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

BSE Scrip Code: 500096

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

NSE Scrip Symbol: DABUR

Sub: Transcript of Investors' Conference Call for Dabur India Limited – Q2 FY 2025-26 Financial Results

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of Investors' Conference Call organized on October 30, 2025, post declaration of Financial Results for the quarter and half year ended on September 30, 2025. The said transcript is also available on the website of the Company at www.dabur.com.

This is for your information and records.

Thanking You,

Yours faithfully, For **Dabur India Limited**

(Ashok Kumar Jain)

Group Company Secretary and Chief Compliance Officer

Encl: as above



"Dabur India Limited Q2 FY '26 Investors Conference Call"

October 30, 2025

MANAGEMENT:

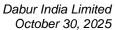
MR. MOHIT MALHOTRA - CHIEF EXECUTIVE OFFICER

MR. ANKUSH JAIN - CHIEF FINANCIAL OFFICER

Ms. Gagan Ahluwalia - VP-Corporate Affairs

Ms. Isha Lamba – Head, Investor Relations and M&A

MR. N. KRISHNAN - GENERAL MANAGER- FINANCE





Isha Lamba:

Good evening, ladies and gentlemen. On behalf of the management of Dabur India Limited, I welcome you to the Earnings Conference Call pertaining to the results for the quarter ended 30th September 2025.

Present here with me are Mr. Mohit Malhotra-Chief Executive Officer, Mr. Ankush Jain-Chief Financial Officer, Ms. Gagan Ahluwalia-VP-Corporate Affairs and Mr. N. Krishnan-General Manager-Finance.

We will start with an overview of the Company's performance by Mr. Mohit Malhotra, and this will be followed by a Q&A session. I now hand over to Mr. Mohit Malhotra. Thank you.

Mohit Malhotra:

Thank you, Isha. Good evening, ladies and gentlemen. We welcome you to Dabur India Limited Conference Call pertaining to the results for the quarter ended 30th September '25.

In India, this quarter was marked by Government's announcement of a landmark GST reform, a pivotal step towards enhancing affordability and increasing consumers' purchasing power, thereby laying the foundation for stronger consumption and demand acceleration. Nearly 66% of our portfolio benefits from the rate reduction, including key categories such as juices, toothpaste, hair oils, shampoos, Glucose, and proprietary Ayurvedic medicines. With this, 86% of our portfolio is now at 5% GST.

We demonstrated operational agility by executing timely price reductions across the portfolio, thereby effectively transmitting the benefits to the consumers. While the GST reduction is structurally positive, it led to a temporary disruption in trade as the channel anticipated forthcoming rate reductions following lower MRP.

This resulted in a short-term moderation in sales in our India business during September. This quarter, our consolidated revenue grew by 5.4% year-on-year, with international business reporting a growth of 7.7% in INR terms and India FMCG business growing at 5.7% year-on-year.

In the India business, HPC portfolio performed well with 8.9% growth year-on-year. The Toothpaste portfolio continued its robust growth trajectory and delivered a strong growth of 14%, led by Dabur Red franchise and Meswak. Recently launched "Swadeshi" campaign for Dabur Red has garnered a positive market response, supporting volume momentum and strengthening the brand equity in the competitive Toothpaste segment.

The Herbal segment growth in the category outpaced the non-herbal segment by 770 bps, underscoring the strong and sustained consumer shift towards natural and herbal oral care products. Leveraging this shift, our portfolio outperformed overall Toothpaste category growth, resulting in robust market share gains.



Skincare portfolio registered a high single-digit growth driven by Gulabari and Oxy franchises.

In the Hair Oil portfolio, Hair Oil grew ahead of the category and gained market share of 232 bps. Shampoo category posted high single-digit growth. We remain focused on premiumizing and expanding our new age offerings in both Hair Oil and Shampoo portfolios.

The Home Care portfolio delivered mid-single-digit growth driven by robust double-digit performance in Odonil, strong performance in Sanifresh. Odonil's growth was supported by double-digit growth in Gel pockets and aerosols, resulting in market share gain of 127 bps.

In our Healthcare portfolio, health supplements grew in mid-single digits. Honey continued its leadership position and recorded a broad-based volume net growth of 28% year-on-year. Premium variants like Sundarbans and Organic Honey witnessed good traction. We continue to gain market shares in Chyawanprash and Glucose.

