



Date: October 26, 2022

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

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 majority stake in Badshah Masala Private Limited

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 a share purchase agreement ("**SPA**") and shareholders agreement ("**SHA**") with the existing promoters and shareholders of **Badshah Masala Private Limited** ("**Badshah**" or "**Target Company**") to acquire 51% of the equity share capital of the Target Company and balance 49% after a period of five years. The Target Company is engaged in the business of manufacturing, marketing and export of Ground Spices, Blended Spices and Seasonings. The said acquisition is subject to the fulfilment of various terms and conditions as specified in the SPA and the SHA.

The details required under SEBI Listing Regulations read with SEBI circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed as **Annexure I**. A copy of the Press Release on the aforesaid acquisition is enclosed as **Annexure II**.

The same is also uploaded on the Company's website www.dabur.com.

This is for your information and records.

Thank you.

Yours faithfully,
For **Dabur India Limited**


(A K Jain)

Executive V P (Finance) and Company Secretary

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

S.No.	Particulars	Description
1	Name of the target Company, details in brief such as size, turnover, etc.	Badshah Masala Private Limited ("Badshah" or "Target Company") <u>Authorised and paid-up share capital-</u> Authorised share Capital - Rs. 30,00,00,000/- (divided into 3,00,00,000 Equity Shares of Rs.10/- each) Paid-up share Capital - Rs. 28,69,13,240/- (divided into 2,86,91,324 Equity Shares of Rs.10/- each) <u>Turnover</u> for FY 21-22 - INR 189.1 crore
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 acquisition 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	Ground Spices, Blended Spices and Seasonings
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target company, if its business is outside the main line of business of the Listed entity)	The Company has entered into a share purchase agreement (" SPA ") and shareholders agreement (" SHA ") on 26 October, 2022 with the existing promoters and shareholders of the Target Company for the acquisition of 51% equity shareholding of the Target Company from its various shareholders (balance 49% to be acquired after a period of 5 years). Upon acquisition, the Company will add ground spices, blended spices, and seasonings in its portfolio. The acquisition is in line with the Company's strategic intent of entering into new adjacent categories in the food space.
5	Brief details of any governmental or regulatory approvals required for the acquisition	None
6	Indicative time period for completion of the acquisition	Subject to fulfilment of terms and conditions as per SPA and SHA, the acquisition of 51% equity shareholding is expected to be completed on or before March 31, 2023.
7	Nature of consideration (cash consideration or share swap and details of the same)	All Cash
8	Cost of acquisition or the price at which the shares are acquired	Cost of Acquisition of 51% equity shareholding has been agreed at INR 587.52 crore less proportionate debt as on the closing date (100% enterprise valuation being INR 1152 crore which translates to Revenue multiple of around 4.5x and EBIDTA multiple of around 19.6x of FY2022-23 estimated financials).



9	Percentage of shareholding/control acquired and/or number of shares acquired	The Company has agreed to acquire 51% of the issued and paid-up equity share capital of the Target Company. (Balance 49% of the issued and paid-up equity share capital of the Target Company to be acquired after a period of 5 years)												
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>Badshah manufactures, markets and exports packaged foods and spices. Badshah was founded by Shri Jawaharlal J. Jhaveri and Indiraben Jhaveri in the year 1958. The Target Company is duly incorporated under the Companies Act 2013 and has its registered office in Mumbai. The product portfolio is available in India and overseas markets. It has 52 products available in India and overseas markets. Blended spices form majority of the revenue. It has 2 manufacturing facilities located in Umargam, Gujarat.</p> <p>Details of last 3 years' turnover:</p> <table border="1" data-bbox="743 920 1469 1122"> <thead> <tr> <th>Year</th> <th>Turnover (INR crores)</th> </tr> </thead> <tbody> <tr> <td>FY2021-22</td> <td>189.1</td> </tr> <tr> <td>FY2020-21 (from 24th January 2021 to 31st March 2021)*</td> <td>32.6</td> </tr> </tbody> </table> <p>*The Target Company got converted to a private limited company on 24th January 2021. Prior to 24th January 2021, the Target Company was a partnership firm named Jhaveri Industries ("Jhaveri" or "Partnership Firm")</p> <p>The details of Jhaveri's turnover is as follows:</p> <table border="1" data-bbox="743 1339 1469 1532"> <thead> <tr> <th>Year</th> <th>Turnover (INR crores)</th> </tr> </thead> <tbody> <tr> <td>FY2020-21 (from 1st April 2020 to 23rd January 2021)</td> <td>122.0</td> </tr> <tr> <td>FY2019-20</td> <td>154.8</td> </tr> </tbody> </table>	Year	Turnover (INR crores)	FY2021-22	189.1	FY2020-21 (from 24 th January 2021 to 31 st March 2021)*	32.6	Year	Turnover (INR crores)	FY2020-21 (from 1 st April 2020 to 23 rd January 2021)	122.0	FY2019-20	154.8
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ANNEXURE II
PRESS RELEASE

