



Ref: SEC/SE/2024-25

October 30, 2024

To,
Corporate Relations Department
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block, Bandra – Kurla
Complex, Bandra (E), Mumbai – 400051

BSE Scrip Code: 500096

NSE Scrip Symbol - DABUR

Sub: Proposed Acquisition of Sesa Care Private Limited through merger along with its foreign wholly owned subsidiary

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") it is hereby informed that Dabur India Limited ("**Dabur**" or "**Company**") has entered into an Implementation Agreement ("**IA**") with the shareholders of Sesa Care Private Limited ("**SESA**" or the "**Target Company**") and the Target Company for undertaking necessary steps for commencement of merger of the Target Company with Dabur.

As a part of the Transaction, prior to the completion of the merger of the Target Company with Dabur:

- a) Dabur shall acquire 51% of the paid up Cumulative Redeemable Preference Shares of the Target Company from its existing shareholders; and
- b) Dabur shall extend a Corporate Guarantee for the loans availed / to be availed by the Target Company from various lenders.

The Target Company also has a wholly owned subsidiary in Bangladesh, viz. Sesa Care Bangladesh Pvt. Ltd. Upon completion of the merger, the said entity shall become a wholly owned subsidiary of Dabur.

The details required under Regulation 30 of the SEBI Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is enclosed as **Annexure I**.

A copy of the Press Release on the aforesaid transaction is enclosed as **Annexure II**. Further, an investor presentation is enclosed as **Annexure – III**. The same are also uploaded on the Company's website www.dabur.com.

The above transaction has been approved by the Board of Directors of the Company in their meeting held today i.e. on October 30, 2024, which commenced at 12.00 PM and concluded at 03.05 PM.

This is for your information and records.

Thank you.

Yours faithfully,
For **Dabur India Limited**



(Saket Gupta)
Company Secretary & Compliance Officer

Encl: As above

Annexure I

Disclosure under sub-para (1) [i.e. Acquisition(s) (including agreement to acquire)] of Para (A) of Part (A) of Schedule III to the Regulation 30 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

PART A: ACQUISITION / MERGER

1. SESA CARE PRIVATE LIMITED

S. No.	Particulars	Description
1	Name of the target Company, details in brief such as size, turnover, etc.	Sesa Care Private Limited ("SESA" or "Target Company") a) Authorised Share Capital – Rs. 2,000 Crs. b) Paid-up share capital – Rs. 958.28 Crs. c) Consolidated Turnover for FY 23-24 – INR 133.3 Crs.
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/group companies have any interest in the entity being acquired. If yes, nature of interest and details thereof and whether the same is done at "arms length";	The transaction does not fall within related party transactions. The promoter/promoter group/ group companies have no interest in the Target Company.
3	Industry to which the entity being acquired belongs	Ayurvedic personal care and wellness
4	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the Listed entity) / Rationale for merger	Sesa is a leading brand with strong recall and #3 position in the ayurvedic hair oil category. This presents a strategic opportunity for Dabur to expand its presence in the ₹900 crore ayurvedic hair oil market - a key whitespace in Dabur's current hair oil portfolio. The proposed merger brings substantial revenue and cost synergies. Dabur's extensive distribution network, category expertise, and access to key international markets can be leveraged to grow the brand and expand its footprint.
5	Brief details of any governmental or regulatory approvals required for the acquisition	Approval of National Company Law Tribunal for the Scheme of Amalgamation shall be required

