 2014	Not applicable	0.54	1.91
31 March, 2015	Not applicable	0.98	2.59
31 March, 2016	Not applicable	0.49	2.21
31 March, 2017	Not applicable	0	1.94
31 March, 2018	Not applicable	0	1.75
31 March, 2019	Not applicable	2.78	0
Total		**17.75**	**23.37**

- **Unused tax credits:**

There are unused minimum alternate tax credits as mentioned below which have not been recognized as an asset in the books of accounts considering the Group believes that it is not probable that the same can be utilized during the specified allowable period against the future taxable profits to be computed as per the normal provisions of the Income Tax Act, 1961:

Financial year of origination	Financial year of expiry	31 March, 2019	31 March, 2018
31 March, 2009	31 March, 2024	0	5.76
31 March, 2010	31 March, 2025	0	5.63
31 March, 2011	31 March, 2026	0	34.77
31 March, 2012	31 March, 2027	0	31.93
31 March, 2013	31 March, 2028	31.75	64.52
31 March, 2014	31 March, 2029	102.47	102.47
31 March, 2015	31 March, 2030	33.54	33.54
31 March, 2016	31 March, 2031	0.82	0.82
31 March, 2018	31 March, 2033	0.43	0.43
31 March, 2019	31 March, 2034	0.66	0
Total		**169.67**	**279.86**

28 Current borrowings *#

	Particulars	31 March, 2019	31 March, 2018
i)	Cash credits		
	Secured, from bank	54.30	48.00
ii)	Packing credit loan		
	Unsecured, from bank	65.32	65.62
iii)	Bank overdrafts		
	Unsecured, from bank	15.67	16.59
iv)	Other working capital loan		
	Unsecured, from bank	362.94	334.28
Total		**498.23**	**464.49**

* There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

28.1 Security disclosure for the outstanding current borrowings as at 31 March, 2019:

Cash credit facility from banks:

Facility of ₹ 54.30 crores is secured by way of first pari-passu charge / hypothecation over the current assets both present and future including inventories and book receivables, owned by the Group.

28.2 Security disclosure for the outstanding current borrowings as at 31 March, 2018:

Cash credit facility from banks:

Facility of ₹ 48.00 crores is secured by way of first pari-passu charge / hypothecation over the current assets both present and future including inventories and book receivables, owned by the Group.

28.3 Rate of interest: The Group's current borrowing facilities have an effective weighted-average contractual rate of 5.61% per annum (31 March, 2018 : 5.14 % per annum) calculated using the interest rates effective for the respective borrowings as at reporting dates.

29 Trade payables*

Particulars	31 March, 2019	31 March, 2018
Due to micro and small enterprises	54.61	7.37
Due to others	1,400.82	1,402.95
Total	**1,455.43**	**1,410.32**

* includes acceptances arrangements where operational suppliers of goods and services are initially paid by banks while the Group continues to recognise the liability till settlement with the banks.

30 Other current financial liabilities

Current maturity of long-term borrowings	175.00	108.62
Current maturity of finance lease obligation	0.09	0.14
Interest accrued on borrowings	1.75	4.07
Security deposits	2.83	3.37
Unpaid dividends #	9.47	6.56
Creditors for capital goods	6.12	12.15
Employee dues payable	98.10	87.57
Other payables	34.26	15.72
Total	**327.62**	**238.20**

Not due for deposits to the Investor Education and Protection Fund

31 Other current liabilities

Advances from customers	27.55	24.94
Statutory dues payable	161.64	143.43
Others	8.95	4.66
Total	**198.14**	**173.03**

32 Current provisions

Provision for employee benefits		
Provision for post-separation benefits of Directors (refer note 56)	0.43	0.43
Provision for compensated absences	10.55	13.56
Provision for gratuity (refer note 56)	19.15	17.06
Provision for bonus	16.13	15.44
Others		
Provision for disputed liabilities (refer note 48)	78.38	59.86
Other provisions (refer note 48)	5.60	1.12
Total	**130.24**	**107.47**

33 Current tax liabilities (net)

Particulars	31 March, 2019	31 March, 2018
Provision for income tax (net)	50.65	40.93
Total	**50.65**	**40.93**

34 Revenue from operations *

Operating revenue		
Sale of products (including excise duty)	8,437.30	7,680.31
Other operating revenues		
Budgetary support subsidy #	47.22	38.68
Export subsidy	8.41	5.77
Scrap sale	18.57	15.39
Miscellaneous	21.55	8.19
Sub-Total	**95.75**	**68.03**
Total	**8,533.05**	**7,748.34**

* Revenue for the period ended 31 March, 2019 is net of Goods and Service Tax (GST) which is applicable from 01 July, 2017, however, revenue for the periods upto 30 June, 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year ended 31 March, 2019 is not comparable with the previous year presented in these consolidated financial statements. Similarly, cost of goods sold and expenses are also not comparable.

Represents the amount of budgetary support provided by the Government of India for the existing eligible manufacturing units operating under different industrial promotion tax exemption schemes, pursuant to the notification no: F.No. 10(1)/2017-DBA-II/NER issued by the Ministry of Commerce and Industry dated 5 October, 2017. These amounts have been recorded and disclosed in accordance with the Ind AS 20 'Government Grants'.

Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

A Reconciliation of revenue from sale of products with the contracted price

Contracted price	9,254.28	8,375.98
Less: Trade discounts, volume rebates etc.	(816.98)	(695.67)
Sale of products	**8,437.30**	**7,680.31**

B Disaggregation of revenue

Revenue from contracts with customers		
(i) Revenue from operations @		
(a) Consumer care business	7,064.60	6,365.77
(b) Food business	1,155.46	1,095.92
(d) Retail business	120.13	114.29
(c) Other segments	97.11	104.33
Operating revenue	**8,437.30**	**7,680.31**
(ii) Other operating income (scrap sales)	18.57	15.39
Total revenue covered under Ind AS 115	**8,455.87**	**7,695.70**

@ The Group has disaggregataed the revenue from contracts with customers on the basis of nature of products into consumer care business, food business, retail business and other segments (refer note 51). The Group believes that the disaggregation of revenue on the basis of nature of products have no impact on the nature, amount, timing and uncertainity of revenue and cash flows.

C Contract balances

The following table provides information about receivables and contract liabilities from contract with customers

Particulars	31 March, 2019	31 March, 2018
Contract liabilities		
Advance from consumers	27.55	24.94
Sub-Total	**27.55**	**24.94**
Receivables		
Trade receivables	850.28	721.70
Less : Allowances for expected credit loss	(16.72)	(15.62)
Net receivables	**833.56**	**706.08**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

D Significant changes in the contract liabilities balances during the year

Opening balance	24.94	18.02
Addition during the year	27.55	24.94
Revenue recognised during the year	24.94	18.02
Closing balance	**27.55**	**24.94**

E The Group has applied Ind AS 115 prospectively from 1 April, 2018 and the adoption of this standard did not have a material impact on the consolidated financial statements of the Company.

35 Other income

Interest income		
Investment in debt instruments measured at FVTOCI	78.35	83.99
Investment in debt instruments measured at FVTPL	4.81	18.58
Other financial assets carried at amortised cost	166.23	138.95
Dividend income	-	0.01
Other gains		
Gain on sale of financial assets measured at FVTPL	6.15	19.12
Gain on sale of financial assets measured at FVOCI	1.45	19.87
Net gain arising on financial assets measured at FVTPL	0.79	-
Net gain on sale of property, plant and equipment	3.57	2.37
Net gain on foreign currency transaction and translation	1.44	0.22
Other non-operating income		
Rent income *	12.86	12.68
Miscellaneous	20.52	9.39
Total	**296.17**	**305.18**

* includes ₹10.83 crores (31 March, 2018: ₹ 10.60 crores) towards investment property, refer note 7C.

36 Cost of materials consumed *

Particulars	31 March, 2019	31 March, 2018
Raw material		
Opening stock	382.92	320.80
Add: Purchases	2,297.12	2,171.67
Less: Closing stock	415.07	382.92
Sub-Total	**2,264.97**	**2,109.55**
Packing material		
Opening stock	179.37	158.40
Add: Purchases	1,235.00	1,131.47
Less: Closing stock	203.99	179.37
Sub-Total	**1,210.38**	**1,110.50**
Total	**3,475.35**	**3,220.05**

* Includes research and development expenditure (refer note 41.1).

37 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Opening inventories		
(i) Finished goods	326.84	284.10
(ii) Work-in-progress	117.59	94.25
(iii) Stock-in-trade (acquired for trading) *	247.85	248.00
Closing inventories		
(i) Finished goods	322.07	326.84
(ii) Work-in-progress	116.52	117.59
(iii) Stock-in-trade (acquired for trading) *	241.05	247.85
Total	**12.64**	**(65.93)**

* includes stock-in-trade (acquired for trading)-in-transit

38 Employee benefits expense*

Salary and wages	766.48	702.31
Contribution to provident and other funds (refer note 56)	60.83	55.08
Staff welfare expenses	33.27	31.89
Share based payment expenses	77.33	3.51
Total	**937.91**	**792.79**

*Includes research and development expenditure (refer note 41.1).

39 Finance cost

Interest expenses	49.20	42.38
Exchange differences regarded as an adjustment to borrowing cost	3.08	2.97
Other borrowing cost	7.30	7.70
Total	**59.58**	**53.05**

40 Depreciation and amortization expense *

Depreciation on property, plant and equipment (refer note 7A)	168.60	155.95
Depreciation on investment property (refer note 7C)	1.12	1.11
Amortisation of intangible assets (refer note 7E)	7.18	5.12
Total	**176.90**	**162.18**

* Includes research and development expenditure (refer note 41.1).

41 Other expenses

Particulars	31 March, 2019	31 March, 2018
Others *		
Power and fuel	105.26	93.91
Consumption of stores, spares and consumables	32.20	28.76
Repair and maintenance		
Building	5.45	5.58
Machinery	17.69	16.47
Others	36.70	33.64
Processing charges	25.21	24.05
Rates and taxes	11.82	10.91
Rent	84.43	77.61
Freight and forwarding	187.68	162.99
Commission to carrying and forwarding agents	40.81	40.54
Travel and conveyance	79.29	70.91
Legal and professional	64.48	61.12
Security	14.61	14.32
Insurance	25.32	24.22
Communication	8.93	9.23
Directors' sitting fees	0.64	0.57
Donations and charity	39.64	36.43
Allowance for expected credit loss (net)	4.32	4.23
Loss on disposal / impairment of property, plant and equipment (net)	2.86	5.82
Provision for disputed liabilities	8.94	6.02
Net loss arising on financial assets measured at FVTPL	-	3.69
Information technology	23.95	25.17
Distributor and retailer network	33.91	31.65
Miscellaneous	84.08	97.15
Total	**938.22**	**884.99**

* Includes research and development expenditure (refer note 41.1).

41.1 Research and development expenditure

Raw material consumed (refer note 36)	1.60	1.25
Employee benefits expense (refer note 38)	16.28	15.25
Depreciation and amortization (refer note 40)	2.84	2.47
Other expenses (refer note 41)		
Consumption of stores, spares and consumables	0.50	0.31
Power and fuel	1.65	1.84
Repair and maintenance	1.91	1.52
Freight and forwarding	0.01	0.01
Rent	0.19	0.21
Rates and taxes	2.68	0.13
Travel and conveyance	0.98	0.88
Legal and professional	1.27	0.78
Communication	0.33	0.31
Security	0.42	0.29
Miscellaneous	6.63	6.79
Total	**37.29**	**32.04**

42 Exceptional items

Particulars	31 March, 2019	31 March, 2018
Provision made in respect of GST transition impact on the inventories lying with distributors of the Holding Company as at 30 June, 2017	-	14.54
Goodwill impairment (refer note 7D)	75.34	-
Total	**75.34**	**14.54**

43 Taxation

The key components of income tax expense for the year ended 31 March, 2019 and 31 March, 2018 are:

A Statement of Profit and Loss:

(i) Profit and Loss section		
a) Current tax		
In respect of current year	407.19	373.89
Adjustments for current tax of prior periods	(0.20)	(2.55)
Sub-Total	**406.99**	**371.34**
b) Deferred tax		
In respect of current year	(128.37)	(35.99)
Sub-Total	**(128.37)**	**(35.99)**
Income tax expense reported in the Consolidated Statement of Profit and Loss	**278.62**	**335.35**
(ii) Other Comprehensive Income (OCI) section		
Income tax related to items recognised in OCI during the year:		
a) Re-measurement gains on defined benefit plans	0.22	(0.15)
b) Net fair value gain on investment in debt instruments through OCI	(1.21)	(8.79)
Income tax charged to OCI	**(0.99)**	**(8.94)**
Total	**277.63**	**326.41**

B Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

Accounting profit before tax	1,724.87	1,693.09
Statutory income tax rate	34.94%	34.61%
Tax expense at statutory income tax rate	602.73	585.94
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Minimum Alternate Tax (MAT) credit recognized	(123.06)	(45.80)
Tax impact of expenses which will never be allowed	37.32	9.87
Tax benefits for expenses incurred for inhouse research and development	(2.94)	(5.12)
Tax impact of utilisation of brought forward capital losses	-	(6.88)
Tax impact in relation to entities exempted from tax and utilisation of brought forward losses in respect to wholly owned subsidiaries of the Holding Company	(57.52)	(66.01)
Tax impact of exempted income	(161.44)	(122.73)
Adjustments for current tax of prior periods	(0.20)	2.55
Differential tax rate impact	(7.12)	(10.42)
Others	(9.15)	(6.05)
Income tax expense at effective tax rate reported in the Consolidated Statement of Profit and Loss	278.62	335.35

During the year ended 31 March, 2019 and 31 March, 2018, the Holding Company has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax to the taxation authorities. The Holding Company believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence, dividend distribution tax paid is charged to equity.

44 Other comprehensive income (OCI)

Particulars	31 March, 2019	31 March, 2018
A Items that will not be reclassified to profit or loss		
Re-measurements gains on defined benefit plans	1.89	(4.20)
Income tax relating to items that will not be reclassified to profit or loss	(0.22)	0.15
Sub-Total	**1.67**	**(4.05)**
B Items that will be reclassified to profit or loss		
(i) Net fair value gain on investment in debt instruments through OCI	(5.20)	(37.74)
Income tax relating to items that will be reclassified to profit or loss	1.21	8.79
(ii) Exchange difference arising on translation of foreign operations	5.21	9.70
Sub-Total	**1.22**	**(19.25)**
Total	**2.89**	**(23.30)**

45 Earning per share

Net profit attributable to equity shareholders		
Net profit for the year	1,442.33	1,354.39
Total number of equity shares outstanding at the beginning of the year	1,76,15,20,510	1,76,15,20,510
Total number of equity shares outstanding at the end of the year	1,76,62,91,141	1,76,15,20,510
Weighted average number of equity shares for calculating basic earning per share	1,76,54,80,607	1,76,15,20,510
Basic earning per share (₹)	**8.17**	**7.69**
Nominal value per equity share (₹)	**1.00**	**1.00**
Weighted average number of equity shares for calculating basic earning per share	1,76,54,80,607	1,76,15,20,510
Add: Weighted average number of potential equity shares on account of employee stock options	71,85,839	65,84,994
Weighted average number of equity shares for calculating diluted earning per share	1,77,26,66,446	1,76,81,05,504
Diluted earning per share (₹)	**8.14**	**7.66**

46 Dividend

Proposed Dividend		
Proposed final dividend for the financial year 2018-19 [₹ 1.50 per equity share of ₹ 1.00 each] ^	264.95	-
Dividend distribution tax on proposed final dividend	54.46	-
Proposed final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1.00 each] #	-	1,100.95
Dividend distribution tax on proposed final dividend	-	226.30
Total	**319.41**	**1,327.25**
Paid Dividend		
Final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1 each]	1,103.92	-
Dividend distribution tax on final dividend	226.91	-
Interim dividend for the financial year 2018-19 [₹ 1.25 per equity share of ₹ 1 each]	220.79	-
Dividend distribution tax on interim dividend	45.39	-
Final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each]	-	176.15
Dividend distribution tax on final dividend	-	35.86
Interim dividend for the financial year 2017-18 [₹ 1.25 per equity share of ₹ 1 each]	-	220.19
Dividend distribution tax on interim dividend	-	44.83
Total	**1,597.01**	**477.03**

^ The Board of Directors at its meeting held on 2 May, 2019 have recommended a payment of final dividend of ₹ 1.50 per equity share with face value of ₹ 1.00 each for the financial year ended 31 March, 2019, which amounts to ₹ 319.41 crores including dividend distribution tax of ₹ 54.46 crores. The same is subject to approval at the ensuing Annual General Meeting of the Holding Company and hence is not recognised as a liability.

Paid to shareholders during the financial year 2018-19.

47 Contingent liabilities and commitments

A. Contingent Liabilities

Particulars	31 March, 2019	31 March, 2018
Guarantees issued on behalf of third parties	9.44	22.04
Claims against the group not acknowledged as debt		
Claims by employees	1.21	1.28
Excise duty / service tax matters (refer note 48)	78.36	70.53
Sales tax matters (refer note 48)	119.27	121.20
Income tax matters	14.38	8.05
Demand for stamp duty #	15.30	15.30
Others #	13.23	9.92
Total	**251.19**	**248.32**

based on discussions with the solicitors / favourable decisions in similar cases / legal opinions taken by the Group, the management believes that the Group has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February, 2019, it was held that basic wages, for the purpose of provident fund, should include certain allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Group has not provided for any liability on account of this.

The Group has certain ongoing direct tax litigations in relation to which the management believes that there will be no outflow of resources embodying economic benefits that would be required to settle such obligations. However, in the event of any unfavourable outcome in respect to such litigations, that liability would be settled against unused minimum alternate tax credits which have not been recognized as an asset in the books of accounts as been explained in note 27.2.

B Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances of ₹ 16.65 crores (31 March, 2018: ₹ 10.73 crores)	92.69	35.02
Total	**92.69**	**35.02**

48 Disclosure relating to provisions recorded in the Consolidated financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision of sales tax */ entry tax **		Provision of excise#/ service tax ^		Provision of others	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Opening balance	**13.04**	**4.69**	**46.09**	**48.42**	**1.85**	**1.01**
Additions $	10.09	8.35	10.01	0.02	4.48	0.84
Utilisations ##	(1.15)	-	(0.43)	-	-	-
Reversals	-	-		(2.35)	-	-
Closing balance	**21.98**	**13.04**	**55.67**	**46.09**	**6.33**	**1.85**

* Sales tax provisions made towards classification matters and towards rate differences matters at various levels including assessing authority / revisional board / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

** Entry tax provisions made towards tax difference matters at Orissa at various levels including assessing authority / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

$ Addition in provision of excise/ service tax represents amounts reclassified to 'provision for disputed liabilities' from provisions clubbed under separate line of consolidated financial statements.

