



MBA @ IICMR

Course: Enterprise Analysis and Desk Research.

Company: Dabur India Limited.

Submitted to: Dr. Madhura Deshpande Ma'am.

Group Name: Creators.

Team Members: Koustav (Team Leader)

Kiran Nathani.

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Introduction:

Dabur India limited is one of the leading FMCG companies in India with revenue of over 7680 crore and market capitalization of over 48800 crore.

Leading consumer goods companies in India with a turnover of rupees 5609.06 crore. Products of Dabur are marketed in 120 countries worldwide.

Dabur Chyawanprash is the leader with 60% share and Hajmola itself is a leader with 50% market share.

- **History:**

1884- Birth of Dabur

1896- setup a manufacturing plant

Early 1900s- Ayurvedic medicines

1919- Establishment of research and laboratories

1920- Expand further

1936-Dabur India pvt ltd

1972- shifts to Delhi

1979-Dabur research foundation

1984-complete 100 years

1986- Public limited company

1995-Joint ventures

1996-3 separate divisions

1997- Food division

2000-Turnover of Rs 1000

2003- Demerges with pharma business

2007-celebrating 10 years of Real

2010-Dabur makes its first overseas acquisition.

2011-Dabur enters professional skin care market

2011 -Dabur launches its first ever online shopping portal

2012-Dabur crosses Billion- Dollar turnover mark

- **Promoters:**

Kajol devgn for Dabur chyawanprash

Jaqueline fernandes for Dabur Honey

Kareena Kapoor for hair oil

Ajay Devgan for Hajmola Business group and Business family

- **Business Group or Business Family to which it belongs:**

The story of Dabur began with a small but visionary endeavour by Dr.SK Burman. His mission was to provide effective and affordable cure for ordinary people in far flung villages.

Dabur which was a family run business till 1998,decided to merge the food business with the parent company .

Consequently, Burman stepped down as CEO , ceded control of the Real brand and was appointed vice chairman of Dabur.

- **Vision:** Dedicated to health and well being of every household.

- **Mission:** To become the leader in the food and beverage industry.

- **Values:**

- 1- Ownership- This is our company. We accept personal responsibility, accountability to meet business needs.
- 2- 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 the most.
- 3- People development – People are our most important asset. We add value through result driven training and we encourage and reward excellence.
- 4- Consumer focus – we have superior understanding of consumer needs and develop products to fulfil them better.
- 5- Team work- we work together on the principle of mutual trust and transparency in a boundary less organization. We are intellectually honest in advocating proposals, including recognizing risks.
- 6- Innovation- continuous innovation in products and processes is the basis of our success.
- 7- Integrity-We are committed to the achievement of business success with integrity. We are honest with consumers, with business partners and with each other.

- **Quality policy:**

At Dabur, we are committed to achieve excellence in our products and services worldwide. We aim to achieve this by,

- ✓ Fostering a quality mindset with the objective of supplying high-quality products, packages and services consistently that are trusted and preferred by all our customers and consumers.
- ✓ Constantly striving to understand and meet the ever-growing needs of customers and consumers.
- ✓ Applying innovative practices and state of the art technology to enhance productivity and quality at competitive prices.
- ✓ Empowering our people to maintain a vibrant quality environment through education, training, coaching and effective communication. Committing to continuous improvement, which is measured, evaluated and validated for effectiveness through internal and external audits.
- ✓ Complying with all applicable national and international regulations & legislations. Communicating Dabur's quality requirement to suppliers, and all other relevant service providers. Periodic review of the quality policy to ensure continuous improvement in quality management system.
- ✓ It is our endeavour to create a culture of total quality, where continuous improvement of our people, processes and products becomes a way of life.

- **Brief profiles:**

- ✓ Founder:

The story of Dabur began with a small, but visionary Endeavour by Dr.S.K.Burman. His mission was to provide effective and affordable cure for ordinary people in far-flung villages.

- ✓ CEO:

Mr. Mohit Malhotra joined Dabur as a Management Trainee in 1994 and handled key assignments in Marketing and Sales. He was the CEO of Dabur International, based out of Dabur, before taking charge as the CEO of the company. He is a professional with valuable experience to steer the company ahead in its growth plans.