S. No.	Particulars	Description
		under Sections 230 to 232 of the Companies Act, 2013 for completion of the merger.
6	Indicative time period for completion of the acquisition	Subject to fulfilment of terms and conditions of the Implementation Agreement ("IA"), the merger process is expected to complete in 15-18 months.
7	Consideration - whether cash consideration or share swap or any other form and details of the same	<p>a) Cash Consideration for purchase of 51% of the total paid up Cumulative Redeemable Preference Shares of Rs. 10 each ("CRPS") of the Target Company; and</p> <p>b) Share swap for the equity shares and remaining 49% of the total paid up CRPS of the Target Company.</p>
8	Cost of acquisition and/or the price at which the shares are acquired	<p>a) INR 12,59,00,700 for purchase of 51% of the total paid up CRPS of the Target Company at face value of Rs. 10 each; and</p> <p>b) Share swap for the equity shares and remaining 49% of the total paid up CRPS of the Target Company, to be decided at the time of filing scheme of merger basis the valuation reports to be obtained</p> <p>Enterprise value of the Target Company (including debt of INR 289 crs.) is estimated to be in the range of INR 315-325 crs.)</p>
9	Percentage of shareholding/control acquired and/or number of shares acquired	<p>(1) Step 1: 1,25,90,070 CRPS comprising of 51% of the total paid up Preference Share Capital.</p> <p>(2) Step 2: 100% share capital of the Target Company (entire paid up equity share capital and remaining 49% of the total paid up CRPS) to be cancelled in lieu of issuance of shares of Dabur in the determined swap ratio upon merger of the Target Company with Dabur.</p>
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any	On 30 Sep 2018, Sesa Care Private Limited (an entity owned by True North, a PE fund) purchased the Hair Care business from Ban Labs Pvt. Ltd.

S. No.	Particulars	Description								
	other significant information (in brief)	<p>Flagship product is <i>Sesa Ayurvedic Oil</i> and the portfolio also includes other key offerings such as shampoos, conditioners etc.</p> <p>Date of Incorporation: 23-08-2018</p> <p>Countries in which Target Company has presence: India, Bangladesh</p> <p>Details of last 3 years' Consolidated turnover:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Turnover (INR crores)</th> </tr> </thead> <tbody> <tr> <td>FY 2023-24</td> <td>133.3</td> </tr> <tr> <td>FY 2022-23</td> <td>130.3</td> </tr> <tr> <td>FY 2021-22</td> <td>111.9</td> </tr> </tbody> </table>	Year	Turnover (INR crores)	FY 2023-24	133.3	FY 2022-23	130.3	FY 2021-22	111.9
Year	Turnover (INR crores)									
FY 2023-24	133.3									
FY 2022-23	130.3									
FY 2021-22	111.9									
11	Brief details of change in shareholding pattern (if any) of listed entity	Not ascertainable as of now since the share swap ratio shall be determined at the time of approval of the merger scheme by the Board of Directors of the respective companies.								

2. SESA CARE BANGLADESH PRIVATE LIMITED

S. No.	Particulars	Description
1	Name of the target Company, details in brief such as size, turnover, etc.	<p>Sesa Care Bangladesh Private Limited ("SESA Bangladesh")</p> <p>a) Authorised Share Capital – BDT 3.40 Crs. b) Paid-up share capital – BDT 1.70 Crs. c) Turnover for FY 23-24 – BDT 23.19 Crs.</p>
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/group companies have any interest in the entity being acquired. If yes, nature of interest and details thereof and whether the same is done at "arms length";	The transaction does not fall within related party transactions. The promoter/promoter group/ group companies have no interest in the Target Company.
3	Industry to which the entity being acquired belongs	Ayurvedic personal care and wellness