Excise provisions made towards classification matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

The utilisations pertains to cases settled during the year against the Group, accordingly the Group deposited amount against aforementioend provision.

^ Service tax provisions made towards service tax distribution (ISD) matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

Notes:

i) These provisions represent estimates made mainly for probable claims arising out of litigations / disputes pending with authorities under various statutes (Excise duty, Service tax, Sales tax, Entry tax). The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations / disputes. Hence, the Group is not able to reasonably ascertain the timing of the outflow.

ii) Reversal of provision relates to determination of liability in and subsequent payment made by Group in relevant context.

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

iv) The Group presumes remote risk possibility of further cash outflow pertaining to contingent liabilities and commitments listed under note 47.

v) Discounting obligation has been ignored considering that these disputes relate to Government Authorities.

49 Information on lease transactions pursuant to Ind AS 17 - Leases

A Assets taken on operating lease

The Group leases machines, vehicles and buildings under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	Machines and vehicles *		Building #	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Not later than 1 year	0.98	0.88	14.01	16.47
Later than 1 year not later than 5 year	1.50	1.14	34.51	20.24
Later than 5 year	-	-	27.99	7.64
Total	**2.48**	**2.02**	**76.51**	**44.35**

* Lease term expiring within a period not exceeding 5 years

Lease term expiring within a period not exceeding 6.5 years

Note:

Lease rent debited to the Consolidated Statement of Profit and Loss of the current year is ₹ 84.43 crores (31 March, 2018 : ₹ 77.61 crores)

B Assets given on operating lease

The Group has given buildings under non-cancellable operating leases expiring within period not exceeding five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. The contractual future minimum lease related receivables in respect of these leases are:

Particulars	31 March, 2019	31 March, 2018
Not later than 1 year	8.95	7.59
Later than 1 year not later than 5 year	11.27	16.72
Later than 5 year	-	-
Total	**20.22**	**24.31**

Note:

Lease rent credited to the Consolidated Statement of Profit and Loss of the current year is ₹ 12.86 crores (31 March, 2018 : ₹ 12.68 crores)

50 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Equity share capital	Total
Net debt as at 1 April, 2017	**470.39**	**440.33**	**176.15**	**1,086.87**
Proceeds from issue of equity share capital	-	-	-	-
Repayment of non-current borrowings (including current maturities)	(61.57)	-	-	(61.57)
Reclassification of current maturities of long-term borrowing to other current financial liabilities	(44.48)	-	-	(44.48)
Proceeds from current borrowings (net)	-	21.42	-	21.42
Unrealised foreign exchange loss	-	2.74	-	2.74
Net debt as at 31 March, 2018	**364.34**	**464.49**	**176.15**	**1,004.98**
Net debt as at 1 April, 2018	**364.34**	**464.49**	**176.15**	**1,004.98**
Proceeds from issue of equity share capital	-	-	0.48	0.48
Repayment of non-current borrowings (including current maturities)	(271.96)	-	-	(271.96)
Reclassification of current maturities of long-term borrowing to other current financial liabilities	(66.33)	-	-	(66.33)
Proceeds from current borrowings (net)	-	37.19	-	37.19
Unrealised foreign exchange gain	-	(3.45)	-	(3.45)
Net debt as at 31 March, 2019	**26.05**	**498.23**	**176.63**	**700.91**

51 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

Operating segments:

Consumer care business	Home care, personal care and health care
Food business	Juices, beverages and culinary
Retail business	Retail stores
Other segments	Guar gum, pharma and others

Identification of segments:

The chief operational decision maker monitors the operating results of its busines segments separately for the purpose of making decisions about resouce allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities:

Assets used by the operating segment mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilties which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilites.

The measurement principles of segments are consistent with those used in preparation of these financial assets. There are no inter-segment transfers.

	Particulars	31 March, 2019	31 March, 2018
1	**Segment revenue**		
	A. Consumer care business	7,132.86	6,414.08
	B. Food business	1,158.61	1,097.74
	C. Retail business	124.39	114.29
	D. Other segments	89.28	97.03
	E. Unallocated other operating revenue	27.91	25.20
	Revenue from operations	**8,533.05**	**7,748.34**
2	**Segment results**		
	A. Consumer care business	1,748.20	1,596.11
	B. Food business	175.49	158.14
	C. Retail business	4.12	3.14
	D. Other segments	7.30	2.81
	Sub Total	**1,935.11**	**1,760.20**
	Less: Finance costs	59.58	53.05
	Less: Unallocable expenditure net off unallocable income	76.28	(0.24)
	Profit before share of profit from joint venture and exceptional items	**1,799.25**	**1,707.39**
	Share of profit of joint venture	0.96	0.24
	Profit before exceptional items and tax	**1,800.21**	**1,707.63**
	Exceptional items (refer note 42)	75.34	14.54
	Profit before tax	**1,724.87**	**1,693.09**
	Less: Tax expenses	278.62	335.35
	Net profit for the year	**1,446.25**	**1,357.74**
3	**Segment assets**		
	A. Consumer care business	3,405.99	3,324.37
	B. Food business	847.07	790.64
	C. Retail business	63.23	55.92
	D. Other segments	47.39	37.06
	E. Unallocated	4,072.96	4,493.64
	Total	**8,436.64**	**8,701.63**
4	**Investment in joint venture**		
	Unallocated	12.29	11.33
5	**Segment liabilities**		
	A. Consumer care business	1,165.02	1,079.98
	B. Food business	453.85	456.20
	C. Retail business	32.00	27.14
	D. Other segments	14.14	15.44
	E. Unallocated	1,108.57	1,389.82
	Total	**2,773.58**	**2,968.58**

	Particulars	31 March, 2019	31 March, 2018
6	**Capital expenditure**		
	A. Consumer care business	129.85	133.99
	B. Food business	49.86	65.48
	C. Retail business	3.51	1.66
	D. Other segments	0.54	0.72
	E. Unallocated	38.61	41.49
	Total	**222.37**	**243.34**
7	**Depreciation and amortization expense**		
	A. Consumer care business	112.82	103.53
	B. Food business	35.18	32.29
	C. Retail business	1.46	1.43
	D. Other segments	0.88	0.83
	E. Unallocated	26.56	24.10
	Total	**176.90**	**162.18**
8	**Non-cash expenses other than depreciation**		
	A. Consumer care business	75.34	-
	B. Unallocated	77.33	3.51

9 Revenue from key customers

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

52 Group Information

Consolidated financial statements comprises the financial statements of the Holding Company, its subsidiaries and joint ventures as listed below :

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2019	Proportion of ownership (%) as at 31 March, 2018
A	**Subsidiary companies at any time during the year**				
1	H & B Stores Limited	India	Domestic wholly owned subsidiary	100.00%	100.00%
2	Dermoviva Skin Essentials INC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
3	Dabur International Limited	Isle Of Man	Foreign wholly owned subsidiary	100.00%	100.00%
4	Naturelle LLC	Emirate of RAS Al Khaimah, United Arab Emirates	Foreign wholly owned subsidiary	100.00%	100.00%
5	Dabur Egypt Limited	Egypt	Foreign wholly owned subsidiary	100.00%	100.00%
6	African Consumer Care Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2019	Proportion of ownership (%) as at 31 March, 2018
7	Dabur Nepal Private Limited	Nepal	Foreign subsidiary	97.50%	97.50%
8	Asian Consumer Care Private Limited	Bangladesh	Foreign subsidiary	76.00%	76.00%
9	Asian Consumer Care Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
10	Hobi Kozmetik	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
11	RA Pazarlama	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
12	Dabur Lanka Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
13	Namaste Laboratories LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
14	Urban Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
15	Hair Rejuvenation & Revitalization Nigeria Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
16	Healing Hair Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
17	Dabur (UK) Limited	British Virgin Island, United Kingdom	Foreign wholly owned subsidiary	100.00%	100.00%
18	Dabur Consumer Care Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
19	Dabur Tunisie (refer note 63)	Tunisie	Foreign wholly owned subsidiary	100.00%	100.00%
20	Dabur Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
21	Dabur Pars	Iran	Foreign wholly owned subsidiary	100.00%	100.00%
22	Dabur South Africa (PTY) Limited	South Africa	Foreign wholly owned subsidiary	100.00%	100.00%
23	D&A cosmetics Proprietary Limited (w.e.f. 05 April 2018)	South Africa	Foreign wholly owned subsidiary	100.00%	NA
24	Atlanta Body and Health Products Proprietary Limited (w.e.f. 05 April 2018)	South Africa	Foreign wholly owned subsidiary	100.00%	NA
B	**Joint venture at any time during the year**				
1	Forum I Aviation Private Limited	India	-	20.00%	20.00%

53 Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the relevant financial year:

A) List of related parties and relationships

i)	**Subsidiaries / joint venture**	:	Details are presented in note 52 above
ii)	**Key Management Personnel**	:	Mr. P.D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) cum Whole Time Director Mr. Mohit Malhotra, Whole Time Director (w.e.f. 31 January 2019) Mr. Lalit Malik, Chief Financial Officer (CFO) Mr. Ashok Kumar Jain, Executive Vice President (Finance) and Company Secretary
iii)	**Directors**	:	Dr. Anand Chand Burman, Chairman Mr. Amit Burman, Vice Chairman Mr. Mohit Burman, Director Mr. Saket Burman, Director Mr. P.D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) cum Whole Time Director Mr. Mohit Malhotra, Whole Time Director (w.e.f. 31 January 2019) Mr. Pattamadai Natraja Sarma Vijay, Independent Director Mr. Ravindra Chandra Bhargava, Independent Director Dr. Subbaraman Narayan, Independent Director Dr. Ajay Kumar Dua, Independent Director Mr. Sanjay Kumar Bhattacharyya, Independent Director Ms. Falguni Sanjay Nayar, Independent Director Mr. Ajit Mohan Sharan, Independent Director (w.e.f. 31 January 2019)
iv)	**Entities in which a Director or his/her relative is a member or Director ***	:	Jetways Travels Private Limited Aviva Life Insurance Company Limited Lite Bite Foods Private Limited Universal Sompo General Insurance Company
v)	**Relatives of KMPs/Directors***	:	Mr. Vivek Chand Burman, father of Director Ms. Asha Burman, mother of Director
vi)	**Post employment benefit plan entities**	:	Dabur India Limited E.P.F Trust Dabur Gratuity Trust Dabur Superannuation Trust

* With whom the Group had transactions during the current year or previous year

B) Transactions with related parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	Transactions during the year		Balances at the end of the year	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
A Key Management Personnel / Directors				
i) Employee benefits	30.06	22.87	-	5.43
ii) Post separation benefits	5.01	4.52	48.54	45.58
iii) Reimbursement of expenses on behalf of the Group	0.26	0.27	-	-
iv) Share based payment	43.49	1.83	-	-
v) Directors' sitting fees	0.64	0.57	-	-
Total	**79.46**	**30.06**	**48.54**	**51.01**
Above includes the following material transactions:				
i) Employee benefits				
Mr. P.D. Narang	10.77	9.80	-	2.53
Mr. Sunil Duggal	10.74	9.94	-	2.51
Sub-Total	**21.51**	**19.74**	**-**	**5.04**
ii) Post separation benefits				
Mr. P.D. Narang	4.66	4.15	45.37	42.32
iii) Reimbursement of expenses on behalf of the Group				
Mr. P.D. Narang	0.18	0.18	-	-
Mr. Sunil Duggal	0.08	0.09	-	-
Sub-Total	**0.26**	**0.27**	**-**	**-**
iv) Share based payment				
Mr. P.D. Narang	18.92	0.64	-	-
Mr. Sunil Duggal	16.62	0.64	-	-
Sub-Total	**35.54**	**1.28**	**-**	**-**
v) Directors' sitting fees				
Mr. Pattamadai Natraja Sarma Vijay	0.13	0.11	-	-
Total	**62.10**	**25.55**	**45.37**	**47.36**
B Joint Venture				
Forum I Aviation Private Limited				
i) Interest received on security deposit	0.02	0.03	-	-
ii) Miscellaneous expenses	2.98	3.44	0.12	0.01
iii) Share of profit	0.96	0.24	-	-
iv) Investment	-	-	12.29	11.33
v) Gurantees and collaterals	-	-	7.14	7.14
vi) Security deposit			0.38	0.38
Total	**3.96**	**3.71**	**19.93**	**18.86**
C Others				
i) Post separation benefits paid	0.39	0.39	4.65	4.88
ii) Post employment benefit plan	51.29	43.68	-	-
iii) Purchase of goods/services	7.99	7.89	0.30	0.21
Total	**59.67**	**51.96**	**4.95**	**5.09**
Above includes the following material transactions:				
i) Post separation benefit paid				
Mr. Vivek Chand Burman	0.18	0.18	2.09	2.20
Ms. Asha Burman	0.21	0.21	2.56	2.69
Sub-Total	**0.39**	**0.39**	**4.65**	**4.89**

Particulars	Transactions during the year		Balances at the end of the year	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
ii) Post employment benefit plan				
Dabur India Limited E.P.F Trust	40.23	34.15	-	-
iii) Purchase of goods / services				
Jetways Travels Private Limited	6.09	5.99	0.30	0.02
Total	**46.71**	**40.53**	**4.95**	**4.91**

54 Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests in the Group. The amounts disclosed below for each subsidiary are before inter-company eliminations:

Particulars	Dabur Nepal Private Limited		Asian Consumer Care Private Limited	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
I Principal place of business	**Nepal**		**Bangladesh**	
Proportion of ownership interest	**97.5%**		**76.00%**	
II Summarised balance sheet				
Current assets	305.11	318.88	160.03	125.38
Current liabilities	159.82	217.52	107.40	83.97
Net-current assets (A)	**145.29**	**101.36**	**52.63**	**41.41**
Non-current assets	202.38	200.22	50.00	45.49
Non-current liabilities	2.84	2.69	5.95	5.57
Net non-current assets (B)	**199.54**	**197.53**	**44.05**	**39.92**
Employee housing reserve (refer note 23) (C)	17.97	17.97	-	-
Net assets (A + B – C)	**326.86**	**280.92**	**96.68**	**81.33**
Share of interest held by NCI	2.50%	2.50%	24.00%	24.00%
Accumulated NCI	**8.17**	**7.02**	**23.21**	**19.51**
III Summarised statement of profit and loss				
Revenue	657.91	621.29	122.94	100.81
Net profit for the year	45.94	48.00	11.55	8.96
Other comprehensive income	-	-	3.83	(6.58)
Total comprehensive income	**45.94**	**48.00**	**15.38**	**2.38**
Share of interest held by NCI	2.50%	2.50%	24.00%	24.00%
Profit allocated to NCI	**1.15**	**1.20**	**3.69**	**0.57**
Dividends paid to NCI	-	-	-	-
IV Summarised cash flows				
Cash flows from / (used in) operating activities	24.21	61.11	(0.55)	9.48
Cash used in investing activities	(2.16)	(42.99)	(4.51)	(4.44)
Cash used in financing activities	(23.24)	(40.05)	-	-
Net (decrease) / increase in cash and cash equivalents	**(1.19)**	**(21.93)**	**(5.06)**	**5.04**

55 Summarised financial information for joint venture:

The Group has a 20% ownership interest in Forum I Aviation Private Limited, a joint venture involved in providing the aviation services to the joint venturers as well as to the general public. The Group's interest in Forum I Aviation Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, is set out below:

A Principal place of business **India**

B Summarised balance sheet

Particulars	31 March, 2019	31 March, 2018
Cash and cash equivalents	14.96	8.38
Other assets	2.03	2.64
Current assets (A)	**16.99**	**11.02**
Non-current assets (B)	**56.86**	**58.96**
Trade payables and provisions	0.17	0.50
Current liabilities (excluding trade payables and provisions)	1.07	0.75
Current liabilities (C)	**1.24**	**1.25**
Provisions	1.08	0.76
Non-current liabilities (excluding provisions)	10.15	11.39
Non-current liabilities (D)	**11.23**	**12.15**
Net assets (A+B-C-D)	**61.38**	**56.58**

C Reconciliation to carrying amounts

Opening net assets	**56.58**	**55.40**
Net profit for the year considered for equity accounting of joint venture	3.92	0.28
Dividend paid	-	-
Total current assets (A)	**60.50**	**55.68**
Net profit for the year not considered for equity accounting of joint venture #	0.88	0.90
Adjusted total current assets (B)	**61.38**	**56.58**
Group's share in % (C)	20.00%	20.00%
Group's share in investment (B x C)	**12.29**	**11.33**

adjustment in net profit pertains to actualisation after availability of signed financial statements of the joint venture

D Summarised statement of profit and loss

Revenue	21.49	19.01
Other income	3.57	0.48
Total revenue (A)	**25.06**	**19.49**
Employee benefits expense	5.51	4.52
Depreciation and amortization	2.67	2.68
Finance costs	0.23	0.32
Other expenses	12.73	11.69
Total expenses (B)	**21.14**	**19.21**
Profit before tax (C = A-B)	**3.92**	**0.28**
Tax expense (D)	-	-
Profit after tax (E = C-D)	**3.92**	**0.28**
Other comprehensive income (F)	-	-
Total comprehensive income (G = E+F)	**3.92**	**0.28**
Group's share in % (H)	20.00%	20.00%
Group's share of profit after tax (G*H)	**0.78**	**0.06**
Profit recognised in the Consolidated Statement of Profit and Loss	**0.96**	**0.24**
Profit recognised in the subsequent year pursuant to actualisation of profits	**0.18**	**0.18**

E Contingent liabilities and commitments in respect of joint venture

Contingent liabilities - service tax matter *	5.05	5.35
Guarantees issued by Holding Company on behalf of joint venture against bank borrowing	7.14	7.14

* Share of contingent liabilities incurred jointly with other investors of the joint venture

the financial statements of the joint venture for the year ended 31 March, 2019 are unaudited and the above disclosures have been extracted from management certified accounts

56 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

(a) Defined contribution plans

1) Amount of ₹ 4.03 crores (31 March, 2018 : ₹ 3.80 crores) is recognised as an expense and included in employee benefit expense in the Consolidated Statement of Profit and Loss under Employees Superannuation Fund.