In the Digestive portfolio, Hajmola franchise posted robust double-digit growth with variants like Chatcola, Limcola, and Mr. Aam now contributing more than 50% to the overall brand franchise.

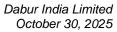
Within OTC and Ethicals, Honitus registered a strong growth of 28% driven by a surge in demand during monsoons. All the key variants such as Cough Syrups, Drops, and Hot Sips grew in double digits.

Ayurvedic health juices continued to perform well, witnessing 25% growth. Overall category was impacted due to GST transition, and discontinued diaper business.

In Juices and Nectars, our premium portfolio, 'Real Activ' 100% juices, continued to scale rapidly and reported a robust growth of 45% led by a two-fold increase in coconut water sales.

Nectar sales were impacted by heavy monsoons across the country and floods across Jammu and Kashmir, Himachal Pradesh, Punjab, and Uttarakhand. However, we continue to outperform the J&N category, gaining market share of 115 bps in nectars and 1,000 bps in Activ juices. The recent GST rate cuts from 12% to 5% on juices is anticipated to act as a strong demand catalyst going forward.

The international business registered a growth of 7.7% in INR terms and 5.5% in constant currency terms, led by a CC growth of 12% in Dubai, 10% in Nigeria, 37% in UK, 11% in Namaste business, 37% in Turkey business, and 13% in Bangladesh business. Growth was impacted by geopolitical disturbance in Nepal, which declined by 15%. The situation has since improved and the new interim government has been formed.





Talking of profitability, operating profit grew by 6.4% and PAT grew by 6.5% during the quarter. Despite the GST transition, seasonal headwinds, and high inflation, both operating profit and PAT grew ahead of its top line in standalone and consolidated business on the back of price increases and cost-saving initiatives.

Looking ahead, we remain optimistic about the sequential recovery in demand supported by improving macros, good monsoon, recent GST rate reductions, and expectation of a strong winter season.

We are pleased to announce the launch of Dabur Ventures with capital allocation of INR 500 crores over the next few years. With this, we intend to make focused investments into high potential new age digital-first businesses that are closely aligned with our strategic vision roadmap. This initiative reaffirms Dabur's commitment to driving innovation-led growth, enhancing its premiumization agenda, and expanding participation in new consumer spaces that represent the categories of tomorrow.

With this, I conclude my address and open the floor to any Q&A. Thank you.

Abneesh Roy from Nuvama Wealth Management

Abneesh Roy:

My first question is on the GST impact. So, you are at a very favorable base last year and ideally you should have obviously grown much faster, which I think you may be doing the pre-GST impact. So, could you clarify how much was the GST volume impact in Q2? The market leader said 2%. And in October month, are you still facing reasonable disruption and you see normalcy coming in November, or already in mid-October the normalcy has come?

Mohit Malhotra:

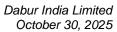
Abneesh, GST impact is in the range of around Rs. 100 crore, give or take for us, which is in the range of around 3% to 4% for us. And since the GST announcement, that is where the primary got impacted and therefore the volume sales got impacted of the business.

I am sure the liquidation of inventory has happened. We have been monitoring, liquidation of inventory is happening. So, the impact wasn't restricted to only September. There will be a carry forward impact in the month of October, and I think first 15-16 days of October will also be impacted due to the GST.

But long term, I think GST has been very transformative for the country and it will unleash volume growth which are much better than what we have seen in the past and has more money in the hands of the consumer. And the sentiment is also positive because of the GST. So, that's what I feel will be the case.

Abneesh Roy:

A related question in terms of the GST cut. Which categories you expect more benefit in terms of volume uptake? And in terms of lower unit packs, obviously, there will be grammage increase





there. So, if you could tell us one ballpark number in terms of the GST rate cut portfolio, how much is the LUP where the grammage increase will happen? That will give us some idea where at least initially the volume uptake will be on the higher side? Could you give us some insights here?

Mohit Malhotra:

Yes. So, LUP for us contribute to around 27% of the overall business where we are doing grammage increases. So, I think that is where the volume of the tonnage increase will actually happen and I feel it will be like surrogate consumer promotion. Consumer promotion drives sentiment and therefore uptick in terms of primary sale and also secondary sale and stocking also. And the categories which I think will get favorably impacted first of all would be oral care in my view, I think that will be a big upside.