Handwritten signature

S. No.	Particulars	Description								
4	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the Listed entity)	Same as explained for Target Company.								
5	Brief details of any governmental or regulatory approvals required for the acquisition	None.								
6	Indicative time period for completion of the acquisition	Sesa Bangladesh shall automatically become a wholly owned subsidiary of Dabur upon completion of merger of Target Company with Dabur as per timelines specified above.								
7	Consideration - whether cash consideration or share swap or any other form and details of the same	Not Applicable								
8	Cost of acquisition and/or the price at which the shares are acquired	Nil								
9	Percentage of shareholding/control acquired and/or number of shares acquired	100%, upon completion of merger of the Target Company with Dabur.								
10	Brief background about the entity acquired in terms of products/ line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence, and any other significant information (in brief)	<p>Background /line of business is same as Target Company.</p> <p>Date of Incorporation: 16-03-2020</p> <p>Countries in which SESA Bangladesh has presence: Bangladesh</p> <p>Details of last 3 years' turnover:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Turnover (BDT crores)</th> </tr> </thead> <tbody> <tr> <td>FY 2023-24</td> <td>23.19</td> </tr> <tr> <td>FY 2022-23</td> <td>21.10</td> </tr> <tr> <td>FY 2021-22</td> <td>8.50</td> </tr> </tbody> </table>	Year	Turnover (BDT crores)	FY 2023-24	23.19	FY 2022-23	21.10	FY 2021-22	8.50
Year	Turnover (BDT crores)									
FY 2023-24	23.19									
FY 2022-23	21.10									
FY 2021-22	8.50									

Signature

Disclosure under sub-para (11) [i.e. Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party]] of Para (B) of Part (A) of Schedule III to the Regulation 30 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

PART B: CORPORATE GUARANTEE

S. No.	Particulars	Description
1	Name of party for which such guarantees or indemnity or surety was given	Sesa Care Private Limited ("SESA" or "Target Company")
2	Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arm's length	The promoter/promoter group/ group companies have no interest in the Transaction / Target Company.
3	Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee	<p>1. Details of the agreement to be entered into: Deed of Corporate Guarantee to be signed between Dabur and the relevant lending banks / financial institutions</p> <p>2. Significant terms and conditions: Corporate Guarantee shall remain valid till the date of completion of merger of the Target Company with Dabur or the date of repayment of loans by the Target Company, whichever is earlier.</p> <p>3. Amount of Corporate Guarantee: Not exceeding Rs. 400 crores.</p>
4	Impact of such guarantees or indemnity or surety on listed entity	In case of default by the Target Company, the debt to the extent as specified above, shall be repaid by Dabur.





Proposed Merger of Sesa Care with Dabur India

New Delhi, October 30th, 2024: Dabur India Limited today announced that it has entered into an agreement to merge Sesa Care Private Limited (Sesa), subject to regulatory approvals. As part of the transaction, Dabur will acquire 51% of the total paid up Cumulative Redeemable Preference Shares (CRPS) of Sesa from its existing shareholder, True North (a private equity fund), for Rs 12.59 Crore at face value.

The enterprise value is estimated to be in the range of Rs 315-325 Crore, including debt of Rs 289 Crore, which will be backed by the Corporate Guarantee of Dabur.

Sesa is a leading brand in the Ayurvedic hair care market with a strong brand equity.

“Dabur is a market leader in the hair oils category. The proposed merger of Sesa will bring to Dabur a premium brand with strong credentials around Ayurveda that will complement our existing portfolio and strengthen our presence in the hair care category. We look forward to the exciting opportunities this deal brings,” **Dabur India Limited Chairman Mr. Mohit Burman said.**

“This merger aligns with our long-term vision to consolidate our portfolio and tap into newer growth opportunities. By integrating Sesa's range of Ayurvedic hair care products and expertise with Dabur's extensive distribution network, category expertise, and access to key international markets, we aim to grow brand Sesa and deliver enhanced value to our stakeholders in addition to revenue and cost synergies,” **Dabur India Limited Chief Executive Officer Mr. Mohit Malhotra added.**

“Sesa allows us to fill a strategic whitespace. We will continue to actively look for additional targets in both traditional and new age areas” **said Mr. Abhinav Dhall**, who recently joined **Dabur India Limited** as **Executive Director and Group Head of Corporate Strategy** after spending several years in private equity and strategy consulting.

Today's announcement is the first step, and the merger of Sesa into Dabur is envisaged to be filed with the appropriate authorities over next few months and shall be subject to the receipt of necessary statutory and regulatory approvals. The share swap for the equity shares and remaining 49% CRPS in Sesa will be decided at the time of filing scheme of merger, basis the valuation reports.