2) Amount of ₹ 0.08 crores (31 March, 2018 : ₹ 0.07 crores) is recognised as an expense and included in employee benefit expense in the Consolidated Statement of Profit and Loss under Employees State Insurance."

(b) Defined benefit plans

Gratuity (Funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The Group provides for gratuity, based on actuarial valuation as of the balance sheet date, based upon which, the Group contributes all the ascertained liabilities to the Dabur Gratuity Trust.

Post separation benefit of Directors

Post separation benefit of Directors includes car, telephone, medical and housing facility for eligible Directors.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

(a) Salary increases - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) Investment risk - If plan is funded then assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

(d) Mortality and disability - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarises the components of net benefit expense recognized in the Consolidated Statement of Profit and Loss and the funded status and amounts recognized in the Consolidated Balance Sheet:

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
I Change in present value of defined benefit obligation during the year				
Present value of obligation as at the beginning of the year	84.06	78.09	50.47	47.86
Transfer from defined benefit to defined contribution plan	(7.14)	-	-	-
Interest cost	5.40	5.37	4.04	3.59
Service cost	8.37	8.64	1.37	1.32
Benefits paid	(6.71)	(12.76)	(0.87)	(0.42)
Total actuarial (gain) / loss on obligation	(0.36)	4.72	(1.82)	(1.88)
Present value of obligation as at the end of the year	83.62	84.06	53.19	50.47

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
II Change in fair value of plan assets during the year				
Fair value of plan assets at the beginning of the year	67.50	60.89	-	-
Transfer from defined benefit to defined contribution plan	(7.61)	-	-	-
Expected interest income	4.78	4.57	-	-
Employer contribution	7.00	7.88	-	-
Benefits paid	(4.33)	(4.46)	-	-
Actuarial loss for the year on asset	(0.28)	(1.38)	-	-
Fair value of plan assets at the end of the year	67.06	67.50	-	-
III Net liability recognised in the Consolidated Balance Sheet				
Present value of obligation at the end of the year	83.62	84.06	53.19	50.47
Fair value of plan assets	67.06	67.50	-	-
Excess of planned assets towards gratuity obligations	-	0.50	-	-
Unfunded liability in Consolidated Balance Sheet *	(16.56)	(17.06)	(53.19)	(50.47)

* excludes unfunded liability of Gratuity classified as defined contribution plan in the current year amounting to ₹ 2.59 crores

IV Expense recognised in the Consolidated Statement of Profit and Loss during the year				
Service cost	8.37	8.64	1.37	1.32
Net interest cost	0.62	0.80	4.04	3.59
Total expense recognised in the employee benefit expense	8.99	9.44	5.40	4.91
V Recognised in other comprehensive income for the year				
Net cumulative unrecognised actuarial (loss) / gain opening of the year	(3.31)	2.79	5.68	3.80
Actuarial (gain) / loss for the year on projected benefit obligation (PBO)	(0.36)	4.72	(1.82)	(1.88)
Actuarial loss for the year on asset	(0.28)	(1.38)	-	-
Unrecognised actuarial (loss) / gain at the end of the year	(3.23)	(3.31)	7.50	5.68
VI Maturity profile of defined benefit obligation				
Within the next 12 months (next annual reporting year)	17.55	16.76	0.53	0.43
Between 2 to 5 years	19.77	20.17	32.37	30.47
More than 5 years	46.29	47.13	20.29	19.57
VII Quantitative senstivity analysis for significant assumptions is as below				
a) Impact of change in discount rate				
Present value of obligation at the end of the year	83.62	84.06	53.19	50.47
Impact due to increase of 0.50%	(2.57)	(2.60)	(0.24)	(0.24)
Impact due to decrease of 0.50%	2.73	2.77	0.25	0.25
b) Impact of change in salary increase				
Present value of obligation at the end of the year	83.62	84.06	53.19	50.47
Impact due to increase of 0.50%	2.67	2.72	0.23	0.22
Impact due to decrease of 0.50%	(2.54)	(2.58)	(0.22)	(0.22)

Sensitivities due to mortality and withdrawls are not material, hence the impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lumpsum benefit on retirement.

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Funded	Funded	Unfunded	Unfunded
VIII The major categories of plan assets (as a percentage of total plan assets)				
Funds managed by insurer	100%	100%	N.A	N.A
IX Actuarial assumptions				
i) Discount rate	7.80 % PA	8.00 % PA	7.80 % PA	8.00 % PA
ii) Future salary increase	10.00 % PA	10.00 % PA	12.00 % PA	12.00 % PA
iii) Retirement age (years)	58	58	60/70	60/70
iv) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		100% of IALM (2006-08)	
v) Age	Withdrawl rate (%)	Withdrawl rate (%)	Withdrawl rate (%)	Withdrawl rate (%)
Upto 30 years	17	17	Nil	Nil
From 31 to 44 years	14	14	Nil	Nil
Above 44 years	5	5	Nil	Nil
vi) Expected best estimate of expense for the next annual reporting year				
Service cost	9.35	5.57	1.31	1.30
Net interest cost	0.61	0.20	4.15	4.04
Net periodic benefit cost	9.96	5.77	5.46	5.34

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(c) Provident fund

"The Group makes contribution towards provident fund which is administered by Dabur India Limited E.P.F Trust. The rules of the Group's provident fund administered by a trust, requires that if the trust is unable to pay interest at the rate declared by the government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investments is less or for any other reason, then the deficiency shall be made good by the Group by making payment of interest shortfall.. Accordingly, the Group has obtained actuarial valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contribution only.

Contribution made by the Group to the provident fund trust set-up by the Holding Company during the year is ₹ 10.53 crores (31 March, 2018 : ₹ 9.39 crores)."

Particulars	31 March, 2019	31 March, 2018
Plan assets at year end, at fair value	301.70	257.49
Present value of defined obligation at year end	285.18	240.54
Assumptions used in determining the present value of obligation:		
I Economic assumptions (actuarial)		
i) Expected statutory interest rate on the ledger balance	8.65%	8.55%
ii) Expected short fall in interest earnings on the fund	0.05%	0.05%

Particulars	31 March, 2019	31 March, 2018
II) Demographic assumptions (actuarial)		
i) Mortality	IALM (2006 -08)	IALM (2006 -08)
ii) Disability	None	None
iii) Withdrawal Rate (Age related)		
Up to 30 Years	17%	17%
Between 31 - 44 Years	14%	14%
Above 44 Years	5%	5%
vi) Normal retirement age	58	58

57 Disclosures required pursuant to Ind AS 102 - Share Based Payment

Under Employee Stock Option Scheme (ESOP) of the Group, share options of the Group are granted to the senior executives subject to achievement of targets as defined in ongoing vision of the Group. Vesting period ranges from 1 to 5 years. Each option carries the right to the holder to apply for one equity share of the Group at par. There has been no variation in the terms of options during the year. The share options are valued at the fair value of the options as on the date of grant using Black Scholes pricing model. There is no cash settlement alternative.

A The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	Weighted Average Price (₹)	Number of options
Outstanding as at 1 April, 2017	**1.80**	**87,98,312**
Options granted during the year	1.00	36,720
Options forfeited / lapsed / expired during the year	1.00	38,63,411
Options exercised during the year *	-	-
Options outstanding as at 31 March, 2018	**2.42**	**49,71,621**
Exercisable at the end of the period		49,71,621
Outstanding as at 1 April, 2018	**2.42**	**49,71,621**
Options granted during the year	1.00	67,44,864
Options forfeited / lapsed / expired during the year	22.14	347,912
Options exercised during the year *	1.00	47,70,631
Options outstanding as at 31 March, 2019 #	**1.00**	**65,97,942**
Exercisable at the end of the period		65,97,942

* 47,70,631 (31 March, 2018 : ₹ Nil crores) share options were exercised on a regular basis throughout the year. The weighted average share price during the year was ₹ 1.00 (31 March, 2018 : ₹ Nil crores).

The options outstanding as at 31 March, 2019 are with the exercise price of ₹ 1.00 (31 March, 2018 : ₹ 1.00 to ₹ 84.60) . The weighted average of the remaining contractual life is 3.40 years (31 March, 2018 : 0.12 years).

B. Fair value of the options has been calculated using Black Scholes pricing model. The following inputs were used to determine the fair value for options granted during the year ended 31 March, 2019:

i) Date of grant: 19 April, 2018	Vest 1 15 May, 2019	Vest 2 15 May, 2020	Vest 3 15 May, 2021	Vest 4 15 May, 2022
Market price (₹)	358.35	358.35	358.35	358.35
Expected life (in years)	1.07	2.07	3.07	4.07
Volatility (%)	19.08	21.06	22.65	23.48
Risk free rate (%)	6.49	6.90	7.19	7.40
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	0.63	0.63	0.63	0.63
Fair value per vest (₹)	355.01	352.84	350.68	348.54
Vest (%)	7.57	18.09	8.00	66.34
Option fair value (₹)	349.98	349.98	349.98	349.98

ii) Date of grant: 31 July, 2018	Vest 1 31 July 2019	Vest 2 15 May, 2020	Vest 3 15 May, 2021	Vest 4 15 May, 2022
Market price (₹)	393.45	393.45	393.45	393.45
Expected life (in years)	1.00	1.79	2.79	3.79
Volatility (%)	20.54	20.17	21.74	23.41
Risk free rate (%)	6.92	7.36	7.63	7.80
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	1.91	1.91	1.91	1.91
Fair value per vest (₹)	385.07	379.35	372.22	365.23
Vest (%)	6.24	6.24	6.24	81.28
Option fair value (₹)	367.79	367.79	367.79	367.79
iii) Date of grant: 29 November, 2018	**Vest 1 30 November, 2019**	**Vest 2 15 May, 2020**	**Vest 3 15 May, 2021**	**Vest 4 15 May, 2022**
Market price (₹)	414.80	414.80	414.80	414.80
Expected life (in years)	1.00	1.46	2.46	3.46
Volatility (%)	25.86	24.25	22.81	24.04
Risk free rate (%)	6.90	7.02	7.21	7.35
Exercise price (₹)	1.00	1.00	1.00	1.00
Dividend yield (%)	1.81	1.81	1.81	1.81
Fair value per vest (₹)	406.43	403.08	395.90	388.84
Vest (%)	6.25	6.25	6.25	81.25
Option fair value (₹)	391.27	391.27	391.27	391.27

Fair value of the options has been calculated using Black Scholes pricing model. The following inputs were used to determine the fair value for options granted during year ended 31 March, 2018:

i) Date of grant: 21 April, 2017	Vesting Date: 15 May, 2018
Market price (₹)	291.25
Expected life (in years)	1.07
Volatility (%)	22.55
Risk free rate (%)	6.26
Exercise price (₹)	1.00
Dividend yield (%)	0.77
Fair value per vest (₹)	287.93
Vest (%)	100.00
Option fair value (₹)	287.93
ii) Date of grant: 4 August, 2017	**Vesting Date: 4 August, 2018**
Market price (₹)	307.30
Expected life (in years)	1.00
Volatility (%)	19.90
Risk free rate (%)	6.05
Exercise price (₹)	1.00
Dividend yield (%)	0.73
Fair value per vest (₹)	304.12
Vest (%)	100.00
Option fair value (₹)	304.12
iii) Date of grant: 31 October, 2017	**Vesting Date: 31 October, 2018**
Market price (₹)	332.85
Expected life (in years)	1.00
Volatility (%)	20.09
Risk free rate (%)	6.15
Exercise price (₹)	1.00
Dividend yield (%)	0.67
Fair value per vest (₹)	329.69
Vest (%)	100.00
Option fair value (₹)	329.69

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Holding Company's stock on NSE over these years.

58 Capital management - policies and procedures

For the purpose of the Group's capital management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Group.

The Group' s capital management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	As at 31 March, 2019	As at 31 March, 2018
Current borrowings (refer note 28)	498.23	464.49
Non-current borrowings (refer note 24)	26.05	364.34
Other financial liabilities (refer note 25 and 30)	332.18	242.45
Trade payables (refer note 29)	1,455.43	1,410.32
Less: Cash and cash equivalents (refer note 16)	(107.69)	(153.80)
Net debt	**2,204.20**	**2,327.80**
Equity share capital (refer note 22)	176.63	176.15
Other equity (refer note 23)	5,455.05	5,530.37
Total capital	**5,631.68**	**5,706.52**
Capital and net debt	**7,835.88**	**8,034.32**
Gearing ratio	**28.13%**	**28.97%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with certain financial covenants which include debt service coverage ratio (DSCR), fixed asset coverage ratio (FACR) etc. The Group has complied with these covenants throughout the reported periods.

59 Financial risk management - objectives and policies

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, loans, trade receivables, cash and cash equivalents, other balances with banks and other receivables.

The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group's activities expose it to market risk, interest rate risk and foreign currency risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Group formulated by the Risk Management Committee and approved by the Board, states the Group's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Group's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

A Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a Risk Management Committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Group's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the risk management policy on a quarterly basis.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Group's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management. The Group is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign currency risk

The Group operates internationally with transactions entered into several currencies. Consequently the Group is exposed to foreign exchange risk towards honouring of export/ import commitments.

Management evaluates exchange rate exposure in this connection in terms if its established risk management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

Foreign currency exposure as at 31 March, 2019	USD	EUR	SGD	AUD	GBP	NGN	CHF	Total
Export receivables	216.45	4.63	-	0.00	11.67	0.00	-	232.75
Overseas creditors	65.28	13.38	0.01	0.01	-	-	0.10	78.78
Advance to suppliers	1.86	-	-	-	-	-	-	1.86
Advance from customers	1.53	-	-	-	-	-	-	1.53
Bank balances in Exchange Earner Foreign Currency (EEFC) accounts	8.75	-	-	-	-	-	-	8.75
Packing credit loan (hedged through future contract)	55.32	-	-	-	-	-	-	55.32

Foreign currency exposure as at 31 March, 2018	USD	EUR	SGD	AUD	GBP	NGN	CHF	Total
Export receivables	204.42	8.33	-	-	11.19	-	-	**223.94**
Overseas creditors	152.62	4.45	-	-	0.44	-	0.19	**157.70**
Advance to suppliers	3.66	-	-	-	-	-	-	**3.66**
Advance from customers	2.00	-	-	-	-	-	-	**2.00**
Bank balances in Exchange Earner Foreign Currency (EEFC) accounts	0.52	-	-	-	-	-	-	**0.52**
Packing credit loan (hedged through future contract)	45.62	-	-	-	-	-	-	**45.62**

The above table represents total exposure of the Group towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 61A and the details of unhedged exposures are given as part of note 61B.

Foreign currency sensitivity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against ₹, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Change in foreign exchange rates	31 March, 2019		31 March, 2018	
	1% increase	1% decrease	1% increase	1% decrease
USD	1.60	(1.60)	0.54	(0.54)
EUR	(0.09)	0.09	0.04	(0.04)
SGD	(0.00)	0.00	-	-
NGN	0.00	(0.00)	-	-
AUD	(0.00)	0.00	-	-
GBP	0.12	(0.12)	0.11	(0.11)
CHF	(0.00)	0.00	(0.00)	0.00
Decrease/(increase) in profit or loss	**1.63**	**(1.63)**	**0.69**	**(0.69)**

iii) Price Risk

The Group's exposure to price risk arises from investments held and classified as FVTPL or FVTOCI. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher / lower prices of instruments on the Group's profit for the year:

Particulars	31 March, 2019	31 March, 2018
Price sensitivity		
Price increase by (5%) - FVTOCI	46.98	52.58
Price decrease by (5%) - FVTOCI	(46.98)	(52.58)
Price increase by (5%) - FVTPL	3.68	25.36
Price decrease by (5%) - FVTPL	(3.68)	(25.36)

B Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Group's net liquidity position on the basis of expected cash flows vis-a-vis debt service fulfillment obligation

Maturity profile of financial liabilities

The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March, 2019	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.10	0.44	6.97	7.51
Deposits payable	2.83	4.56	-	7.39
Non-current borrowings (including current maturities)	175.00	25.00	-	200.00
Current borrowings	498.23	-	-	498.23
Trade payables	1,455.43	-	-	1,455.43
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	324.70	-	-	324.70

As at 31 March, 2018	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.15	0.63	10.72	**11.50**
Deposits payable	3.37	5.16	-	**8.53**
Non-current borrowings (including current maturities)	108.62	363.11	-	**471.73**
Current borrowings	464.49	-	-	**464.49**
Trade payables	1,410.32	-	-	**1,410.32**
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	126.07	-	-	**126.07**

C Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occuring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group considers reasonable and supportive forward-looking information.

Financial assets are written-off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Group. The Group provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis. The Group's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across local as well as foreign markets.

Exposure to credit risks	31 March, 2019	31 March, 2018
Financial assets for which loss allowance is measured using 12 months expected credit losses (ECL)		
Non-current investments	2,633.35	3,091.78
Non-current loans	17.56	13.14
Others non-current financial assets	77.66	4.11
Current investments	725.41	713.39
Cash and cash equivalents	107.69	153.80
Bank balances other than cash and cash equivalents above	220.47	152.26
Current loans	11.04	34.88
Other current financial assets	26.47	28.27
Financial assets for which loss allowance is measured using life time expected credit losses (LECL)		
Trade receivables	833.56	706.08

Summary of change in loss allowances measured using LECL

Particulars	31 March, 2019	31 March, 2018
Opening allowance	15.62	15.62
Provided during the year	2.36	2.99
Amounts written-off	1.26	2.99
Reversals of provision	-	-
Closing allowance	16.72	15.62

During the year the Group has recognised loss allowance of ₹ 1.97 crores (31 March, 2018 : ₹ 1.25) under ECL model. No significant changes in estimation techniques or assumptions were made during the reporting period.