Shampoos would be a good upside. Hair oil should gain on account of this. In health care, our Ayurvedic proprietary branded medicine should gain because the rate has come down from 12% to 5%. So, the pricing will come down in terms of almost at par with classical here. So, this will give us a headroom to pick up the prices in long term. And also, consumer sentiment in terms of shifting from unbranded to branded will also happen here.

Our entire OTC portfolio has actually benefited from it, be it Hajmola or Shilajit or all other brands. Their rates have come down to 5%. They will also get benefit and also in the low unit price points of beverages, which is Rs. 10, Rs. 20 pack should also get an upswing as LUPs from the GST.

Abneesh Roy:

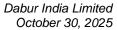
My second question is on the beverages and Nectar. Entire portfolio has been facing this competition from Campa Cola. So, specific question here is with the GST rate cut which has benefited you, how does this help in fighting say Campa Cola?

Second is Campa Cola's incentive, dealer incentive is almost double of Cola players. If you could tell us how does your dealer incentive compare with say Campa and would you need to change that? Because Tata NourishCo has done that and they have seen a very good growth come back already. Would you need to do that or already you have done some action in terms of the dealer incentives?

Mohit Malhotra:

So, I think in terms of overall category now the aerated beverages which is Campa Cola impacted our Juice category because the price index, the related price index actually went up because the price they had dropped and therefore the price disparity between the aerated and the juices went up drastically.

With the GST reduction, the RPI is coming down. Therefore, the juices will become more affordable relative to the beverages. So, it should provide a little bit of tailwind to our beverage portfolio. And that said, our beverage portfolio performance has been better in the current quarter





compared to the previous quarter and the business has grown by around 1.5% to 2% and flat. At least it's come back on the growth path.

As far as incentive is concerned, regarding what the Reliance team is offering as an incentive to the trade. We also have greased up the trade in terms of the incentives that we are giving and we hope that we will be able to bridge the gap not totally, but to a certain extent. Again, the rate RPI will also get reduced going forward from here. We have done it a bit and we did it after the GST and we will continue the same going forward also.

Abneesh Roy:

Last question. Toothpaste, you have done quite well last few quarters. Market leader has not. So, one question was, you said because of the GST rate cut in terms of LUP, you do see toothpaste gaining on the higher side for you. So, I wanted to understand that bit specific to toothpaste, how much is LUP?

Second is inverted duty structure is a big problem for market leaders in toothpaste. So, if you could tell us from a competitive landscape, how does this help you in toothpaste? And on an overall basis, this inverted GST structure, as a company you also will face some issues. So, if you could discuss that bit in terms of input and output, how much will be the GST service tax refund issue for you?

Mohit Malhotra:

So, in terms of overall toothpaste category, then I will give it to Ankush to answer the second part of the question. But overall, Oral Care category has been growing. If you look at, I will split up the whole category into herbal and non-herbal. Herbal category has grown at around 5x of the non-herbal category.

Non-herbal category has grown at 2% and the Herbal category has grown at 10%, so actually almost a 5x higher growth. And the Herbal category now from 30% has become actually 32%. So, there is a definite tailwind towards herbal natural, and this is happening because of the Swadeshi movement of homegrown and indigenous brands which are being promoted and this whole theme resonates with PM Modi's thing also of movement towards the Swadeshi brand.

So, that campaign for us has also paid up. And I think the overall business of oral care is doing well. Meswak has grown at 25%. Our Red toothpaste is growing at around 16%. And two brands, Babool and LDM, which have not performed, also we are trying to refurbish those brands going forward in the quarter and you will see good growth coming back to these two brands. We have gained market share of 60 basis points. So, competitively, we performed better.

In terms of lubricating trade from a GST standpoint also we have given better schemes to help and enable the intermediaries to cross over this new price, the old price and the new price kind of differential. We have offered some trade schemes and so has the competitor also offered the trade schemes there. So, we are doing whatever it takes to help Oral Care go to the next trajectory



of growth. As far as the input tax credit, I will ask Ankush to take that question and I can answer in case there is any other follow-up questions.

Ankush Jain:

Hi, Abneesh. So, like everybody, input tax credit will be an issue for us. As you know, 90% of our portfolio approximately, 87% to be precise, has gone to 5% and remaining at 18%. Weighted average output would be at around 6.5% to 7%, while we estimate our input tax rate to be at around 8% to 8.5%. So, there is a gap of 1.25% to 1.5% which will get accumulated.