Sesa Care Private Limited CEO Mr. Sandeep Rai said: “With this proposed merger, our goal is to create a stronger, more resilient business that will provide even greater opportunities for growth in the future.”

Ambit Private Limited was the advisor to the transaction.

For further information, Please Contact:

Byas Anand

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+91-9811994902



Sesa- A 'Natural' fit

30th October 2024



Proposed merger of

**'Sesa Care Private
Limited'**

KEY AGENDAS



SESA
Business
overview



Strategic
rationale



Dabur's
right to win



Transaction
structure

1.



**SESA
Business
overview**



**Strategic
rationale**

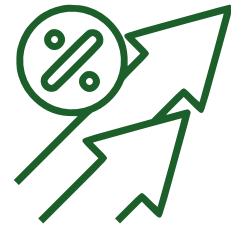


**Dabur's
right to win**



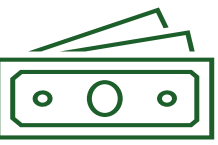
**Transaction
structure**

SESA – A Leading Ayurvedic Hair Care brand



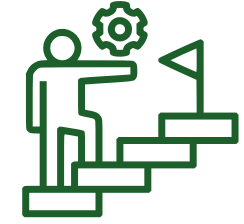
**~INR 133 Cr
revenue***

**Potential to expand;
significant synergies**



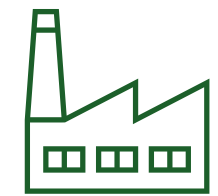
~13% EBITDA*

**Potential to expand;
significant synergies**



#3 Player

**in Ayurvedic Hair
Oils Category**



Paonta Sahib

**Own manufacturing
facility in Himachal
Pradesh**



**India &
Bangladesh**

Key markets

Note: Bangladesh contributes ~13% in revenue
*as per FY24 audited financials

With a Strong Product Portfolio

90% + salience of core portfolio – Ayurvedic Hair oils and shampoo



Anti hair fall oil



Anti hair fall shampoo

2.