Concentration of financial assets

"Concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables is that credit risk is low. The Group's exposure to credit risk for trade receivables is presented below:"

A. Consumer care business	705.67	597.75
B. Food business	116.53	98.71
C. Other segments	6.25	5.29
D. Retail business	3.55	3.01
E. Unallocated	1.56	1.32
Total	**833.56**	**706.08**

60 Catergory wise classification of financial instruments

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2017-18. The following methods and assumptions were used to estimate the fair values:

i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) The fair values of other investments measured at FVTOCI and FVTPL are determined based on observable market data other than quoted prices in active market.

iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of the fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

A The carrying values and fair values of financial instruments by categories as at 31 March, 2019 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss (‘FVTPL’)				
Investments in mutual funds	73.59	73.59	-	-
Total	**73.59**	**73.59**	**-**	**-**
Financial assets at fair value through other comprehensive income (‘FVTOCI’)				
Investments in debt instruments	939.61	-	939.61	-
Investments in equity instruments	0.07	-	-	0.07
Total	**939.68**	**-**	**939.61**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	1,681.38	-	-	-
Investments in joint venture	12.29	-	-	-
(ii) Loans				
Security deposits	17.56	-	-	-
(iii) Others financial assets	77.66	-	-	-
Total	**1,788.89**	**-**	**-**	**-**
Current				
(i) Investments				
Investments in debt instruments	651.82	-	-	-
(ii) Loans				
Security deposits	11.04	-	-	-
(iii) Trade receivables	833.56	-	-	-
(iv) Cash and cash equivalents	107.69	-	-	-
(v) Bank balances other than (iv) above	220.47	-	-	-
(vi) Other financial assets	26.47	-	-	-
Sub-Total	**1,851.05**	**-**	**-**	**-**
Total	**3,639.94**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	26.05	-	-	-
(ii) Other financial liabilities	4.56	-	-	-
Total	**30.61**	**-**	**-**	**-**
Current				
(i) Borrowings	498.23	-	-	-
(ii) Trade payables	1,455.43	-	-	-
(iii) Other financial liabilities	327.62	-	-	-
Sub-Total	**2,281.28**	**-**	**-**	**-**
Total	**2,311.89**	**-**	**-**	**-**

* During the year there were no transfers between Level 1 and Level 2 fair value measurements.

B The carrying values and fair values of financial instruments by categories as at 31 March, 2018 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss ('FVTPL')				
Investments in debt instruments	254.97	-	254.97	-
Investments in mutual funds	252.14	252.14	-	-
Total	**507.11**	**252.14**	**254.97**	**-**
Financial assets at fair value through other comprehensive income ('FVTOCI')				
Investments in debt instruments	1,051.43	-	1,051.43	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,051.50**	**-**	**1,051.43**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	2,028.94	-	-	-
Investments in joint venture	11.33	-	-	-
(ii) Loans				
Security deposits	18.96	-	-	-
(iii) Others financial assets	4.11	-	-	-
Total	**2,063.34**	**-**	**-**	**-**
Current				
(i) Investments				
Investments in debt instruments	206.28	-	-	-
(ii) Loans				
Security deposits	34.88	-	-	-
(iii) Trade receivables	706.08	-	-	-
(iv) Cash and cash equivalents	153.80	-	-	-
(v) Bank balances other than (iv) above	152.26	-	-	-
(vi) Other financial assets	28.27	-	-	-
Sub-Total	**1,281.57**	**-**	**-**	**-**
Total	**3,344.91**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	364.34	-	-	-
(ii) Other financial liabilities	4.25	-	-	-
Total	**368.59**	**-**	**-**	**-**
Current				
(i) Borrowings	464.49	-	-	-
(ii) Trade payables	1,410.32	-	-	-
(iii) Other financial liabilities	238.20	-	-	-
Sub-Total	**2,113.01**	**-**	**-**	**-**
Total	**2,481.60**	**-**	**-**	**-**

* During the year there were no transfers between Level 1 and Level 2 fair value measurements.

C Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

(a) **Investment in mutual funds:** The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date.

(b) **Investment in debt instruments:** The fair value of investments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates."

61 Details of hedged and unhedged exposure in foreign currency denominated monetary items

A Exposure in foreign currency - hedged

The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

Outstanding overseas exposure hedged by forward option/ contract against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Packing credit loan *	**31 March, 2019**	**USD**	**0.80**	**INR**	**55.32**
	31 March, 2018	USD	0.70	INR	45.62

* The nature of risk hedged is adverse currency fluctuations

B Exposure in foreign currency - unhedged

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Export receivables	**31 March, 2019**	**EUR**	**0.06**	**INR**	**4.63**
	31 March, 2018	EUR	0.10	INR	8.33
	31 March, 2019	**USD**	**3.13**	**INR**	**216.45**
	31 March, 2018	USD	3.14	INR	204.42
	31 March, 2019	**AUD**	**0.00**	**INR**	**0.00**
	31 March, 2018	AUD	-	INR	-
	31 March, 2019	**NGN**	**0.01**	**INR**	**0.00**
	31 March, 2018	NGN	-	INR	-
	31 March, 2019	**GBP**	**0.13**	**INR**	**11.67**
	31 March, 2018	GBP	0.12	INR	11.19
Overseas creditors	**31 March, 2019**	**USD**	**0.94**	**INR**	**65.28**
	31 March, 2018	USD	2.34	INR	152.62
	31 March, 2019	**GBP**	**-**	**INR**	**-**
	31 March, 2018	GBP	0.00	INR	0.44
	31 March, 2019	**EUR**	**0.17**	**INR**	**13.38**
	31 March, 2018	EUR	0.06	INR	4.45
	31 March, 2019	**SGD**	**0.00**	**INR**	**0.01**
	31 March, 2018	SGD	-	INR	-
	31 March, 2019	**AUD**	**0.00**	**INR**	**0.01**
	31 March, 2018	AUD	-	INR	-
	31 March, 2019	**CHF**	**0.00**	**INR**	**0.10**
	31 March, 2018	CHF	0.00	INR	0.19
Advances to suppliers	**31 March, 2019**	**USD**	**0.03**	**INR**	**1.86**
	31 March, 2018	USD	0.06	INR	3.66
Bank balances in exchange earner foreign currency (EEFC) accounts	**31 March, 2019**	**USD**	**0.13**	**INR**	**8.75**
	31 March, 2018	USD	0.01	INR	0.52
Advance from customers	**31 March, 2019**	**USD**	**0.02**	**INR**	**1.53**
	31 March, 2018	USD	0.03	INR	2.00

62 Information on acquisition transactions pursuant to Ind AS 103 - Business Combinations

A Acquisitions during the year ended 31 March, 2019

Acquisition of D & A Cosmetics Proprietary Limited and Atlanta Body and Health Products Proprietary Limited

a) Summary of acquisition

On 5 April, 2018, the Group, through its wholly owned subsidiary Dermoviva Skin Essentials INC, acquired 100% of the equity shares of two consumer care companies incorporated in South Africa namely D & A Cosmetics Proprietary Limited and Atlanta Body and Health Products Proprietary Limited. These companies are engaged in development, production, packaging, sale and distribution of products of personal care, hair care and creams operating under the brand name 'Long and Lasting'. These companies have their market in South Africa extending to Namibia, Swaziland, Botswana and Lesotho.

b) Purchase consideration and acquisition related costs

The total consideration of the above mentioned acquisitions namely South Africa namely D & A Cosmetics Proprietary Limited and Atlanta Body and Health Products Proprietary Limited amounted to ₹ 22.11 crores and ₹ 0.95 crores respectively. The entire consideration was paid in cash.

Outflow of cash to acquire subsidiaries, net of cash acquired:

Particulars	D & A Cosmetics Proprietary Limited	Atlanta Body and Health Products Proprietary Limited
Cash consideration	22.11	0.95
Less: Balances acquired		
Cash and cash equivalents	-	0.01
Bank overdraft	(0.96)	-
Net outflow of cash	**23.07**	**0.94**

Acquisition related costs of ₹ 0.42 crores that were directly attributable to the above acquisitions were incurred and are included in other expenses in Consolidated Statement of Profit and Loss and in operating cash flows in the Consolidated Statement of Cash Flows.

c) Assets acquired and liabilities assumed

The assets and liabilities recognised as a result of the acquisition are as follows

Particulars	D & A Cosmetics Proprietary Limited	Atlanta Body and Health Products Proprietary Limited
	Fair value	Fair value
Assets		
Property, plant and equipment	0.31	-
Other intangible assets	19.12	0.88
Inventories	2.20	0.08
Trade receivables	2.11	0.50
Cash and cash equivalents	-	0.01
Deferred tax assets	0.25	0.11
Liabilities		
Trade payables	0.77	0.61
Current borrowings	0.96	-
Provisions	0.15	0.02
Contingent liability	-	-
Total identifiable net assets acquired	**22.11**	**0.95**

d) Revenue and loss contribution

The acquired businesses contributed revenue from operations and loss after tax, to the Group for the period ended 31 March, 2019 as follows:

(i) D & A Cosmetics Proprietary Limited : Revenue from operations of ₹ 11.85 crores and loss after tax of ₹ 1.77 crores for the period 6 April, 2018 to 31 March, 2019.

(ii) Atlanta Body and Health Products Proprietary Limited : Reveune of ₹ 0.20 crores and loss after tax of ₹ 0.29 crores for the period 6 April, 2018 to 31 March, 2019.

If the acquisitions had occurred on 01 April 2018, combined pro-forma revenue from operations and loss after tax for the year ended 31 March, 2019 in relation to the aquisitions would have been ₹ 14.37 crores and ₹ 2.53 crores respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the Group and the subsidiary; and
- the additional depriciation and amotisation that would have been charged assuming the fair value adjustments to property, plant and equipment and other intangible assets had applied from 01 April 2018, together with the consequential tax effects, as applicable.

B Acquisitions during the year ended 31 March, 2018

Acquisition of certain assets from CTL Management and Personnel Services Proprietary Limited

a) Summary of acquisition and purchase consideration

On 3 April, 2017, the Group, through its wholly owned subsidiary Dabur South Africa (PTY) Limited, acquired certain assets of CTL Management and Personnel Services Proprietary Limited to synergize its fast-moving consumer goods (FMCG) business with the fixed capital and business under acquisition. The acquiree was engaged in development, production, packaging and sale of personal care / hair-care products and creams in South Africa. The total consideration for the said acquisitions was ₹ 9.01 crores.

b) Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities acquired from CTL Management and Personnel Services Proprietary Limited as at the date of acquisition were:

Particulars	Fair value recognised on acquisition	
Assets and liabilities	(ZAR) *	(₹)
Land and building	1.25	6.10
Plant and equipment	0.27	1.29
Raw materials, packing materials and finished goods	0.15	0.73
Contingent liability	-	-
Total identifiable net assets at fair value	**1.67**	**8.12**
Goodwill arising on acquisition	**-**	**0.89**
Purchase consideration transferred / paid	**-**	**9.01**

* ZAR - South African Rand

c) Goodwill and its tax treatment

This acquisition gave rise to goodwill on consolidation amounting to ₹ 0.89 crores, being excess of consideration amount over fair value of assets under acquisition. The said goodwill being capital in the nature is not eligible for a deduction accordingly not expected to be deductible for tax purposes in the Country of incorporation i.e. South Africa.

63 The Group intends to liquidate Dabur Tunisie, a wholly owned subsidiary, which is under process and is likely to be completed by 31 December, 2019. The liquidation was earlier expected to be completed by 31 March, 2019, but due to certain legal and regulatory compliances under the laws of Tunisia, the completion date was extended. The assets held by Dabur Tunisie are in the nature of plant and equipment, which it no longer intends to utilise in the next 12 months. A search for a buyer is underway. No impairment loss was recognised on reclassification of the plant and equipment as held for sale and the Group expects the fair value less cost to sell to be higher than carrying amount.

64 The figures of the previous year have been re-grouped / re-classified to render them comparable with the figures of the current year.

65 Disclosure relating to nature and extent of significant restriction on subsidiaries pursuant to Ind AS 112 - Disclosure of interests in other entities

Restrictions imposed by Reserve Bank of India (RBI), Foreign Exchange Management Act, 1999 (FEMA), contractual and regulatory obligations in India and in other jurisdictions where the Group holds interest:

A Capital contribution of ₹ 91.68 crores and non-fund based assistances of ₹ 318.09 crores by the Holding Company are subject to restrictive provision of FEMA and the Act respectively.

B Transfer of scrips of specified number of shares in Naturelle LLC, a wholly owned subsidiary is subject to restrictive provisions of the laws of Emirates of RAS Khaimah despite Group's financing against entire capital base of the subsidiary. This however, does not affect beneficial interest of the Group, as its 100% owner of the total stake.

C Board of Directors of Dabur International Limited, a wholly owned subsidiary incorporated in Isle of MAN and Dermoviva Skin Essential Inc incorporated in United States of America, have resolved against distribution of dividend in forseable future in the interest of strengthening of their intrinsic worth base.

D Other subsidiaries are not subject to material restriction under normal course of business except for monitoring of prudence of transactions, remittances by local central banks and normal restrictions applicable to domestic entities towards foreign direct investments.

E Protective rights of non-controlling interests are confined to the extent attributable to minority stakeholders which are more or less common in international context.

66 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

Name of entity in the Group	Net assets (total assets minus total liabilities)		Share in profits or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or (loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Holding Company								
Dabur India Limited	70.08%	3,968.82	87.42%	1,264.29	(109.69%)	(3.17)	87.03%	1,261.12
Subsidiaries								
Indian								
H & B Stores Limited	0.55%	31.24	0.17%	2.48	(1.04%)	(0.03)	0.17%	2.46
Foreign								
Dermoviva Skin Essentials INC	5.72%	323.80	(0.34%)	(4.92)	(861.94%)	(24.91)	(2.06%)	(29.83)
Dabur International Limited	27.84%	1,576.39	10.66%	154.18	1473.01%	42.57	13.58%	196.75
Naturelle LLC	0.37%	20.89	0.18%	2.63	34.26%	0.99	0.25%	3.62
Dabur Egypt Limited	2.36%	133.76	2.83%	40.88	342.91%	9.91	3.50%	50.79
African Consumer Care Limited	0.72%	41.05	(0.12%)	(1.72)	124.22%	3.59	0.13%	1.87
Dabur Nepal Private Limited	5.94%	336.66	3.10%	44.79	-	-	3.09%	44.79
Asian Consumer Care Private Limited	1.30%	73.47	0.61%	8.78	99.65%	2.88	0.80%	11.66
Dabur (UK) Limited	0.06%	3.41	1.09%	15.73	(16.26%)	(0.47)	1.05%	15.26
Hobi Kozmetik	1.39%	78.52	1.14%	16.54	(811.07%)	(23.44)	(0.48%)	(6.90)
RA Pazarlama	0.22%	12.59	0.19%	2.81	(126.99%)	(3.67)	(0.06%)	(0.86)

Name of entity in the Group	Net assets (total assets minus total liabilities)		Share in profits or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or (loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Dabur Lanka Private Limited	1.17%	66.02	(0.10%)	(1.50)	(181.31%)	(5.24)	(0.47%)	(6.74)
Namaste Laboratories LLC	2.50%	141.33	0.58%	8.34	293.08%	8.47	1.16%	16.81
Urban Laboratories International LLC	(0.29%)	(16.66)	0.03%	0.39	(44.64%)	(1.29)	(0.06%)	(0.90)
Dabur Consumer Care Lanka Pvt. Ltd.	0.04%	2.02	(0.04%)	(0.63)	(6.57%)	(0.19)	(0.06%)	(0.82)
Healing Hair Laboratories International LLC	-	-	-	-	-	-	-	-
Hair Rejuvenation & Revitalization Nigeria Limited	0.02%	1.33	0.04%	0.63	3.11%	0.09	0.05%	0.72
Dabur Tunisie	0.01%	0.56	0.10%	1.42	2.77%	0.08	0.10%	1.50
Asian Consumer Care Pakistan Private Limited	0.16%	9.04	0.16%	2.36	(89.97%)	(2.60)	(0.02%)	(0.24)
Dabur Pakistan Private Limited	0.01%	0.51	0.00%	0.00	(2.08%)	(0.06)	(0.00%)	(0.06)
Dabur Pars	0.22%	12.53	(0.06%)	(0.88)	117.65%	3.40	0.17%	2.52
Dabur South Africa (PTY) Limited	0.28%	15.68	(0.06%)	(0.84)	(69.20%)	(2.00)	(0.20%)	(2.84)
D&A cosmetics Proprietary Limited (w.e.f. 05 April 2018)	0.01%	0.55	(0.02%)	(0.29)	(3.81%)	(0.11)	(0.03%)	(0.40)
Atlanta Body and Health Products Proprietary Limited (w.e.f. 05 April 2018)	0.31%	17.51	(0.12%)	(1.77)	(97.92%)	(2.83)	(0.32%)	(4.60)
Non-controlling interests								
Subsidiaries								
Foreign								
Dabur Nepal Private Limited	0.14%	8.17	0.08%	1.15	-	-	0.08%	1.15
Asian Consumer Care Private Limited	0.41%	23.21	0.19%	2.77	31.83%	0.92	0.25%	3.69
Joint venture								
Indian								
Forum I Aviation Private Limited	0.09%	5.30	0.07%	0.96	-	-	0.07%	0.96
Inter-company eliminations	(21.62%)	(1,224.63)	(7.77%)	(112.33)	-	-	(7.75%)	(112.33)
Total	**100.00%**	**5,663.06**	**100.00%**	**1,446.25**	**100.00%**	**2.89**	**100.00%**	**1,449.14**

67 In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anupam Kumar
Partner
Membership No.:501531

Place : New Delhi
Date : May 2, 2019

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Form AOC-I

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of financial statements of Subsidiaries / Associates / Joint Ventures

