



Ref: SEC/SE/2022-23

Date: July 6, 2022

Scrip Symbol: NSE- DABUR, BSE Scrip Code: 500096

To,

Corporate Relation 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/I, G Block Bandra - Kurla
Complex,
Bandra (E), Mumbai-400051

Sub: Quarterly Update - Q1 FY2022-23

Dear Sir/Madam,

Please find enclosed an update on the performance and demand trends witnessed during the quarter ended June 30, 2022 (Q1 FY23).

This will be followed by detailed financial results and earnings presentation once the Board of Directors of the Company approves the consolidated and standalone financial results for the quarter ended June 30, 2022.

Thank you.

Yours faithfully,

For **Dabur India Limited**


(A K Jain)

Executive V P (Finance) and Company Secretary





Update for Quarter ended June 30, 2022 (Q1 FY23)

This update provides an overall summary of the performance and demand trends witnessed during the quarter ended June 30, 2022 (Q1 FY23). This will be followed by detailed financial results and earnings presentation once the Board of Directors of the Company approves the consolidated and standalone financial results for the quarter ended June 30, 2022.

During the quarter, consumption pressure continued across the sector on account of unprecedented inflation which has impacted the share of the income available for spending on consumer staples. This was witnessed across urban and rural markets.

In this challenging macro environment Dabur's India business has been fairly resilient and is expected to report high single digit revenue growth on a very high base of 35.4% revenue growth in Q1 FY22. This is backed by mid-single digit volume growth. Food & Beverages vertical has seen strong double-digit growth in the quarter on the back of improving out of home consumption, innovation, and intense summer season. Home and Personal Care portfolio is expected to record high single to low double-digit growth on a high base of 26.1% growth in Q1FY22. Healthcare vertical is expected to report a decline over last year's high base as the business had registered a growth of 30% in Q1FY22 led by the surge of Delta variant of Covid-19 during the quarter.

International Business is expected to register high single digit revenue growth during the quarter in constant currency, however due to currency devaluation particularly of Turkish Lira the reported growth in INR would be in low single digit.

Overall, the consolidated revenue is expected to grow at mid to high single digits. We continue to grow ahead of category growths and gain market share in most of our segments.

On the profitability front, inflationary pressures continue to impact input costs such as crude led derivatives, vegetable oils, honey and other agri-based commodities. We are taking judicious price increases and have embarked on cost saving initiatives to mitigate the impact on our margins. However, the input cost pressure combined with portfolio mix changes have led to a near term impact on the operating margins which are expected to be lower by around 200 bps as compared to Q1FY22, with margins normalising to pre covid levels for Q1 despite unprecedented inflation. During Q1 of FY22 and FY21, the operating margins were higher than normal due to Covid-led surge in Healthcare vertical.

The company continues to target higher than industry growth on a medium to long term perspective with stable margins, although there are near term inflationary pressures. In spite of high inflation and near-term consumption pressure, the company will continue to invest behind Power Brands, Innovation, A&P, distribution expansion and a strong back end which will help us drive long term sustainable growth of the business.

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 Foods space. During FY 2021-22, Dabur recorded revenue from operations of INR 10,889 crore and profit after tax of INR 1742 crore.

For further information please contact:

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Disclaimer:

The statements and financials disclosed above may differ from the reported financials to reflect the real business financial performance. Some of the statements in this communication may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied.

Ahluwalia
8/6/22