**SESA
Business
overview**



**Strategic
rationale**



**Dabur's
right to win**



**Transaction
structure**

Compelling Rationale for the Merger

1



**Filling a
"white space"**

2



Strong brand equity

3

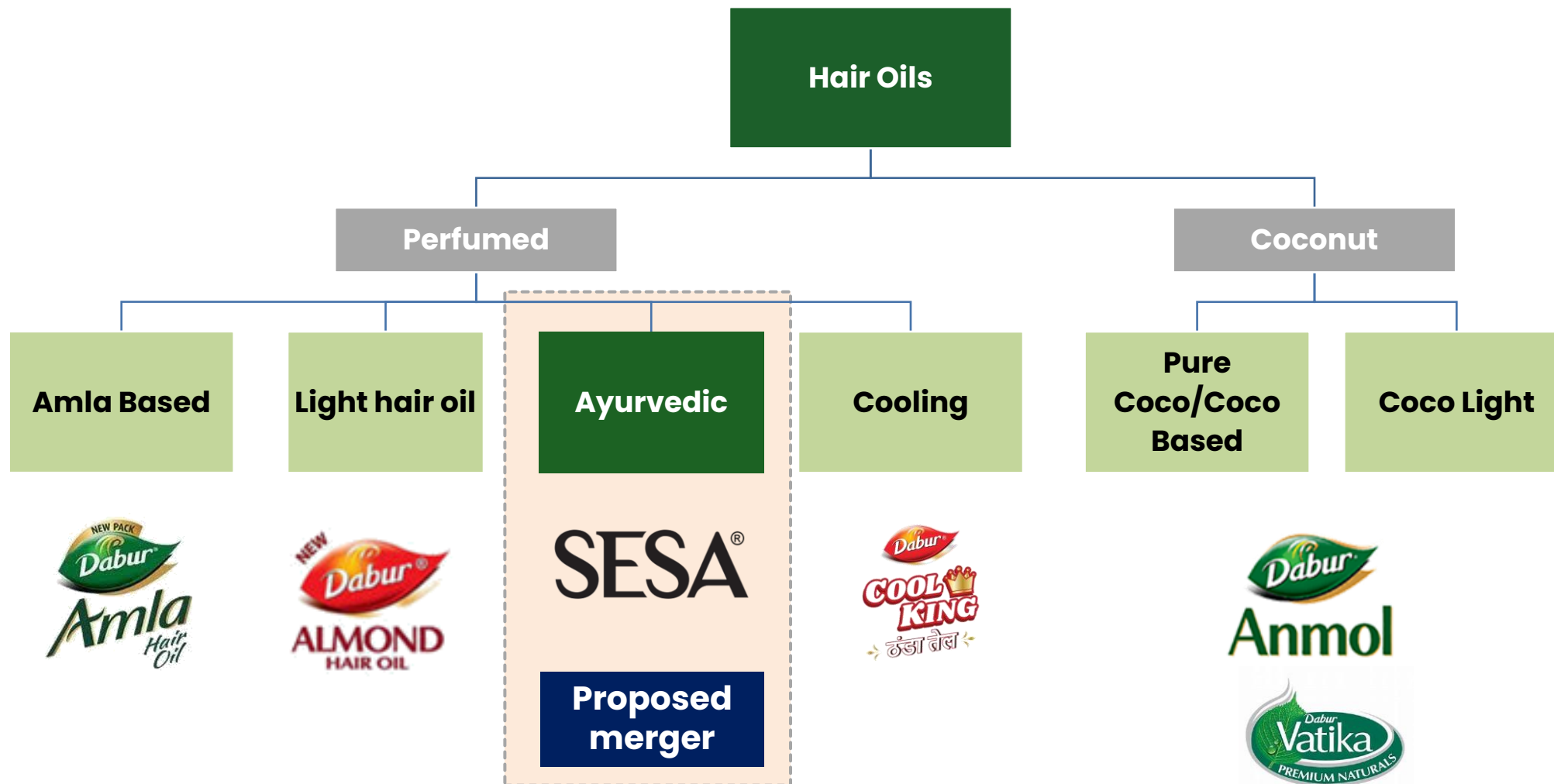


**Market reach
augmentation**

4



Cost synergies



Sesa has a strong brand equity attributed to ayurvedic product formulation and loyal customer base

25+

Years of
legacy

#3

Ayurvedic hair
oil category

~11%

Market
share (India)



Formulated using 5,000 years old ayurvedic composition

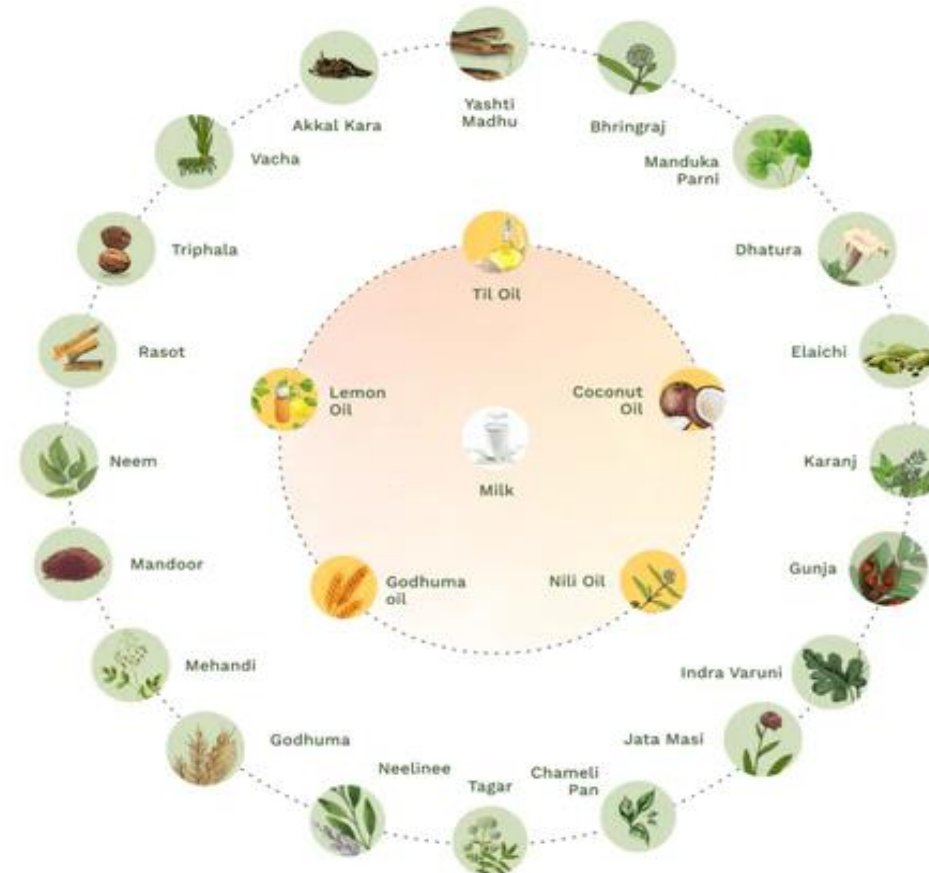
- ✓ 18 herbs
- ✓ 5 oils
- ✓ Pure Cow milk
- ✓ Boiled for 22 hours