Part A : Subsidiaries

1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	16
				Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.												
Sl. No.	Name of Subsidiary	Date of Acquisition of Control (dd/mm/yyyy)	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	Currency	Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of share-holding
1	H & B Stores Ltd	14/05/2007	NA	INR	1.00	29.65	1.59	63.24	32.00	-	124.93	3.13	0.65	2.48	-	100%
2	Dermovia Skin Essentials INC	01/04/2009	NA	USD	69.15	427.52	(103.72)	493.85	170.05	492.64	3.93	(4.92)	-	(4.92)	-	100%
3	Dabur International Ltd	14/09/2003	NA	AED	18.83	12.95	1,563.44	1,930.18	353.79	1,450.81	917.94	154.18	-	154.18	-	100%
4	Naturelle LLC	12/12/2006	NA	AED	18.83	3.93	16.96	266.50	245.61	-	519.05	2.63	-	2.63	-	100%
5	Dabur Egypt Ltd	04/07/1994	NA	EGP	4.00	0.90	132.86	233.57	99.81	-	271.59	55.76	14.88	40.88	-	100%
6	African Consumer Care Ltd	11/06/2004	NA	NGN	0.23	50.24	(9.19)	65.53	24.48	-	45.53	(1.72)	-	(1.72)	-	100%
7	Dabur Nepal Pvt Ltd	11/09/1992	NA	NPR	0.63	4.99	339.84	507.49	162.66	-	657.91	55.03	9.09	45.94	-	97.5%
8	Asian Consumer Care Pvt Ltd	14/09/2003	NA	BDT	0.82	31.84	64.84	210.03	113.35	-	122.94	17.53	5.98	11.55	-	76%
9	Dabur UK Ltd	12/05/1994	NA	USD	69.15	1.62	1.79	3.44	0.03	1.51	16.69	15.73	-	15.73	-	100%
10	Hobi Kozmetik	07/10/2010	NA	TRL	12.25	41.02	37.50	139.71	61.19	-	225.57	19.80	3.26	16.54	-	100%
11	RA Pazarlama	07/10/2010	NA	TRL	12.25	2.48	10.11	36.67	24.08	-	124.02	3.73	0.92	2.81	-	100%
12	Dabur Lanka Pvt. Ltd	05/07/2011	NA	LKR	0.39	90.82	(24.80)	79.41	13.39	-	62.72	(1.08)	0.42	(1.50)	-	100%
13	Namaste Laboratories LLC	01/01/2011	NA	USD	69.15	-	141.33	290.87	149.54	-	399.59	8.34	-	8.34	-	100%
14	Urban Laboratories International LLC	01/01/2011	NA	USD	69.15	-	(16.66)	22.48	39.14	-	36.15	0.39	-	0.39	-	100%
15	Dabur Consumer Care Pvt. Ltd	19/04/2013	NA	LKR	0.39	6.01	(3.99)	3.98	1.96	-	1.20	(0.63)	-	(0.63)	-	100%
16	Hair Rejuvenation & Revitalization Nigeria Ltd	01/01/2011	NA	NGN	0.23	-	1.33	4.60	3.27	-	23.86	0.86	0.23	0.63	-	100%
17	Dabur Tunisie	17/12/2013	NA	TND	22.95	7.26	(6.70)	0.85	0.29	-	-	1.42	-	1.42	-	100%
18	Asian Consumer care Pakistan Pvt. Ltd	11/05/2006	NA	PKR	0.49	5.40	3.64	15.72	6.68	-	64.15	5.81	3.45	2.36	-	100%
19	Dabur Pakistan Pvt. Ltd	24/08/2015	NA	PKR	0.49	0.31	0.20	5.39	4.88	-	14.68	0.36	0.36	0.00	-	100%
20	Dabur PARS	31/05/2016	NA	IRR	0.00	11.45	1.08	14.13	1.60	-	8.88	(0.88)	-	(0.88)	-	100%
21	Dabur South Africa (PTY) Ltd.	14/07/2016	NA	ZAR	4.76	20.49	(4.81)	25.14	9.46	-	30.69	(0.84)	-	(0.84)	-	100%
22	Healing Hair Laboratories International LLC	01/01/2011	NA	USD	69.15	-	-	-	-	-	-	-	-	-	-	100%
23	Atlanta Body & Health Propreity LLC	05/04/2018	NA	ZAR	4.76	-	0.55	1.13	0.58	-	0.20	(0.19)	0.10	(0.29)	-	100%
24	D & A Cosmetics Propriety LLC	05/04/2018	NA	ZAR	4.76	-	17.51	20.20	2.69	-	11.90	(1.55)	0.22	(1.77)	-	100%

Part B: Associates and Joint Ventures

Statement purusant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint ventures.

	Name of Joint Venture	Forum I Aviation Pvt. Limited
1	Latest audited Balance Sheet Date	31-Mar-18
2	Date on which the Joint Venture was acquired	28-Jul-08
3	Shares of Joint Venture held by the company on the year end (No.)	5,30,833
	Amount of Investment in Joint Venture	6.99
	Extent of Holding (%)	20.00
4	Description of how there is significant influence	Not Applicable
5	Reason why the Joint venture is not consolidated	Not Applicable
6	Networth attributable to Shareholding as per lastest audited Balance Sheet	12.29
7	Profit/Loss for the year (Share of Group)	0.96
	i. Considered in Consolidation	0.96
	ii. Not Considered in Consolidation	-

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Mohit Malhotra
Whole Time Director
DIN: 08346826

P.D. Narang
Whole Time Director
DIN: 00021581

Place : New Delhi
Date : May 2, 2019

Ashok Kumar Jain
EVP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Notice of Annual General Meeting

Notice is hereby given that the 44th Annual General Meeting (AGM) of the members of Dabur India Limited will be held on Friday, 30th August, 2019 at 4:00 PM at Air Force Auditorium, Subroto Park, New Delhi – 110010 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended 31st March, 2019 and the report of Auditors thereon.

3. To confirm the interim dividend already paid and declare final dividend on equity shares for the financial year ended 31st March, 2019.

4. To appoint a Director in place of Mr. Amit Burman (DIN 00042050) who retires by rotation and being eligible offers himself for re-appointment.

5. To appoint a Director in place of Mr. Mohit Burman (DIN: 00021963) who retires by rotation and being eligible offers himself for re-appointment.

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 read with 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 as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-20, amounting to ₹5.16 lac (Rupees five lac sixteen thousand only) plus applicable taxes and re-imbursement 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, confirmed and approved."

7. 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 179, 188, 196, 197, 198 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 thereof for the time being in force), approval of the members be and is hereby accorded to the appointment of Mr. Mohit Malhotra (DIN 08346826) as a Director of the company, not subject to retirement by rotation, and further his appointment, including remuneration, as a Whole Time Director of the Company, for a period of 5 (five) years with effect from January 31, 2019, subject to approval of Central Government and other statutory authorities, wherever necessary, on the terms and conditions 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 appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mohit Malhotra, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 and rules made thereunder or any statutory modification(s) or re-enactment(s) thereof."

   "**RESOLVED FURTHER THAT** the designation of Mr. Mohit Malhotra Whole Time Director;

   - for the period 31.01.2019 till 31.03.2019 shall be Chief Executive Officer-Designate, and
   - w.e.f. 01.04.2019 shall be Chief Executive Officer, other terms and conditions remaining same."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. 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, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Ajit Mohan Sharan (DIN: 02458844), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. January 31, 2019 pursuant to provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his 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 with effect from January 31, 2019 to January 30, 2024."

9. 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, 152 and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Aditya Burman (DIN: 00042277), who has been appointed as an Additional Director of the Company by the Board of Directors w.e.f. July 19, 2019 pursuant to provisions of Section 161(1) of the Act 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 Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, subject to retirement by rotation,."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mrs. Falguni Sanjay Nayar (DIN: 00003633), Non-Executive Independent Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing her candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 28, 2019 to July 27, 2024."

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. P N Vijay (DIN: 00049992), Non-Executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 22, 2019 to July 21, 2024."

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Dr. S Narayan (DIN: 00094081), Non-Executive Independent Director of the Company, aged 76 years, whose appointment or continuation in office requires approval of shareholders by way of special resolution, being more than seventy five years of age, and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 22, 2019 to July 21, 2024."

13. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. R C Bhargava (DIN: 00007620), Non-Executive Independent Director of the Company, aged 84 years, whose appointment or continuation in office requires approval of shareholders by way of special resolution, being more than seventy five years of age, and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 22, 2019 to July 21, 2024."

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Dr. Ajay Dua (DIN: 02318948), Non-Executive Independent Director of the Company, aged 72 years, whose continuation in office requires approval of shareholders by way of special resolution, after attaining the age of seventy five years in July, 2022, and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 22, 2019 to July 21, 2024."

15. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the 'Act') 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 Regulation 16 (1) (b) and 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Sanjay Kumar Bhattacharyya (DIN: 01924770), Non-Executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby reappointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years with effect from July 22, 2019 to July 21, 2024."

16. 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 Section 197 of the Companies Act, 2013 ('the Act') and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to approval of statutory authorities, wherever necessary, approval of the members be and is hereby accorded to pay to the Non-Executive Independent Directors of the Company (i.e. other than Directors in the whole time employment of the Company and Promoter Directors), for a period not exceeding five years, for each of the financial years commencing from April 1, 2019, such remuneration including profit related commission, by whatever name called, (at the discretion of the Board of Directors of the Company ('the Board'), the payment of such remuneration may be made on a pro-rata basis, as per timelines decided by the Board), as the Board may from time to time determine to be divided amongst them in such proportion/ manner as may be determined by the Board from time to time, in addition to the fees for attending the meetings of the Board and its Committees, provided however that the aggregate remuneration, including remuneration as aforesaid, paid to such Directors in a financial year, exclusive of any fees payable to Directors under Section 197 (5) of the Act, shall not exceed one percent of the net profits of the Company in any financial year in terms of Section 197 of the Act, and computed in the manner referred to in Section 198 of the Act."

Date : July 19, 2019
Place : New Delhi

By Order of the Board
for **DABUR INDIA LIMITED**

Regd. Office:
8/3, Asaf Ali Road,
New Delhi - 110 002

(A K JAIN)
E V P (Finance) & Company Secretary
(Membership No. F4311)

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of item no. 6 to 16 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 ON A POLL TO VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED 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 AGM.

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 THEREAT, 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 THAT 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 Friday, 9th August, 2019 to Friday, 16th August, 2019 (both days inclusive).

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 Fintech Pvt. Ltd. (earlier Karvy Computershare Pvt. Ltd.), Karvy Selenium, Tower- B, Plot No 31 & 32., Gachibowli, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032, India:

   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/ bank details.

   C. Kindly note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') 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. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) shall send certified true copy of the Board Resolution/Authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company to attend the AGM.

8. As per Listing Regulations, for securities market transactions and/or for off-market or private transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) (including joint holders) shall furnish copy of PAN card to the Company for registration of such transfer of securities. Accordingly, all the shareholders/ transferor(s) / transferee(s) 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.

9. The shares of the Company are under compulsory Demat trading. Also, as per Listing Regulations, securities of listed companies can only be transferred in dematerialized form

w.e.f. April 1, 2019. Therefore, Members holding shares in physical form are advised to convert their shares into dematerialized form in their own interest and convenience purpose.

10. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11:00 am to 1:00 pm up to the date of AGM and copies thereof are also available at Company's Corporate office at Dabur Corporate Office, Kaushambi, Sahibabad, Ghaziabad 201010. These documents along with 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.

11. Securities and Exchange Board of India (SEBI) & Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative soft copy of the Annual Report 2018-19 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 Regulations and Section 136 of the Companies Act, 2013 including Rules made thereunder, hard copy of Abridged Annual Report 2018-19 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 in the 'Investor' section) to the Company/RTA. Members can also submit their form along with attendance slip at the Registration Counter at the 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 44th AGM and the Annual Report 2018-19 will also be available on the Company's website www.dabur.com for download by the members. The Notice of AGM will also be available on the website of RTA- Karvy Fintech Pvt. Ltd. (earlier Karvy Computershare Pvt. Ltd.) at https://evoting.karvy.com. Physical copies of the aforesaid documents will also be available at the Company's Registered Office and Corporate Office for inspection during business hours.

12. Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with the Annual Report 2018-19, duly completed and signed, for admission to the meeting hall. **The route map for the AGM venue is given as 'Annexure 2' to this Notice.**

    However, in case of non-receipt of attendance slip, members may download the same from Company's website www.dabur.com or write to the Company at its Registered Office for issuing the duplicate attendance slip.

13. In case you have any query relating to the enclosed 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.

14. All 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 2011-12 (only interim for FY 2011-12). Members who have not yet encashed their dividend warrants for the financial year 2011-12 (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. However, this amount can be claimed from IEPF Authorities only after complying with the procedure specified for it.

    Further, the information regarding unclaimed dividend in respect of dividends declared up to the financial year 2017-18 and updated up to the date of 43rd AGM held on 26th July, 2018 has been uploaded on the website of the Company www.dabur.com under 'Investor' section. The said information was also filed with MCA which is available on their website at www.iepf.gov.in. Further, as per the requirement of Section 124(2) of the Act, the Company has uploaded the details of unclaimed dividend in respect of interim dividend declared during the financial year 2018-19, on the website of the Company. Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

    Also, in terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, have been/ shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the company on its website at www.dabur.com. Shareholders may kindly check the same and claim back their shares.Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

15. 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.

16. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.

17. As required under Listing Regulations and Secretarial Standards - 2 on General Meetings details in respect of Directors seeking appointment/ re-appointment at the AGM, is separately annexed hereto as 'Annexure 1'. Directors seeking appointment / re-appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Act, including rules framed thereunder and the Listing Regulations.

18. 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 in the General Body Meetings will be placed at the AGM.

19. 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 Act, are requested to submit to the RTA 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. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.

20. **Webcast Facility**

The Company will be providing one-way live webcast of the proceedings of the AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging on to the e-voting website of Karvy at https://evoting.karvy.com by using their remote e-voting credentials.

21. **Voting through electronic means**

i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and the Listing Regulations a member of the Company holding shares either in physical form or in dematerialized form, may exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice.

ii) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Fintech Pvt. Ltd. ("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).

iii) Facility for voting through ballot/ polling paper shall also be made available at the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

iv) The members who have cast 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. In case vote is cast by both the modes, then vote cast by e-voting shall prevail.

v) The Board of Directors have appointed CS Navneet Arora, Company Secretary in practice (Certificate of practice No. 3005 and Managing Partner of M/s Navneet K Arora & Co LLP (Registration No. LLPIN-AAJ-0972) and failing him Mr. Arvinder Singh Kindra, Company Secretary in practice (Certificate of practice No. 17737 and Partner of M/s Navneet K Arora & Co LLP) as the Scrutinizers, for conducting the voting/ poll and remote e-voting process in a fair and transparent manner.

vi) **The cut-off date for the purpose of voting (including remote e-voting) is 23rd August, 2019.**

vii) Members are requested to carefully read the instructions for remote e-voting before casting their vote. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

viii) 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:

Commencement of remote e-voting	**09:00 a.m. (IST) on 27th August, 2019**
End of remote e-voting	**05:00 p.m. (IST) on 29th August, 2019**

ix) The procedure and instructions for remote e-voting are as under:

a) 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 physical copy of Annual Report in case email id is not registered. **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 holding shares as on the cut- off date i.e.23rd August, 2019 may obtain the User ID and password in the manner as mentioned below:

- If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD <space> DP ID Client ID to 9212993399

  Example for NSDL: MYEPWD <SPACE> IN12345612345678

  Example for CDSL: MYEPWD <SPACE> 1402345612345678

- If the mobile number of the member is registered against shares held in physical form, the member may send SMS: MYEPWD <space> Event number+Folio No. to 9212993399

  Example for Physical: MYEPWD <SPACE> XXXX1234567

- If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- Member may call Karvy's toll free number 1-800-3454-001.

- Member may send an e-mail request to evoting@karvy.com

If the member is already registered with Karvy for remote e-voting, he can use his existing User ID and password for casting the vote without any need for obtaining a 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: info@navneetaroracs.com with a copy to 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 e-voting, please contact Karvy's toll free no. 1-800-3454-001 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. G. Ramesh Desai., Manager at Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 at email id ramesh.desai@karvy.com, contact no. - 040-67161528.

22. **Polling at the Meeting**

After the items of Notice have been discussed, voting through ballot/ polling paper will be conducted under the supervision of the scrutinizer appointed for voting. 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 23rd August, 2019 and who have not cast 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.

23. 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 23rd August, 2019.

24. The Scrutinizer shall after the conclusion of voting at AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or in his absence to the Group Director – Corporate Affairs, who shall countersign the Scrutinizer's Report and shall declare the result forthwith.

25. The Scrutinizer's decision on the validity of the vote shall be final and binding.

26. The result declared along with the Scrutinizer's report shall be placed on the website of the Company (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.

27. 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 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 6

The Board of Directors of the Company on the recommendation of Audit Committee, has 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 2019-20.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rules thereunder, the remuneration payable to the Cost Auditors 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 2019-20 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors and 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

The Board of Directors of the Company ('the Board') at its meeting held on January 31, 2019, on the recommendation of Nomination and Remuneration Committee of the Board, approved the appointment of Mr. Mohit Malhotra as an Additional Director and, subject to approval of shareholders and Central Government and other statutory authorities, wherever necessary, also as a Whole Time Director of the Company w.e.f. January 31, 2019 for a period of 5 years on the remuneration and terms and conditions, as detailed hereunder in Section 1.

Further, the Board at its meeting held on July 19, 2019, on the recommendation of Nomination and Remuneration Committee, has revised the remuneration of Mr. Mohit Malhotra w.e.f. July 1, 2019, as detailed hereunder in Section 1 (payable after seeking necessary approvals, as may be required) and has recommended for approval of members, the appointment of Mr. Mohit Malhotra as a Director, not subject to retirement by rotation, and also as a Whole Time Director of the Company as set out in the resolution relating to his appointment including remuneration and terms and conditions, as detailed hereunder in Section 1.

Mr. Malhotra, not being resident in India, pursuant to Schedule V Part I of the Companies Act, 2013, for a continuous period of 12 months immediately preceding the date of his appointment, the Company has already applied to the Central Government for approval in this regard.

SECTION 1

A. Basic Salary

- ₹1,80,76,400 per annum, in the range of ₹1.80 Crs to ₹4.50 Crs. per annum for the period w.e.f. 31.01.2019 to 30.01.2024,
- Revised to ₹2,04,16,400 per annum, in the range of ₹1.80 Crs to ₹4.50 Crs. per annum for the period w.e.f. 01.07.2019 to 30.01.2024, basis annual performance appraisal

with an authority to the Board to increase the same from time to time within the aforesaid range provided it remains 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 apart from individual's performance.

B. Special Allowance

- ₹1,62,13,925 per annum, in the range of ₹1.60 Crs. to ₹4.00 Crs. per annum for the period w.e.f. 31.01.2019 to 30.01.2024,
- Revised to ₹1,85,28,805 per annum, in the range of ₹1.60 Crs. to ₹4.00 Crs per annum for the period w.e.f. 01.07.2019 to 30.01.2024, basis annual performance appraisal

with an authority to Board to increase his special allowance from time to time within the aforesaid range keeping in account the Company's and individual's performance.

C. Performance linked incentive

- ₹85,00,000 per annum, in the range of ₹0.85 crs. to ₹2.5 crs. per annum for the period w.e.f. 31.01.2019 to 30.01.2024,
- Revised to ₹1,24,00,000 per annum, in the range of ₹0.85 crs. to ₹2.5 crs. per annum for the period w.e.f. 01.07.2019 to 30.01.2024, basis annual performance appraisal

as per rules of the Company as determined by the Board of Directors from time to time within the aforesaid range based on achievement of performance targets.