- ✓ Chairman:

Mr. Amit Burman the Chairman of Dabur India Ltd, is responsible for Dabur India's foray into processed foods business with the setting up of Dabur Foods Ltd. It is to Amit's credit today that Dabur Real and Homemade are household names. He is also responsible for driving all business strategy, development and communications at Dabur Foods

✓ Board of Directors:

Mr. Amit Burman Chairman, Mr. Mohit Burman Vice Chairman, Mr. Aditya Burman Director, Dr. Ajay Dua Director, Mr. Ajit Mohan Saran Director, Mrs. Falguni Nayyar Director, Mr. Mohit Malhotra all time Director and CEO Mr. P.D. Narang whole time director, Mr. R.C Bhargava Director and Mr. Saket Burman Director.

Market:

Products:

- Dabur Pure Herbs range of single herb tablets:
 - Dabur Pure Herbs Immunity Booster Ashwagandha Tablets
 - Dabur Pure Herbs Health Booster Amla Tablets
 - Dabur Pure Herbs Immunity Booster Giloy Tablets
 - Dabur Pure Herbs Immunity Booster Haldi Tablets
 - Dabur Pure Herbs Respiratory Health Tulsi Tablets
- Dabur Vedic Suraksha Tea range of herbal teas:
 - Green Tea
 - Black Tea
- Hommade range of Chutneys:
 - Rajasthan ki Garlic Chutney
 - Dilli ki Hari Chatpati Chutney
 - Kalonji Tamatar ki Chutney
- Dabur Baby range with 8 products:
 - Dabur Baby Oil
 - Dabur Baby Wash
 - Dabur Baby Cream
 - Dabur Baby Shampoo
 - Dabur Baby Daily Moisture Lotion
 - Dabur Baby Moisturizing Wipes
 - Dabur Baby Talc-Free Powder
 - Dabur Baby Gentle Nourishing Soap
- Dabur Vatika Select premium shampoo range of 4 products:
 - Coconut Milk Extract shampoo
 - Moroccan Argan Oil shampoo
 - Red Onion Black Seed Oil shampoo
 - Apple Cider Vinegar shampoo
- Dabur Vatika Naturals range of 4 hair oils:
 - Spanish Olive Hair Oil
 - Moroccan Argan Hair Oil
 - Bringhraj Hair Oil
 - Aloe Vera Hair Oil

Business Partners, Suppliers & Vendors:

- How We Engage with them:
 - Corporate guidelines for selection, contracting
 - Dealer conferences, Townhalls and Business meeting, both physical and virtual
 - Direct contact and briefings
 - Open Communication with the CEO
 - Online Dealer Management System to help establish seamless business transactions.
 - Ethics Hotline

Consumers:

- How We Engage with them:
 - Understand consumer needs to design, improve products
 - Dedicated Call Centre & Consumer Cell to address all queries and grievances
 - Consumer Activations, Participation in exhibitions & events to give consumers an opportunity to touch, feel & experience our products.
 - Focussed Group Discussions to reach out to consumers across markets
 - Awareness camps to help them differentiate between a spurious product and a genuine Dabur product
 - Information sharing and free product distribution through Dabur website
 - Consumer Satisfaction surveys
 - Social Media engagement

Shareholders & Investors:

- How We Engage with them:
 - Quarterly Investor Calls with Institutional Investors
 - Investor presentations and one-on-one meetings
 - Annual General Meeting for retail shareholders
 - Press Releases about latest developments and new product

Introductions:

- Publication of Quarterly Results
- Publishing latest updates on Dabur website
- Annual Report

FINANCE PART

Dabur Income Statement 2020-21 (Values in Million):

| Sr. No | Particulars | FY 2020 | FY 2021 | % Change |
|--------|-------------------|---------|---------|----------|
| 1. | Net Sales | 86,657 | 95,316 | 10 |
| 2. | Other Income | 3,053 | 3,253 | 6.6 |
| 3. | Total Revenue | 89,710 | 98,568 | 9.9 |
| 4. | Gross Profit | 16,924 | 20,027 | 18.3 |
| 5. | Depreciation | 2,205 | 2,401 | 8.9 |
| 6. | Profit Before Tax | 17,277 | 20,570 | 19.1 |
| 7. | Tax | 2,797 | 3,611 | 29.1 |
| 8. | Profit After Tax | 14,479 | 16,960 | 17.1 |

Source: Accord Fintech, Equitymaster

Dabur Balance Sheet as on March 2021 (Values in million):

| Sr. No. | Particulars | FY 2020 | FY 2021 | % Change |
|---------|---------------------|---------|---------|----------|
| 1. | Net worth | 65,125 | 75,398 | 15.8 |
| 2. | Current Liabilities | 24,639 | 29,342 | 19.1 |
| 3. | Long term debts | 1,629 | 1,341 | -17.7 |
| 4. | Total liabilities | 93,320 | 108,292 | 16.0 |
| 5. | Current assets | 48,803 | 47,759 | -2.1 |
| 6. | Fixed assets | 44,518 | 60,532 | 36.0 |
| 7. | Total assets | 93,320 | 108,292 | 16.0 |

Source: Accord Fintech, Equitymaster

Governance:

Good governance practices is a norm at Dabur. The Company is committed to 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. Payoffs from strong governance practices have been in the sphere of valuations, stakeholders' confidence, market capitalization, uninterrupted dividend payments and high credit ratings in positive context apart from obtaining of awards from appropriate authorities for its brands, stocks, environmental protection, etc.