Certified by Department of
Ayurveda

Pure herbs and oils

No mineral oil

No parabens



Significant Cost & Revenue Synergies

3 Market reach augmentation



SESA  
Leverage Dabur's PAN India distribution network



Ayurvedic hair oil category has high single digit penetration; headroom for growth



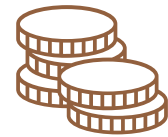
Expand in key international markets

4 Unlocking cost synergies

Levers for Operating margin expansion



Optimize cost by reducing overlaps



Premium pricing with a superior gross margin profile



Potential to capture synergies in Procurement & Supply chain



Enhance efficiency of operations

3.



**SESA
Business
overview**



**Strategic
rationale**



**Dabur's
right to win**



**Transaction
structure**

Dabur's Right to Win in Ayurvedic Hair Oil Category

Strong Ayurvedic equity

with

140 Years of legacy | **250+** Ayurvedic products

World's largest Ayurvedic and Natural Health Care company

Leadership in Hair oils

#1 in Amla



#2 in Almond



#3 in Coconut



Harnessing Dabur's Strong Capabilities



Industry leading **distribution network**



World Class Expertise across **Supply Chain**



Differentiated & Strategic **Customer Relationships** across Channels, particularly in **MT & E-Commerce**



Strong **International Presence** across 120 Countries

4.



**SESA
Business
overview**



**Strategic
rationale**



**Dabur's
right to win**



**Transaction
structure**

Sesa Care Private Limited to merge with Dabur India Limited post regulatory approvals

Deal mechanics

- Acquisition of 51% of the total paid up Cumulative Redeemable Preference Shares (CRPS) of the company at a cash consideration of INR 12.6 Cr
- Debt liability of INR 289 Cr to be taken over by Dabur by extending Corporate Guarantee (CG)
- Subsequently, Sesa would be merged with Dabur. As a part of the merger, shares of Dabur India Limited will be issued in exchange of the equity shares and remaining 49% CRPS of Sesa Care Private Limited. The same will be basis the valuation reports obtained in due course

Enterprise value

- EV (including debt of INR 289 Cr) estimated in the range of INR 315-325 Cr
- Competitive valuation: EV/ Sales: 2.4x and EV/ EBITDA: 19-20x; Value accretive post merger

Timeline

- Completion of merger ~15 to 18 months subject to regulatory approvals

Cautionary note concerning forward-looking statement

Certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. The company cannot, therefore, guarantee that the 'forward-looking' statements made herein shall be realized. The Company, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time based on subsequent developments and events.