D. Perquisites & Allowances

In addition to the prescribed salary, special allowance and performance linked incentives Mr. Mohit Malhotra 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, coverage under keyman insurance scheme, leave travel allowance/ concession for self and his family, any other special allowance by whatever name called, contribution to provident fund, superannuation fund and payment of gratuity, club fees, tax u/s 192 (1) of the Income Tax Act, paid by employer on behalf of employee and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board with Mr. Mohit Malhotra; such perquisites and allowances will be subject to ceiling of 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 residence (including payment of local calls and long distance official calls, mobile phone, internet facility, and other communication facility).
- Encashment of unavailed leave as per the rules of the Company.
- Long Service Award as per rules of the Company.

E. In addition to the above Mr. Mohit Malhotra will also be entitled for Stock Options as may be decided from time to time by the Nomination & Remuneration Committee in terms of Employees Stock Option Scheme of the Company.

F. GENERAL

(i) The Whole-Time Director will perform his duties as such with regard to all work of the Company and will 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 Whole-Time Director 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 Whole-Time Director shall adhere to the Company's Code of Ethics & Conduct.

(iv) The office of the Whole-Time Director may be terminated by the Company or by him by giving the other 3 (three) month's prior notice in writing and in either case he shall not be entitled for compensation for loss of office.

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 the Central Government.

The above remuneration payable to Mr. Mohit Malhotra 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 for the year payable to all the Managerial Personnel as calculated in accordance with Section 197 read with Schedule V of the Companies Act, 2013 or any amendment thereto or any other provisions as may be applicable.

The terms of appointment and remuneration given herein above be altered, varied, and modified from time to time by the Board of Directors of the Company, as it may at its discretion deem fit so as not to exceed the aforesaid limits and those specified in Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof for the time being in force or any amendments made thereto as may be agreed by the Board of Directors and the concerned Director.

Mr. Mohit Malhotra does not belong to the Promoters family. Besides, he is not related to any other Director or Key Managerial Personnel of the Company in terms of Section 2(77) of the Companies Act, 2013.

The copies of resolutions passed by the Board of Directors of the Company in its meeting held on January 31, 2019 and July 19, 2019 approving the aforesaid proposal along with other related documents are 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.

Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Mohit Malhotra has been received by the Company, and consent has been filed by Mr. Malhotra pursuant to Section 152 of the Act.

Additional information in respect of Mr. Malhotra, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings is appearing in the Annexure to this Notice and in the Annual Report under 'Directors' Report' and 'Report on Corporate Governance'.

Mr. Mohit Malhotra and his relatives are interested in this resolution which pertains to his 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.

Based on the recommendation of Nomination and Remuneration Committee, the Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

ITEM NO. 8

On the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on January 31, 2019, appointed Mr. Ajit Mohan Sharan (DIN: 02458844) as an Additional Director of the Company w.e.f. January 31, 2019 under Section 161(1) of the Companies Act, 2013 (the Act) and Articles of Association of the Company and he shall hold office upto the date of this Annual General Meeting. He is eligible for appointment as a Director. Mr. Sharan has been appointed in the category of Non-Executive Independent Director under Section 149 of the Act for a term of 5 consecutive years to hold office from January 31, 2019 to January 30, 2024. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Ajit Mohan Sharan for the office of Independent Director of the Company. The Company has received declaration from Mr. Ajit Mohan Sharan that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act and has given his consent to act as a Director of the Company.

The Board of Directors are of the opinion that Mr. Ajit Mohan Sharan, is a person 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 including Rules framed thereunder and the Listing Regulations and that he is independent of the management of the Company. The Board considers that his association as Director will be of immense benefit and will be in the best interest of the Company.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he hold Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto in Annexure 1. A copy of draft letter of appointment of Mr. Ajit Mohan Sharan as Non-Executive Independent Director setting out the terms and conditions of his appointment is available for inspection by members at the Registered Office of the Company. In addition to sitting fees for attending the meetings of the Board and its Committees, he would also be entitled to remuneration, by whatever name called, for each financial year, as approved by the Members at this 44th Annual General Meeting and as may be determined by the Board. Such Members' approval will cover the period up to March 31, 2024. Accordingly, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors recommend the Ordinary Resolution as set out in item No. 8 of the Notice for your approval.

Mr. Sharan is not related to any of the Directors or 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 Mr. Ajit Mohan Sharan himself and his relatives, are concerned or interested, financially or otherwise, in this resolution.

Additional information in respect of Mr. Sharan pursuant to Listing Regulations and the Secretarial Standard on General Meetings (SS-2) is appearing in the Annexure to this Notice and in the Annual Report under 'Directors' Report' and 'Report on Corporate Governance'.

ITEM NO. 9

On the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on July 19, 2019, have appointed Mr. Aditya Burman (DIN: 00042277) as an Additional Director of the Company w.e.f. July 19, 2019 under Section 161(1) of the Companies Act, 2013 (the Act) and Articles of Association of the Company and he shall hold office upto the date of this Annual General Meeting. He is eligible for appointment as a Director. Mr. Aditya Burman has been appointed in the category of Non-Executive Promoter Director under Section 149 of the Act. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying the intention to propose the candidature of Mr. Aditya Burman for the office of Director of the Company. Mr. Aditya Burman has confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act and has given his consent to act as a Director of the Company.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he hold Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto in Annexure 1. Accordingly, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors recommend the Ordinary Resolution as set out in item No. 9 of the Notice for your approval.

Mr. Aditya Burman is not related to any of the Directors or 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 Mr. Aditya Burman himself and his relatives, are concerned or interested, financially or otherwise, in this resolution.

Additional information in respect of Mr. Aditya Burman, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) is appearing in the Annexure to this Notice and in the Annual Report under 'Directors' Report'.

ITEM NO. 10 TO 15

The Members of the Company had on July 22, 2014 approved the appointment of Mr. P N Vijay (DIN: 00049992), Dr. S Narayan (DIN: 00094081), Mr. R C Bhargava (DIN: 00007620), Dr. Ajay Dua (DIN: 02318948) and Mr. Sanjay Kumar Bhattacharyya (DIN: 01924770) as Non-Executive Independent Directors of the Company to hold office for a term of 5 (five) consecutive years with effect from the date of 39th Annual General Meeting held on July 22, 2014. These Directors will complete their respective terms on July 21, 2019.

Further, the Members of the Company had on July 21, 2015 approved the appointment of Mrs. Falguni Sanjay Nayar (DIN: 00003633) as Non-Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from July 28, 2014. She will complete her term on July 27, 2019.

Pursuant to Section 149(10) of the Companies Act, 2013 (the 'Act'), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Accordingly, the above persons being eligible for re-appointment as Independent Directors, the Board of Directors of the Company ('the Board') at its meeting held on July 19, 2019, on the recommendation of the Nomination & Compensation Committee ('the Committee'), recommended for approval of the Members, the re-appointment of Mr. P N Vijay (DIN: 00049992), Dr. S Narayan (DIN: 00094081), Mr. R C Bhargava (DIN: 00007620), Dr. Ajay Dua (DIN: 02318948) and Mr. Sanjay Kumar Bhattacharyya (DIN: 01924770) as Non-Executive Independent Directors of the Company for a second term of 5 (five) consecutive years, with effect from July 22, 2019 and the re-appointment of Mrs. Falguni Sanjay Nayar (DIN: 00003633) as Non-Executive Independent Directors of the Company for a second term of 5 (five) consecutive years with effect from July 28, 2019, in terms of Section 149 read with Schedule IV of the Act, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as set out in the Resolutions relating to their respective re-appointment.

The Company has received notices under Section 160 of the Companies Act, 2013 from member(s) signifying intention to propose the candidature of the above persons for the office of Independent Director(s) of the Company. The Company has received declaration from the Independent Directors that they meet the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations. Further, they have also confirmed that they are not disqualified from being appointed as Directors under Section 164 of the said Act and have given their consent to act as a Director of the Company, being eligible for re-appointment as Independent Directors.

The Board of Directors are of the opinion that the above Independent Directors are persons of integrity and possesses relevant expertise and experience and are eligible for the position of an Independent Director of the Company and fulfils the conditions specified by the Act including Rules framed thereunder and the Listing Regulations and that they are independent of the management of the Company.

The Committee and the Board are of the view that, given the knowledge, experience and performance of the above Directors and contribution to Board processes by them, their continued association as Directors will be of immense benefit and in the best interest of the Company. The performance evaluation report of the Board, its Committees and the individual Directors during the financial year 2018-19 has been very good. All the Independent Directors, proposed to be re-appointed as aforesaid, effectively participated in discussions on various agenda items, provided independent judgements wherever required, their views, expertise and suggestions were taken into consideration which helped the company to conduct its business effectively and achieve newer growth and enabled compliance of applicable statutes.

Further, pursuant to Regulation 17 of the Listing Regulations, consent of the Members by way of Special Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy five years. Mr. R C Bhargava and Dr. S Narayan are of age 84 and 76 respectively, and during the proposed term of re-appointment Dr. Ajay Dua will attain the age of seventy five years on July 15, 2022 . The Special Resolutions under item Nos. 12,13 and 14, once passed, shall also be deemed as your approval under the Listing Regulations, for continuation of Mr. R C Bhargava, Dr. S Narayan and Dr. Ajay Dua as Independent Directors beyond the age of seventy five years.

Mr. R C Bhargava, Dr. S Narayan and Dr. Ajay Dua are eminent personalities. Their professional profile, proven experience in business domain have added value to the Company and delivered good payoffs to shareholders in the form of improved valuations, sound governance practices, good dividend, etc. A brief resume of all the above mentioned Directors, the nature of their expertise in specific functional areas, names of companies in which they hold Directorship, Committee Memberships/ Chairmanships, their shareholding etc., are separately annexed hereto in Annexure 1.

In addition to sitting fees for attending the meetings of the Board and its Committees, the above Directors would also be entitled to remuneration, individually, by whatever name called, for each financial year, as approved by the Members at this 44th Annual General Meeting and as may be determined by the Board.

Accordingly, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors recommend the Special resolutions set out at item no. 10 to 15 for your approval.

The said Independent Directors are not related to any of the Directors or Key Managerial Personnel of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company (including relatives of Directors or Key Managerial Personnel) other than the respective Non-Executive Independent Director themselves and their relatives, is concerned or interested, financially or otherwise, in these resolutions.

Additional information in respect of the above mentioned Directors, pursuant to Listing Regulations and the Secretarial Standard on General Meetings (SS-2) is appearing in the Annexure to this Notice and in the Annual Report under 'Directors' Report' and 'Report on Corporate Governance'.

ITEM NO. 16

The Nomination and Remuneration Committee and the Board of Directors of the Company ('the Board') are of the view that the nature of work and responsibilities of Non-Executive Independent Directors are significant and they needs to be compensated suitably. Accordingly, upon recommendation of the Nomination and Remuneration Committee the Board at its meeting held on July 19, 2019, has recommended for approval of Members, payment of remuneration including profit related Commission, by whatever name called, to the Non-Executive Independent Directors of the Company, in line with the current trends and commensurate with the time devoted and the contribution made by them, for a period not exceeding five years with effect from April 1, 2019, not exceeding one percent of the net profits of the Company, for each financial year, as set out in the Resolution.

Additional information in respect of the Non-Executive Independent Directors, pursuant to the Secretarial Standard on General Meetings, is appearing in the Annual Report under relevant sections of the 'Directors Report' and 'Report on Corporate Governance'.

The Non-Executive Independent Directors, and their relatives, are interested in this Resolution in so far as the same relates to their respective remuneration. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Resolution.

Based on the recommendation of Nomination and Remuneration Committee, the Board recommends this Resolution set out at item no. 16 for your approval.

ANNEXURE 1

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 30TH AUGUST, 2019

Name of the Director	Mr. Amit Burman	Mr. Mohit Burman	Mr. Mohit Malhotra	Mr. Ajit Mohan Sharan
Directors Identification Number (DIN)	00042050	00021963	08346826	02458844
Date of Birth	16.07.1969	20.07.1968	18.07.1969	02.03.1957
Date of appointment	01.11.2001	23.07.2007	31.01.2019	31.01.2019
Qualification	MBA from Cambridge University, England	Graduated from Richmond College, London and MBA in Finance from Babson Graduate School of Business Wellesley.	Management Graduate from Pune University and Executive Masters in International Business from the Indian Institute of Foreign Trade, New Delhi	Graduated from IIT Delhi, Masters in Business Administration from Louisiana State University in US and Masters in Development Economics from the University of Wales in UK.
Experience & Expertise in specific functional areas	He is responsible for the growth of foods business of the Company which under his dynamic leadership has achieved a phenomenal growth. He had got rich experience in Foods Business.	Mr. Mohit Burman has been instrumental in expanding the group`s financial services business into Asset Management and Life Insurance by setting up insurance Company AVIVA Life Insurance Company India Ltd. He has to his credit the acquisition of Balsara Home Products Limited in 2005. He is seasoned entrepreneur and is associated in various capacities with different sports franchise teams in India.	Mr. Mohit Malhotra joined Dabur in year 1994 and handled key assignments in marketing and sales. In year 2001, he took over as the business head of the European Union. In year 2004, he moved into Dabur's International business as head of Marketing based in Dubai and took over reins as Chief Executive officer of Dabur International in year 2008. He took over as CEO – India Business of Dabur India Ltd. on 1.4.2018 and came on Board w.e.f. 31.1.2019 as CEO (CEO designate upto 31.3.2019). He possesses a strong leadership record and has a deep understanding of the consumer and business landscape across geographies. His achievements in business have earned recognition at the global level. He has been ranked in Forbes Middle East's list of Arab World's leading Indian Executives, consecutively for 4 years in a row from 2014, besides being named the NRI Professional of the Year 2016.	As a Member of the Indian Administrative Service since 1979, Mr. Sharan has held a variety of senior assignments in the Govt. of Haryana as well as in the Govt. of India. He has held the positions of Principal Secretary for Power, Finance, Technical Education and Urban Development in the State. In the Central Government, he has worked as joint secretary in the Department of Banking and Insurance during which period he has served on the Boards of Canara Bank and almost all the major public sector insurance companies. He also served as CMD of Oriental Insurance Company during the period. He was closely associated with the opening up of the insurance sector and the initial reforms in it. More recently, before superannuating from the IAS in 2017, he has worked as Secretary to the Government in the Ministries of Sports and Ayush where he led the national effort for celebration of International day of Yoga and also initiated plans for setting up several national level institutions in the field of Ayurveda. Mr. Sharan has worked at the strategy and leadership level in the sectors of energy, government finances, health and sports. In almost all the assignments, Mr. Sharan's main mandate has been formulation and implementation of policies in the relevant sector and providing strategic leadership to the organization. Currently, Mr. Sharan is advising companies across several sectors on business strategy and corporate affairs.
Terms and conditions for appointment / re-appointment	As per Company Policy on appointment of Board members			
Remuneration last drawn	As mentioned in the Corporate Governance Report (forming part of Annual Report 2018-19)			
Shareholding in the company as on 31.03.2019 (in individual capacity or on beneficial basis for any other person)	Nil	Nil	9,35,863 equity shares of ₹1/- each	Nil
Relationship with other Directors and KMPs of the Company	None	None	None	None
Number of Board meetings attended during the year	Four out of Four	Four out of Four	NA	NA

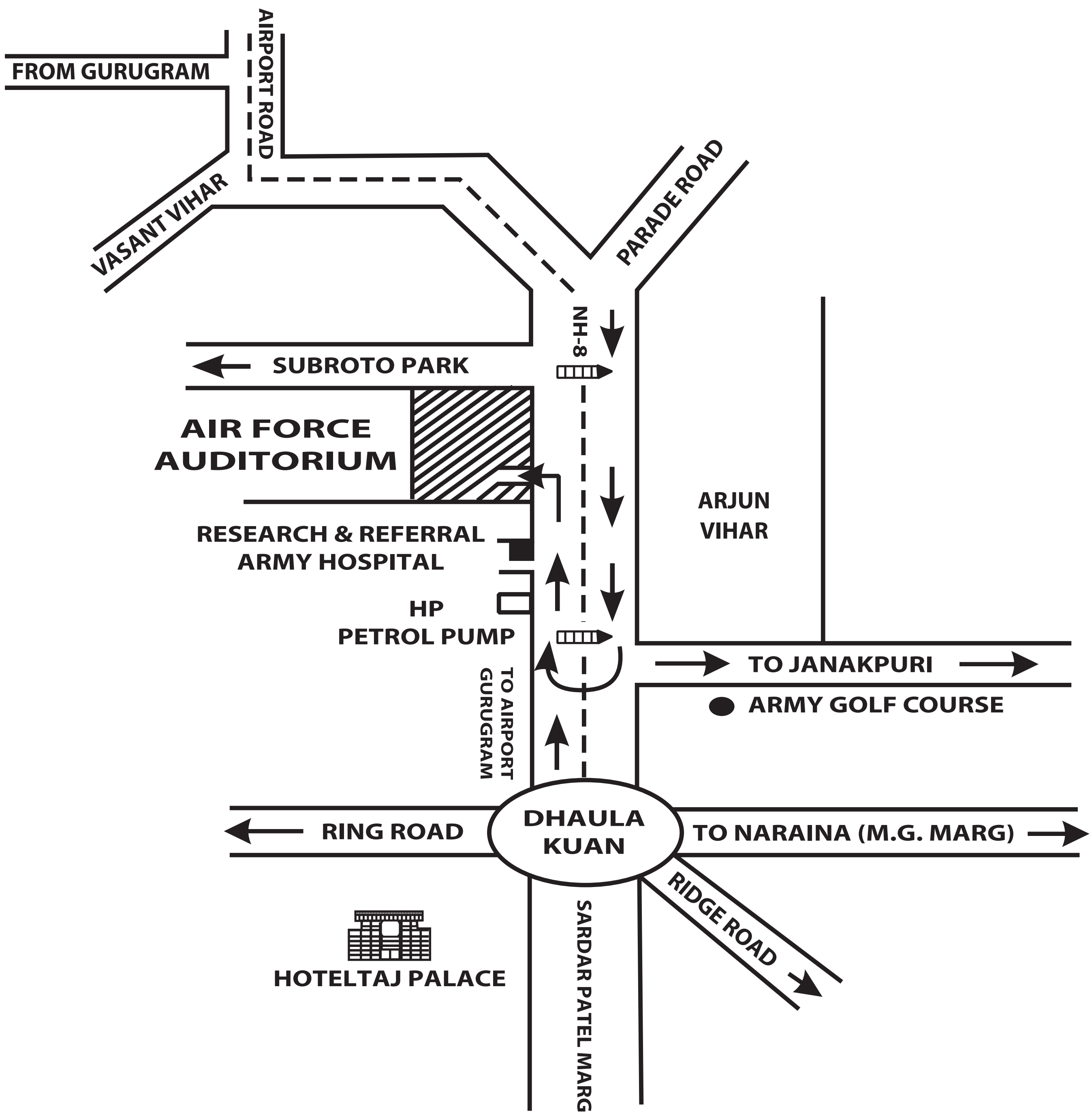
Name of the Director	Mr. Amit Burman	Mr. Mohit Burman	Mr. Mohit Malhotra	Mr. Ajit Mohan Sharan
List of Companies in which outside Directorships in Indian Companies held as on 31.03.2019	1. Kho Kho Sports League Pvt. Ltd. 2. A.B. Propmart Pvt. Ltd. 3. Chowdry Associates 4. Dabur Securities Pvt. Ltd. 5. Gyan Enterprises Pvt. Ltd 6. HMS Host & Lite Bite Pvt. Ltd 7. Lite Bite Foods Tres Pvt. Ltd. 8. Lite Bite Foods Pvt. Ltd 9. Lite Bite Travel Foods Pvt. Ltd. 10. Mind sports league Pvt. Ltd 11. Natures Bounty Wines and Allied Products Pvt. Ltd. 12. Oriental Structural Engineers Pvt. Ltd. 13. Ratna Commercial Enterprises Pvt. Ltd. 14. Talbros Automotive Components Ltd. 15. Micromax Informatics Ltd. 16. PVR Limited 17. H&B Stores Ltd.	1. M.B Finmart Pvt. Ltd. 2. Marketopper Securities Pvt. Ltd. 3. VIC Enterprises Pvt. Ltd. 4. Malhotras Trading Co. Pvt. Ltd. 5. Bonjour Investment Company Pvt. Ltd. 6. Universal Sompo General Insurance Company Ltd. 7. Elephant India Advisor Pvt. Ltd. 8. H & B Stores Ltd. 9. Aviva Life Insurance Co. India Ltd 10 K.P.H Dream Cricket Pvt. Ltd. 11. Burmans Finvest Pvt. Ltd. 12 Elephant India Finance Pvt. Ltd. 13. Windy Investments Pvt. Ltd. 14. Burman Hospitality Pvt. Ltd.	Nil	1. SDS Life Sciences Pvt. Ltd. 2. TRASSTADIA Holding Pvt. Ltd.
Chairman/ member in Committees of Board of Directors of other Indian Public Companies as on 31.03.2019	1. Micromax Informatics Ltd. - Audit Committee – Member - Corporate Social Responsibility – Member - Nomination and Remuneration Committee – Chairman 2. Talbros Automative Components Ltd. - Audit Committee – Member - Nomination and Remuneration Committee – Member - Corporate Social Responsibility Committee – member 3. PVR Limited - Audit Committee – Member - Nomination and Remuneration Committee – Member	1. Aviva Life Insurance Company India Ltd. - Audit Committee – Member - Nomination and Remuneration Committee – Member 2. Universal Sompo General Insurance Co. Ltd. - Audit Committee – Member	Nil	Nil