Dabur acquires majority stake in Badshah Masala, ground spices & blended spices company

Marks entry into Rs 25,000 cr+ Spices & Seasoning category



New Delhi, 26 October, 2022: Dabur India Limited ("Dabur", Scrip Symbol: NSE- DABUR, BSE Scrip Code: 500096) today announced that it has signed definitive transaction agreements to acquire 51% shareholding of Badshah Masala Private Limited ("**Badshah**", www.badshahmasala.com), which is engaged in the business of manufacturing, marketing and export of ground spices, blended spices and seasonings. This acquisition is in line with Dabur's strategic intent to expand its Foods business to Rs 500 Crore in 3 years and expand into new adjacent categories. This also marks Dabur's entry into the over Rs 25,000 crore branded spices and seasoning market in India.

Dabur is acquiring 51% stake in Badshah for Rs 587.52 crore, less proportionate debt as on the closing date, with the Badshah enterprise being valued at Rs 1,152 crore. This translates to a Revenue multiple of around 4.5x and EBIDTA multiple of around 19.6x of FY2022-23 Estimated financials.

Announcing the acquisition, **Dabur India Ltd Chairman Mr. Mohit Burman said:** *"The Indian spices and seasoning category is a large and attractive market. Badshah Masala is one of the key players in this space. Our investment in Badshah Masala will help expand this business and continue to provide unmatched quality products. This acquisition will accelerate our growth strategy as we continue to build our Foods business. We intend to leverage our international market presence to grow this business globally."*

"The transaction is expected to be Cash EPS neutral in the first year and accretive thereafter. The acquisition is expected to be completed within this fiscal. As per our agreement, we will acquire the balance 49% shareholding after 5 years," **Dabur India Ltd Group Director Mr. P. D. Narang said.**

P. D. Narang

Dabur India Ltd Chief Executive Officer Mr. Mohit Malhotra said: "Branded Spices market in India is growing at healthy double digits, led by increasing consumption, upgradation from unbranded to branded and growing preference for regional flavours across states. The market is dominated by regional players and holds significant potential for growth in the future. Dabur has an existing Foods portfolio and views ground and blended spices as a good addition to this portfolio. Badshah portfolio will gain from Dabur's extensive distribution reach. We look forward to unlocking further synergies and market opportunities to capture the full potential of Badshah Masala."

Badshah Masala Private Limited Managing Director Mr. Hemant Jhaveri said: "We are delighted to enter into a strategic partnership with Dabur. Dabur stands for Trust and Heritage and joining hands with Dabur will help drive the future growth potential of Badshah on a stronger trajectory. Our companies are a great fit. This transaction will enable us to accelerate our growth by adding our products to Dabur's broad portfolio to meet the needs of consumers across geographies."

Mr. Ajay Shah, Advisor to Badshah Masala Private Limited, said: "This strategic investment of Dabur brings together two strong Indian brands. This deal is growth oriented, mutually complementary, value accretive and beneficial for both the companies."

About Dabur India Ltd

Dabur India Limited is one of India's leading FMCG Companies. Building on a legacy of quality and experience for 138 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 nine distinct Power Brands: **Dabur Chyawanprash, Dabur Honey, Dabur Honitus, Dabur Pudinhara** and **Dabur Lal Tail** in the Healthcare space; **Dabur Amla, Dabur Red Paste** and **Vatika** in the Personal Care category; and **Real** in the Food & beverages space. During FY 2021-22, Dabur recorded consolidated Revenue from operations of Rs 10,889 crore and consolidated Profit after Tax of Rs 1,742 crore.

For more information on Dabur, please visit: www.dabur.com



About Badshah Masala Private Limited

Badshah Masala was founded by Jawaharlal Jhaveri and Indiraben Jhaveri in the year 1958. Later on his brother Ramanlal Jhaveri joined. The business was subsequently managed by Jhaveri family as a partnership firm till January 2021, then it got converted into private limited company named Badshah Masala Private Limited and was headed by Managing Director Mr. Hemant Jhaveri. The company has 52 products available in India and overseas markets. Blended spices form 82% of the revenue. It has 2 manufacturing facilities located in Umargam, Gujarat.

For more information on Badshah Masala, please visit: www.badshahmasala.com



For further information, Contact:

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