Having said that, we are working internally and also with the help of an external consultant how to bridge that. We have already identified certain action points which we are working across sales, across marketing, or even logistics to mitigate this impact. I think we will have more clarity in next one month or so in terms of implementation of those action points.

But you are right, there is an inverted duty issue, which is a recurring issue as the government has still not clarified what would be the problem solution. Technically and legally you can get some bit of refund at least from the raw material and packaging perspective, for services such as the legal solutions and services, it is not refundable. So, there is an issue and we are working towards that.

Mohit Malhotra:

Yes, so we are actually waiting and watching the brief as to what's happening with raw materials and packaging materials where the duty structures are higher as to what we can pass on to the consumer. If there is no resolve from the government, then we may have to take a price increase. But we will see what the industry is actually doing for the RMP.

And to Ankush's point on services, we will have to see how renegotiations will happen with freight forwarders or transporters, etc., to put it in the price itself rather than-- So, those all discussions are actually underway as you guys speak.

As far as the intermediaries are concerned, and they are facing the impact of this input tax credit, there we are offering higher credit or higher schemes for them to address this problem in their working capital which has got stuck with this. So, we are helping our intermediaries to whatever possible extent that we can by offering them higher credit or giving them higher schemes. That's happening on a case-to-case basis. I hope I am clear.

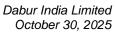
Mihir Shah from Nomura

Mihir Shah:

Firstly, in continuation with the previous question, post mid-October, have you seen any material improvement in volumes because of the GST reduction? Any clarification of that will be helpful.

Mohit Malhotra:

As I told you that this will carry forward for 15-20 days. So, a little bit of improvement will be there due to the festive season, I think, but it is still a wait and watch situation. I will not say that all the inventory of the old price stock has been flushed out in the system because there is a huge





inventory. There will be around 30-day inventory sitting at the retail, then wholesale and distributors around 20 days, and also in our space. So, all that is still getting flushed out. It is not that once the new price comes into effect, which has actually come into effect, but the entire old price inventory is flushed out. Then we can say that things are kind of streamlined. Still a little bit of issues are there as far as the old prices are concerned with trade and the intermediaries today.

Mihir Shah:

Sir, my first question actually is on Chyawanprash sales. It seems if Honey has done so well, maybe Chyawanprash has not done so well because the category growth is relatively low. That is also on a very low base where you had destocked in the same quarter last year. Can you talk about how should one think about this category? Is the category still appears to be impacted and what can bring back the category growth going forward? Any steps that you are taking?

Mohit Malhotra:

Yes. So, I think Chyawanprash had got impacted a couple of years ago due to the season, and the winter season has been contracted. This time we anticipate the business to be more severe and prolonged as compared to what has happened in the last couple of years.

But initial hiccups are the fact that the trade is holding old season inventory, and we are getting rid of that inventory also as soon as possible. We have shifted the loading from last quarter to the current quarter due to (A) GST, (B) there is some remnant inventory left from the previous season, and we have been loading it in the current month as we speak. Loading is currently ongoing. Loading is what delayed, which is helping us to actually clean up the system, and the GST has been a blessing in disguise to that extent.

As far as fundamentally what we are doing to the Chyawanprash category, we being the market leaders, we have launched a couple of variants to make Chyawanprash all-season brand. Therefore, rather than only a single Chyawanprash, we have launched multiple variants. Now the variants are contributing to almost 20%-30% of the Chyawanprash business. We launched Khajurprash especially for women, and that has done exceedingly well in the marketplace. Our sugar free Chyawanprash is again doing very well in the market. In the current season also, we are wanting to launch another variant of Chyawanprash.

So, from the base Chyawanprash, we are premiumizing Chyawanprash where the gross margin is actually moving up while the brand is becoming non-seasonal and getting spread out as we speak. So, that is one effort that is happening.

Our monsoon campaign had come in good last quarter, which did reasonably well in terms of Chyawanprash. That was second that we had done. Then we are extending formats in Chyawanprash. Gummies and bars will get launched in the Chyawanprash. That is the third effort which is actually happening in Chyawanprash. So, all those efforts are ongoing.