Name of the Director	Mr. Aditya Burman	Mrs. Falguni Sanjay Nayar	Mr. P N Vijay	Dr. S Narayan
Directors Identification No. (DIN)	00042277	00003633	00049992	00094081
Date of Birth	19.01.1980	19.02.1963	10.07.1951	20.06.1943
Date of appointment	19.07.2019	28.07.2014	15.05.2001	26.07.2005
Qualification	Bachelor of Science in Chemistry from The University of Kansas.	MBA (IIM, Ahmedabad)	M Sc, IIT Chennai	M.Sc -Physics, MBM Finance, M.Phill-Cambridge, Ph.D. IIT Delhi, IAS (Retd.)
Experience & Expertise in specific functional areas	Mr. Aditya Burman returned to India after completing his studies in 2003 and joined as an intern at Dabur Pharma Ltd., a family-owned Oncology-focussed Pharmaceutical firm. Fuelled with grit and perseverance, Aditya worked towards expanding the company's footprint in the overseas markets and was soon in charge of its Sales and Marketing in Latin America. Under his stewardship, Dabur Pharma emerged as a leading research-driven pharmaceutical firm with a global presence. The company was subsequently sold to Fresenius Kabi in 2008. He is also a Director on the board of Oncquest Laboratories Ltd., a Clinical Pathology and Molecular Diagnostics company with a focus in Oncology and Genetics. After the sale of Dabur Pharma, Aditya focussed his energy on building Oncquest as the preferred reference laboratory for physicians, hospitals and research bodies. He was also instrumental in streamlining operations, strengthening its research function, and giving it a pan-India presence to drive growth. He also serves on the Board of Dabur Nepal Pvt Ltd, besides being the President of the Delhi Chapter of Entrepreneurs' Organization, a global network exclusively for entrepreneurs. Born in January 1980, Aditya lives in Delhi and has also been supporting several charities in the health care and health awareness space. He has also been involved with agencies in supporting children suffering from Cancer.	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 a founder and CEO of Nykaa, which is an online shopping website. She was recognized as top women in business by Business Today in 2009 and 2011. She has also received FICCI ladies organization award for top women achiever in the field of banking in 2008.	Mr. P N Vijay is a leading expert in stock and financial market. He is regular columnist in leading newspaper and financial journals.	For nearly 4 Decades (1965 to 2004) he was in public service in the State and Central Government, in development administration. Retired as economic advisor to the Prime Minister of India, he has rich experience in formulation of macro –economic policy for the government tariff and taxation policies as well as initiatives for modernizing the capital markets.
Terms and conditions for appointment/ re-appointment	As per Company Policy on appointment of Board members			
Remuneration last drawn	As mentioned in the Corporate Governance Report (forming part of Annual Report 2018-19)			
Shareholding in the company as on 31.03.2019 (in individual capacity or on beneficial basis for any other person)	Nil	Nil	Nil	Nil
Relationship with other Directors and KMPs of the Company	None	None	None	None
Number of Board meetings attended during the year	N/A	Four out of Four	Four out of Four	Four out of Four

Name of the Director	Mr. Aditya Burman	Mrs. Falguni Sanjay Nayar	Mr. P N Vijay	Dr. S Narayan
List of Companies in which outside Directorships in Indian Companies held as on 31.03.2019	1. Northern Aromatics Ltd. 2. Milky Investment and Trading Company. 3. Daivam Wellness Pvt. Ltd. 4. Oncquest Laboratories Ltd.	1. Heritage View Developers Pvt. Ltd. 2. Tata Motors Ltd. 3. Valleyview Probuild Pvt Ltd 4. Sea View Probuild Pvt Ltd 5. ACC Ltd 6. FSN Brand Marketing Pvt Ltd 7. Kotak Securities Ltd 8. Sealink View Probuild Pvt Ltd 9. Tata Technologies Ltd. 10. Endurance Technologies Ltd. 11. Golf Land Developers Pvt Ltd 12. FSN E-commerce Ventures Pvt Ltd	1. Maharashtra Seamless Ltd. 2. H&B Stores Ltd. 3. India Trade Promotion Organisation 4. ILearn Finance Academy Pvt. Ltd. 5. Rainbow Digital Services Pvt. Ltd.	1. Apollo Tyres Ltd. 2. Seshasayee Paper and Boards Ltd 3. IIFL Holdings Ltd. 4. Artemis Global Life Sciences Ltd. 5. Castlewood Trading Pvt Ltd. 6. Rudransh Trading Pvt. Ltd. 7. Shanti Narayan Foundation 8. Artemis Medicare Services Ltd. 9. IIFL Wealth Finance Ltd. 10. Andhra Pradesh Urban Infrastructure Asset Management Ltd.
Chairman/member in Committees of Board of Directors of other Indian Public Companies as on 31.03.2019	1. Northern Aromatics Ltd. - Audit Committee - Member - Corporate Social Responsibility Committee - Member - Nomination and Remuneration Committee - Member 2. Oncquest Laboratories Ltd. - Audit Committee - Member - Nomination and Remuneration Committee - Member	1. Kotak Securities Ltd - Audit Committee – Member - Nomination and Remuneration Committee – Chairman 2. ACC Ltd - Corporate Social Responsibility Committee – Member - Risk Management Committee – Chairman 3. Tata Motors Ltd - Audit Committee - Member - Stakeholders Relationship Committee - Member - Corporate Social Responsibility Committee – Member 4. Tata Technologies Limited - Audit Committee– Chairman - Nomination and Remuneration Committee – Member - Corporate Social Responsibility Committee – Member	1. India Trade Promotion Organisation - Audit Committee - Chairman - Nomination and Remuneration Committee - Chairman - Risk Management Committee – Member 2. H&B Stores Ltd - Audit Committee – Chairman - Nomination and Remuneration Committee – Member 3. Maharashtra Seamless Limited. - Audit Committee - Member	1. Apollo Tyres Ltd. - Audit Committee - Chairman - Nomination and Remuneration Committee - Chairman 2. Seshasayee Paper and Board Ltd - Audit Committee - Member 3. Artemis Global Life Sciences Limited - Stakeholders Relationship Committee – Chairman - Audit Committee – Chairman - Nomination and Remuneration Committee – Chairman 4. Artemis Medicare Services Limited. - Audit Committee - Chairman - Corporate Social Responsibility Committee - Chairman

Name of the Director	Mr. R C Bhargava	Dr. Ajay Dua	Mr. Sanjay Kumar Bhattacharyya
Director`s Identification Number (DIN)	00007620	02318948	01924770
Date of Birth	30.07.1934	15.07.1947	31.10.1950
Date of appointment	27.01.2005	03.09.2009	23.07.2012
Qualification	MA in Development Economics, MS in Mathematics, IAS retired.	IAS (Retd.), M Sc (Eco), Ph. D.	B.A (Hons.) in Economics
Experience & Expertise in specific functional areas	He served in Indian Administrative services and has held the post of Joint Secretary in the Ministry of Energy and in the Cabinet Secretariat. He held various positions in Maruti Suzuki India Limited since its inception including its CEO. At present he is Chairman of Maruti Suzuki India Ltd.	A retired civil servant, Dr. Dua joined the Indian Administrative Service in 1971. He has held a variety of senior assignments in the Government of Maharashtra and the Government of India. With a strong academic background and diverse work- experience Dr. Dua is currently a senior business advisor / Board Member of several multinational firms.	He was the former Managing Director and Chief Credit & Risk Officer with State Bank of India. He is an astute senior level banker with over 38 years of experience spanning International and Corporate Banking across geographies, Retail Banking, Credit & Risk Management, Liability Management, Human Resource Management as CEO of three banks, including State Bank of India, State Bank of Bikaner & Jaipur and SBI (International) Mauritius.
Terms and conditions for appointment/ re-appointment	As per Company Policy on appointment of Board members		
Remuneration last drawn	As mentioned in the Corporate Governance Report (forming part of Annual Report 2018-19)		
Shareholding in the company as on 31.03.2019 (in individual capacity or on beneficial basis for any other person)	Nil	Nil	Nil
Relationship with other Directors and KMPs of the Company	None	None	None
Number of Board meetings attended during the year	Four out of Four	Four out of Four	Three out of Four
List of Companies in which outside Directorships in Indian Companies held as on 31.03.2019	1. Intellect Commerce Limited 2. Maruti Suzuki India Ltd. 3. Thomson Press Ltd. 4. ISE-Suzuki Eggs India Pvt Ltd 5. RCB Consulting Pvt. Ltd	1. Kirloskar Penumatic Company Ltd	1. Wanbury Ltd. 2. Persistent System Ltd 3. C & S Electric Ltd 4. SBM Bank (India) Ltd 5. H&B Stores Ltd 6. Number Analytics and Information Ltd
Chairman/member in Committees of Board of Directors of other Indian public Companies as on 31.03.2019	1. Maruti Suzuki India Ltd. - Stakeholders Relationship Committee - Chairman - Corporate Social Responsibility Committee - Chairman - Risk Management Committee - Chairman - Nomination and Remuneration Committee – Member 2. Thomson Press Ltd. - Audit Committee – Chairman - Nomination and Remuneration Committee - Member	1. Kirloskar Penumatic Company Ltd - Audit Committee - Member - Risk Management Committee - Member - Nomination and Remuneration Committee – chairman	1. Wanbury Ltd - Audit Committee - Member - Nomination and Remuneration Committee - Member - Risk Management Committee - Member - Stakeholders Relationship Committee – Chairman 2. H&B Stores Ltd - Audit Committee - Member - Nomination and Remuneration Committee – Chairman 3. Persistent System Ltd - Audit Committee - Member - Nomination and Remuneration Committee - Member - Risk Management Committee - Member - Stakeholders Relationship Committee – Chairman 4. C & S Electric Ltd - Nomination and Remuneration Committee – Member - Audit Committee - Chairman

Route map to the venue of the 44th AGM of Dabur India Limited



Venue : Air Force Auditorium, Subroto Park, New Delhi – 110 010
Landmark : Adjacent to Research & Referral, Army Hospital


NEW
Dabur Babool Ayurvedic Paste
Ayurvedic Toothpaste For Your Family
100 g
@
₹30
Triphala
Antioxidant Effect
Mint
Freshens Breath
Patchouli
Reduces Inflammation
Clove
Helps Fight Cavity Causing Germs
Babool
Strengthens Teeth
Dabur
NEW
Babool
Ayurvedic
PASTE

Dabur India Limited
8/3, Asaf Ali Road, New Delhi - 110002, India
Website: www.dabur.com | E-mail: corpcomm@mail.dabur
Email for Investors: investors@mail.dabur

a K&A creation | www.kalolwala.co.in

Business Responsibility Report : As Mandated by SEBI

FY 2018-2019

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 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 all 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 Listing Obligation and Disclosure Requirement Regulations, 2015 has mandated the inclusion of a "Business Responsibility Report" (BRR) as part of company's Annual Report for top 500 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 those 9 Principles. Following is the seventh Business Responsibility Report of Dabur which is based on the format suggested by SEBI.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company**

   L24230DL1975PLC007908

2. **Name of the Company**

   Dabur India Limited

3. **Registered address**

   8/3, Asaf Ali Road, New Delhi 110002

4. **Website**

   www.dabur.com

5. **E-mail id**

   investors@mail.dabur

6. **Financial Year reported**

   2018-19

7. **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 & foods. Our product portfolio includes nearly 400 trusted products spread across 21 categories and over 1,000 SKUs.

   Principle product categories of the company with ITC code are:

Product Description	ITC Code No.
Fruit Juice	20099000
Ayurvedic Medicines	30049011
Hair Oils	33059011
Tooth paste and powder	33061010

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
- Home & personal care products
- 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. Home and personal care products include products for hair care, skin & body care, oral care and home care.

Some of our leading brands include Dabur ***Chyawanprash***, Dabur Honey, Dabur ***Amla***, Dabur Red tooth Paste and ***'Real'*** range of fruit juices.

9. Total number of locations where business activity is undertaken by the Company

a) Number of International Locations (Provide details of major 5)

Detail of Dabur's international business , through its overseas subsidiaries, is given below:

S.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, Nigeria and South Africa	Hair oils, hair creams, conditioning and treatment products and toothpastes
3	Asia (ex-India) - Nepal, Bangladesh, Sri Lanka and Pakistan	Foods, hair oils, shampoos, digestives and home care
4	U.S.A.	Specialised 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 Number of National Location

B) Dabur has manufacturing plants at 12 locations across the country.

State/Union Territory	Location
Himachal Pradesh	Baddi
Uttarakhand	Pantnagar
Uttar Pradesh	Ghaziabad
Jammu & Kashmir	Jammu
Rajasthan	Alwar, Newai
Madhya Pradesh	Katni, Pithampur
West Bengal	Narendrapur
Maharashtra	Nasik
Dadra and Nagar Haveli	Silvassa
Assam	Tejpur

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)

176.63 crore

2. Total Turnover (INR)

6,547.93 crore

3. **Total profit after taxes (INR)**

   1,264.29 crore

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**

   2% of PAT for FY 2018-19

   Total CSR expenditure is 2% of average net profits (before tax) 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

   Ensuring Environmental Sustainability

   Providing Employment Generating Vocational Skills and Livelihood Enhancement Projects

   Promotion of Education

   Promoting Gender Equality and Empowering Women

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Following are the subsidiary companies:

   - African Consumer Care Limited, Nigeria - (Foreign Wholly Owned Subsidiary)
   - Asian Consumer Care Pakistan Pvt. Ltd., Pakistan - (Foreign Wholly Owned Subsidiary)
   - Asian Consumer Care Pvt Ltd., Bangladesh - (Foreign Subsidiary)
   - Atlanta Body and Health Products Proreitory Limited - (Foreign Subsidiary)
   - Dabur (UK) Ltd., British Virgin Island - (Foreign Wholly Owned Subsidiary)
   - Dabur Consumer Care (Private) Limited, Srilanka - (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 Pakistan Pvt. Ltd., Pakistan - (Foreign Subsidiary)
   - Dabur Pars, Iran - (Foreign Wholly Owned Subsidiary)
   - Dabur South Africa Pty. Ltd., South Africa (Foreign Wholly Owned Subsidiary)
   - Dabur Tunisie, Tunisia - (Foreign Wholly Owned Subsidiary)
   - Dermoviva Skin Essentials Inc., USA - (Foreign Wholly Owned Subsidiary)
   - D and A Cosmetics Propreitory Limited – (Foreign Wholly Owned Subsidiary)
   - H & B Stores Limited (Domestic Wholly Owned Subsidiary)
   - Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria (Foreign Wholly Owned Subsidiary)
   - Healing Hair Lab International LLC, USA - (Foreign Wholly Owned Subsidiary)
   - Hobi Kozmetik – Turkey (Foreign Wholly Owned Subsidiary)
   - Namaste Laboratories LLC- USA (Foreign Wholly Owned Subsidiary)
   - Naturelle LLC, UAE - (Foreign Wholly Owned Subsidiary)
   - RA Pazarlama – Turkey (Foreign Wholly Owned Subsidiary)
   - Urban Lab 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 greenhouse projects. (Details in response to question 4 in Section E, Principle 2)	< 30%
Distributors	We actively engage with our distributors to build their capacity through workshops and training sessions.	<30%
B2B customers	We organise 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 responsibility of the Corporate Social Responsibility Committee of the Board of Directors.