Corporate Governance:

Good governance practices are a norm at Dabur. The Company is committed to focus on long term value creation and protecting stakeholders' interests by applying proper care, skill and

diligence to business decisions. Besides complying with the legal framework of corporate governance practices, Dabur has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business, globally benchmarked. The Company has also formulated a Policy on Group Governance to monitor governance of its unlisted subsidiaries across the globe. The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

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.

CRISIL Rating (Credit Rating Information Services of India Limited)

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 instruments 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.

Insider Trading Issues:

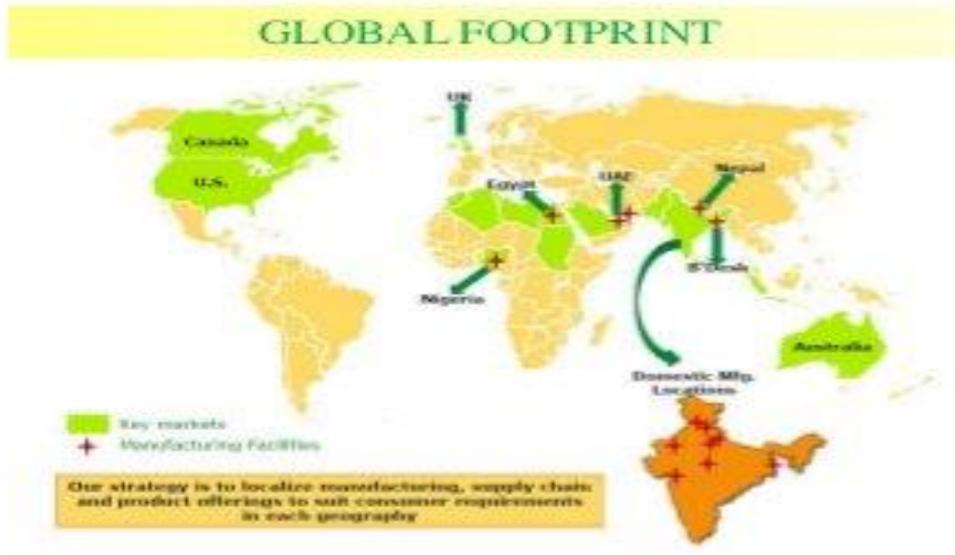
In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has in place following policies/codes which are revised from time to time according to applicable laws or as per need.

* Code of Conduct for Prevention of Insider Trading

*Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). Policy for determination of "legitimate purposes" forms part of this Code.

* Policy and procedures for inquiry in case of leak of UPSI/ suspected leak of UPSI

All compliances relating to Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal installed by the Company. This code 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.



❖ Conclusion:

Dabur’s India FMCG Business grew by 35.4%, with an underlying Volume Growth of 34.4% in the first quarter of 2021-22.

“Riding on the strength of its strategic business transformation exercise, Dabur demonstrated renewed agility and resilience in the face of the second wave of COVID-19. We applied learnings from last year on streamlining the Supply Chain to ensure minimal disruption in supplies while firmly focusing on delivering volume-led profitable growth. Our Operating Margin reported a 32.5% growth during the quarter, which marked a 10 bps gain despite high inflationary pressures. Our Pre-Tax Profit also grew by a robust 34% during the quarter,” Dabur India Ltd Chief Executive Officer Mr. Mohit Malhotra said.

About Dabur India Ltd

Dabur India Limited is one of India’s leading FMCG Companies. Building on a legacy of quality and experience for 137 years, Dabur is today India’s most trusted name and one of the world’s largest Ayurvedic and Natural Health Care Company. Dabur India's FMCG portfolio today includes eight distinct Power Brands in India: Dabur Chyawanprash, Dabur Honey, Dabur Honitus, Dabur Pudinhara and Dabur Lal Tail in the Healthcare space; Dabur Amla and Dabur Red Paste in the Personal Care category; and Réal in the Food & Beverages space. Vatika is the ninth International Power Brand.