DIN	Name	Designation
02318948	Dr. Ajay Dua	Independent Director
00021581	Mr. P. D. Narang	Executive Director
00041825	Mr. Sunil Duggal	Executive Director
01924770	Mr. Sanjay Kumar Bhattacharyya	Independent Director

   b) Details of the BR head

S.No.	Particulars	Details
1.	DIN (if applicable)	00042902
2.	Name	Ashok Kumar Jain
3.	Designation	E.V.P. Finance & Company Secretary
4.	Telephone number	011-71206000
5.	e-mail id	ashok.jain@mail.dabur

2. **Principle-wise (as per NVGs) BR Policy/policies**

   a) **Details of Compliance (Reply in Y/N)**

   As per table

   a) Details of Compliance (Reply in Y/N)

Sl. No.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
		Ethics, transparency & sustainability accountability	Sustainability in life-cycle of product	Employee well- being	Stakeholder engagement	Promotion of human rights	Environmental protection	Responsible public policy advocacy	Inclusive growth	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 conform to any national / international standards? If yes, specify.	NA	NA	Yes, OHSAS 18001	NA	NA	Yes, ISO 14001	NA	NA	NA

Sl. No.	Questions	Principle 1 Ethics, transparency & sustainability accountability	Principle 2 Sustainability in life-cycle of product	Principle 3 Employee well- being	Principle 4 Stakeholder engagement	Principle 5 Promotion of human rights	Principle 6 Environmental protection	Principle 7 Responsible public policy advocacy	Principle 8 Inclusive growth	Principle 9 Customer value
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 Director	Yes, CEO	Yes, CEO	Yes, CEO	Yes, CEO	Yes, CEO	NA	Yes, Board of Directors	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 #	1. Code of Ethics and Conduct 2. Whistle Blower and Protection Policy 3. Code of Fair Disclosure of Unpublished Price Sensitive Information 4. Policy on Related Party Transactions 5. Policy on Disclosure of Material Events and Information		1. Code of Ethics and Conduct 2. Whistle Blower and Protection Policy 3. Prevention of Sexual Harassment of women at workplace	1. Whistle Blower and Protection Policy 2. Dividend Distribution Policy 3. Investors Policy 4. Policy on Rights of Shareholders 5. Shareholder Services	1. Whistle Blower and Protection Policy 2. Prevention of Sexual Harassment of women at workplace	Occupational Health, Safety and Environment policy		CSR Policy	
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.								

Sl. No.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
		Ethics, transparency & sustainability accountability	Sustainability in life-cycle of product	Employee well- being	Stakeholder engagement	Promotion of human rights	Environmental protection	Responsible public policy advocacy	Inclusive growth	Customer value
# Link for Policies		Code of Ethics and Conduct: http://www.dabur.com/img/upload-files/42-codeofconductslidesnew.pdf Whistle Blower and Protection Policy: https://www.dabur.com/img/upload-files/164-direct-touch-29.3.2019.pdf Code for Disclosure of Unpublished Price Sensitive Information: http://dabur.com/img/upload-files/39-code-of-corporate-disclosure.pdf Policy on Related Party Transactions: http://dabur.com/img/upload-files/1135-policy-on-related-party-transactions.pdf Policy on Disclosure of Material Events and Information: http://dabur.com/img/upload-files/46-policy-on-disclosure-of-info-under-listing-regulations.pdf Prevention of Sexual Harassment of women at workplace http://pulse.dabur.com/rvw/document/portlet/policies__264116_13742.doc Dividend Distribution Policy: http://dabur.com/img/upload-files/166-dividend-distribution-policy.pdf Investors Policy: http://www.dabur.com/img/upload-files/40-investors-policy-2013.pdf Policy on Rights of Shareholders: http://www.dabur.com/in/en-us/investor/investor-information/shareholder-services/shareholder-rights Shareholder Services: http://www.dabur.com/in/en-us/investor/investor-information/shareholder-services CSR Policy: http://dabur.com/img/upload-files/309-csr-policy.pdf Occupational Health, Safety and Environment policy: http://www.dabur.com/img/upload-files/310-ohse-policy.pdf								

b) **If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

S. 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 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**

a) **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

b) **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 and previous reports are available online at http://www.dabur.com/in/en-us/investor/reports/brr

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?**

Yes, the **Whistler Blower & Protection policy** of the company which 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. This policy provides a platform to these stakeholders for reporting suspected unethical behaviour, malpractices, wrongful conduct, fraud, violation of the Company's Policies including Code of Ethics and Conducts, violation of law or questionable Accounting or Auditing matters by any employee/director in the company, leak of any unpublished price sensitive information (UPSI) or any suspected leak of UPSI 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.

Company also has the **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.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

During the financial year, 2 complaints were received under the provisions of the Direct Touch policy. These complaints are under investigation.

13 complaints from investors were received during the financial year. These complaints pertained to non receipt of shares on transfer / transmission / non receipt of dividend etc. These complaints were addressed and were resolved.

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):

a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

All business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy consumption (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

Some of the energy conservation measures adopted across the Company are outlined below:

- Herbs are used for manufacturing of Ayurevedic products, installation of In-house "Herb Briquette" manufacturing using these processed herbs. These Herb Briquettes are used as boiler feed, thereby reducing the land fill required for safe disposal of used herbs.
- Methane gas get generated during the treatment of effluents in Effluent treatment plant. Methane gas used to go in environment. Now DG set based on methane gas as feed has been installed and thereby restricting methane gas emission in environment
- Installation of Solar panels equivalent to 500 KW at Tezpur plant.

b) 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.

We are sourcing our important raw materials like palm oil, paper pulp from sulliers which are having sustainable sourcing certificate from acredited certifying agencies like Rainforest Alliance.

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, and 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 and weeding out the middlemen, Dabur can more effectively engage them in sustainable resource management.

Company's prgramme for protecting endangered species of herbs and bee-keeping coverd many states where local farmers and tribal community are engaged and trained on sustainable cultivation through agencies.

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%)

Dabur is committed towards Environment, Health & Safety Control Measures, creating a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by example. Dabur's Environment, Health & Safety (EHS) strategies are directed towards achieving the greenest and safest operations across all units by optimising usage of natural resources and providing a safe and healthy workplace. Systemic efforts continue to be made towards natural resource conservation by continuously improving resource-use efficiencies and enhancing the positive environmental footprint following a life-cycle based approach.

Dabur is addressing the critical area of climate change mitigation through several innovative and pioneering initiatives. These include continuous improvement in energy efficiency, enhancing the renewable energy portfolio, integrating green attributes into the built environment, better efficiency in material utilisation, maximising water use efficiencies and rain water harvesting, maximising collection, segregation, recycling and safe disposal of post-consumer generated plastic waste under solid waste management drive.

Water: Dabur continues to focus on an integrated water management approach that includes water conservation and harvesting initiatives at its units. Interventions have been spearheaded to improve water use efficiencies by adopting latest technologies and increasing reuse and recycling practices within the fence. The supply side interventions include enhanced capture and storage of rainwater (in soil and storage ponds) and recharging aquifers. These initiatives are aimed at helping Dabur emerge as a water neutral company in the coming years.

We continue to follow the 3-R (Reduce, Reuse & Recycle) principle at our manufacturing units. Ground water is one of major source for us and DIL is committed to significant reduction in ground water usage by installing water efficient technology in processes, besides employing best effluent treatment system like Reverse Osmosis plants to re-utilise treated water into system. Due to segregation of all Trade and Domestic effluents through independent treatment systems and by installing/up gradation of ETP/SwTP & UF/RO recycling plants, DIL successfully achieved 800 Lt/MT reduction in fresh Raw Water consumption, with 120 Lt/MT reduction in effluent generation, increased 150 Lt./MT treated effluent through reuse/recycle.

Waste: Dabur continues to make significant progress in reducing specific waste generation through constant monitoring and improvement of efficiencies. With these initiatives, Dabur has prevented waste reaching landfills and the associated problems of soil and groundwater contamination and GHG emissions, all of which can adversely impact public health. In the current year, Dabur has achieved over 0.10 KG/MT reduction in Hazardous waste generation, reduction in energy consumption by 15 KWH/MT, reduction in green-house gas emissions by 1.0 MT; reduction in SOx by 50 MT; reduced Ozone depleting Substances (ODS) by 100 kg and 2 MT of e-waste disposal to the approved e-waste recyclers during the FY 2018-19.

In the FMCG sector, we have been leading the drive for reduction in end-user Plastic waste and setting an example for other companies. Dabur is closely working with MoEF&CC, CPCB, CGWA, FICCI & CII to make it successful. Different projects has been initiated across India with the help of different NGOs and Associates to not just meet our PWM EPR (Extended Produced Responsibility) guidelines under PWM Rule 2016, amended 2018, but be the torchbearer when it comes to managing post-consumer plastic waste.

Under our EPR Activity, Dabur has mitigated around 5500 MT of CO2E emissions and saved 80000 GJ Energy by diverting approximate 4000 tonnes of Post-Consumer Plastic Waste from landfills to recycling.

Principle 3

1. **Please indicate the Total number of employees**

   Permanent employees of Dabur India Ltd. (India only): 4,974

   - Of these, Management/Executive Stafff: 1,005
   - Blue collared/other staff: 3,969

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis**

   Temporary/Contractual /Casual employees: 5,707

3. **Please indicate the Number of permanent women employees**

   155 women employees

4. **Please indicate the Number of permanent employees with disabilities**

   This number is not tracked as Dabur does not follow differential recruitment policy based on employees' demographic details and physical abilities.

5. **Do you have an employee association that is recognized by management?**

   Yes, we have employee association which is registered under "Trade Union Act - 1926" in Kolkata

6. **What percentage of your permanent employees is members of this recognized employee association?**

   Less than 5% of the permanent employees are members of this recognised employee association

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.**

S.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?**

a) Permanent Employees	90 %
b) Permanent Women Employees	100 %
c) Casual/Temporary/Contractual Employees	70 %
d) 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 around our manufacturing facilities (with a focus on women and children from these communities) 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 and take variouse initiatives, like carrying out CSR activities for them.

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
Communities around manufacturing facilities	• 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. Some of the initiatives taken during the financial year are: o to provide easy access to toilets and sanitation facilities in rural households o Construction & Repair work of school building, toilets o Vocational Training to women and villagers o Vocational Training to rural youth o Non Formal Education and Remedial Education Centers for kids o School Support Programmes like benches & desks, educational aids o Adult Literacy Centres; self help groups for women

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, human rights related issues 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 but to business associates (suppliers, stockists and dealers) as well. Company does 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.

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 past financial year

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 extend to 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.**

   Dabur is addressing the critical area of climate change mitigation through several innovative and pioneering initiatives. These include continuous improvement in energy efficiency, enhancing the renewable energy portfolio, integrating green attributes into the built environment, better efficiency in material utilisation, maximising water use efficiencies and rain water harvesting, maximising collection, segregation, recycling and safe disposal of post-consumer generated plastic waste under solid waste management drive

   DIL successfully achieved 800 Lt/MT reduction in fresh Raw Water consumption, with 120 Lt/MT reduction in effluent generation, increased 150 Lt./MT treated effluent through reuse/recycle.

   In the current year, Dabur has achieved over 0.10 KG/MT reduction in Hazardous waste generation, reduction in energy consumption by 15 KWH/MT, reduction in green-house gas emissions by 1.0 MT; reduction in SOx by 50 MT; reduced Ozone depleting Substances (ODS) by 100 kg and 2 MT of e-waste disposal to the approved e-waste recyclers during the FY 2018-19.

   Under our EPR Activity, Dabur has mitigated around 5500 MT of CO2E emissions and saved 80000 GJ Energy by diverting approximate 4000 tonnes of Post-Consumer Plastic Waste from landfills to recycling.

3. **Does the company identify and assess potential environmental risks? Y/N**

Yes, the company regularly identifies the potentioal environmental risks. 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:
  - o Activities – e.g. handling of hazardous materials, receiving, storage, processing, disposal etc.
  - o Services - e.g. transportation, maintenance, washing, conditioning, etc.
- Classify activities into “Direct” and “Indirect”
  - o Direct: Those which are under the direct control of the organization
  - o 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:
  - o Use of raw materials, consumables, etc. (in case of natural resource), use of a non bio-degradable material (for possible material substitutions)
  - o Use of water
  - o Use of energy

The above steps will help in determining if any risk can be 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.**

Following are the steps taken by the Company:

Clean Technology: 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) at our Sahibabad factory to reduce the use of diesel. We are reusing water from treated effluent at the plants. Also more efficient use has reduced raw water consumption even with increase in production.

Energy Efficiency: minimized usage of petroleum products by modifying our boilers into bio-fuels boilers, we are replacing with more energy efficient equipments, lighting fixtures and also using translucent roofing streets to use solar light during day time, installation of Vacuum Circuit Breaker and Power factor monitoring Panel, use of VFD with pulvizers.

Renewable Energy: We are seeking opportunities in the field of solar 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 and more projects are being implemented at plant level.

Our all units are compliant of zero liquid discharge system. Expanding green cover through plantation drives is another activity that we undertake on an ongoing basis and have declared 1st Jan 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?**

The emissions, solid waste and effluent generated are monitored on a regular basis and are 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)
   f) Action Alliance for Recycling Beverage Cartons (AARC)
   g) Pet Packaging Association For Clean Environment (PACE)

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
   - Plastic Waste Management

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.

   We strive to enhance the lives of communities that surround our operations. Our initiatives focus on health, education, livelihood-linked skill development, financial inclusion and empowerment through formation of Self Help Groups, village development and veterinary services. Some of the initiatives are as follows:

   - Initiatives for Sanitation and Malnutrition Need
     - provide easy access to toilets and sanitation facilities in rural households
     - Programmes to meet nutrition needs of poor & needy
   - Healthcare Initiatives
     - Health camps to provide easy access to reliable healthcare for poor & needy
     - Oral hygiene awareness camps in schools
     - Programmes for addressing health care needs of poor & needy
     - Operating a permanent Wellness Centre for addressing health needs of needy
   - Initiatives for Employment Generating Vocational Skills; Non Formal Education and Livelihood Enhancement Projects
     - Programmes for addressing health care needs of poor and needy

- Operating non-formal education and remedial education centres for underprivileged children
- School support programmes like benches & desks, educational aids

- Initiatives for Gender Equality & Women Empowerment
  - Adult literacy centres for women
  - Promoting & managing self-help groups for women

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 awareness and nutritional need projects, health camps in both rural and urban areas
- **SUNDESH**, a registered society (own foundation), for community-focused initiatives around areas of operation, like initiaves for sanitation, education, vocational skills, women empowerment
- **Jivanti Trust**, a registered trust (own foundation), for initiatives to protect endangered species of herbs & plants, enhancing livelihood of farmers; tree palntation, vocational training
- External NGOs, government structures are also involved for delivering the projects initiated

3. Have you done any impact assessment of your initiative?

Yes, Dabur has engaged external agencies to assess the impact of its initiatives like:

a.) Health & Sanitation

b.) Engaging Farmers in Herb Cultivation

The assesment is done to understand the efficacy of our programmes 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 carried under its CSR policy during the reporting period (2018-19) is Rs. 26.35 crore.

Detail of community initiatives are given below:

CSR Project	Activity
Eradicating Hunger, Poverty & Malnutrition	• Programmes to meet nutrition needs of poor & needy; to conduct awareness on safe & nutricious food.
Promoting health care including preventive healthcare	• Health Camps to provide easy access to reliable healthcare for poor & needy • Under this programme, 2,257 camps were organised across Iindia where 145,031 patients were examined. • Under Diabetes Prevention & Management programme, 850 caps were conducted where 38,250 patinets were examined • Oral hygiene awareness Camps in 1,238 schools, covering over 700,000 students in 3 states • Wellness Centre to treat people. Here, over 2,100 patients were examined. • Established Health OPD covering 10,000 members of ragpicker community
Promoting sanitation	• Sanitation Drive to provide easy access to toilets and sanitation facilities in rural households and to urban poor. • Under this drive, 798 household toilets were constructed during the year and during last 5 years, 3,861 household toilets have been contructed. This has lead to 42 villages achieving 'open defecation free' status. • Also toilet blocks for boys and girls were constructed in schools in over 20 villages.

CSR Project	Activity

Ensuring Environment Sustainability	• Environment sustainability initiatives to protect endangered species of herbs & medicinal plants, enhancing livelihood of farmers and training farmers on bee-keeping activities.
	• Over 17 lakh saplings of rare herbs were distributed free of cost
	• Under the Plantation programmes, nearly 10,000 saplings were distributed amongst school kids and villagers
	• 8 farmers set-up vermi-compost unit in their villages
	• Water Conservation project expanded in Newai and Alwar in Rajasthan to undertake:
	  ◦ Maintenance of 1 local pond with fencing and plantation
	  ◦ Constructed tanks for water collection
	  ◦ Water conservation pits
	  ◦ Plantation of trees
	  ◦ Initiative directly benefited 820 families
	• Promotion of solar energy in villages by providing solar lamps for households
	• Initiated consumer waste recycling, under which approx. 3,875 MT of post-consumer plastic waste was collected and processed/recycled

Promoting Education including Special Education	• 6 Non-Formal Education Centers and 7 Remedial Education Centers for providing basic education to 191 out-of-school underprivileged kids • School Support Programmes such as revamping the school building, construction and renovation of class rooms and toilet blocks, provision of potable water, providing benches & desks, learning aids such as libraries, wall paintings. Over 1,520 school benches are distributed in schools in 6 states. Wall paintings undertaken in 26 schools in 5 states.
Promoting Gender Equality & Empowering Women	• 6 Adult literacy centers for women helped over 232 rural women • Self-Help Groups (136 nos.) and Joint Liablity Groups (22 nos.) benefitting over 2,000 families
Providing Employment Generating Vocational Skills and livelihood enhancement projects	• Skill development centres gave vocational training to over 500 women from villages of 5 states, on various crafts like stiching-tailoring, beautician training, handicraft-embroidory, computer literacy

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.**

   Our community outreach initiatives have been developed keeping in mind the specific needs of the communities that we operate within. The initiatives are finalised after a thorough understanding of the specific requirements of each community through stakeholder dialogue and engagement. Also, we follow a participatory approach where the beneficiaries also contribute towards the programme. This ensure complete participation from the community and also makes the initiative sustainable. Since the programmes are developed after a detailed need aseessment, it ensures that the initiatives are successfully adopted by the community.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   A total of 5 number of consumer cases were received during 2018-19 and 3 of these were disposed off. 9 number of consumer cases are pending as on the end of financial year.

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?

	No. of cases filed in the last five years	No. of cases pending as on end of financial year	Remarks
Alleged Unfair Trade Practices	0	0	No case was filed against the company
Alleged Irresponsible Advertising	16	0	All 16 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.