Plus, we have unleashed new communication which is outside of immunity and more towards long-term build up and habit formation with the kids to have Chyawanprash on a regular basis. That's using Akshay Kumar there. So, that is also getting launched as we guys are speaking. So, a lot of effort is happening. Plus, consumer promotions are also happening. Extra grammage is being given free in the current season for the consumers. So, that is also underway as we speak. So, a lot of initiatives happening on Chyawanprash.

Mihir Shah:

So, it seems that it can be on the path of recovery soon. Sir, on the winter portfolio, can you give an update on the winter portfolio loading? Winter is expected to be delayed, but it is going to be harsh. Would that be sitting in the 2Q sales, or can one expect the winter loading to happen in 3Q, 4Q, and better sales to be seen in Quarter 3 and Quarter 4?

Mohit Malhotra:

So, winter loading actually got pushed out because GST transitions were happening from Quarter 2 to Quarter 3. And as we speak, as I told you, we are doing the winter loading. Winter portfolio, a significant part of our portfolio, in Quarter 3. So, if the winter is going to be harsh, we expect this quarter to be good relatively as compared to what we saw in the past.

So, I think winter loading will happen now, and if the winters are harsh and prolonged, then I think the whole company will benefit because around a third of our portfolio is winter centric in the current quarter.

Mihir Shah:

Sir, last question on the Dabur Ventures that you have set up. Dabur has been one of the most diversified portfolios. Which category should one think that will get attracted to this and what is the kind of investment that you have planned out? I might have missed out the outlay on the investment side on Dabur Ventures.

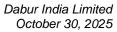
Mohit Malhotra:

There are two parts to the question, Mihir. First is your diversified portfolio, then why Dabur Ventures, first rationale to that. And the second part is outlay. Outlay is simple. The Rs. 500 crore outlay that we kept for the next couple of years, and the Rs. 500 crore is meant for digital-first brands, which are future forward-looking brands, so that we can get high growth and we can extend our portfolio into the new age categories of the future. So, that is the single purpose of creating this investment sort of a venture called Dabur Ventures, so that the focused attention is provided and Rs. 500 crore is used for taking a minority/a majority stake and we will be flexible on it

In the company wherein we will be allocating capital, we will be helping growing the company and if the company is able to sustain the growth, then gradually and slowly acquire majority stake and therefore harness that growth which is coming from the digital-first brands. That is the logic or the rationale of making this investment vehicle called Dabur Ventures.

Mihir Shah:

Wishing you all the very best.





Mohit Malhotra:

Just second part of the question to clarify, it doesn't exclude other M&As like Badshah, Balsara, Sesa etc. It does not preclude that. So, we have got INR 7,000 crores in our balance sheet. The balance INR 500 crores is too small an allocation as far as the balance sheet is concerned. The other part of the fund would be used for other acquisitions as we feel. So, it doesn't impinge upon those allocations in any case.

Percy Panthaki from IIFL Securities

Percy Panthaki: Just trying to understand your performance on a two-year CAGR basis. But before that, sorry, I

had another question before that is, can you tell me as of 30th September, what was the

distributor days?

Ankush Jain: So, Percy, hi. The distributor days as of 30th September is around 22 days.

Percy Panthaki: 22 days, okay. Secondly, I just wanted to understand your two-year CAGR performance. So,

even if I adjust for this 4% impact of GST that you mentioned, the two-year CAGR comes to about 2%. So, how do we interpret this performance? I mean, assuming that the same underlying strength continues in the business, what kind of growth can we expect because on a two-year

CAGR this is only 2% as of now?

Mohit Malhotra: Yes. So, besides the GST impact, Percy, there has been other impact of the weather, as I told

you, the inclement weather and therefore our beverage business has almost remained flat and

that got impacted, number two.

And the third impact also came in because, as I mentioned to you, there is Chyawanprash loading did not happen, which I did not call out in our GST impact, which is over and above that. So that

Chyawanprash loading of INR 60-70 crores could not happen because of the weather and the trade carrying that kind of inventory. We did not increase our number of days and we are very conscious of the hygiene and therefore have not increased that. And so these two impacts are

there, which also contribute to around 2%-3% of the sales.

Otherwise, 95% of our portfolio has gained market share and the business has done well. If you look at HPC, HPC has grown by around 9% of the business. If we even factor in the two-year

CAGR, the growths are good. Healthcare and beverages, which got impacted, and that is what

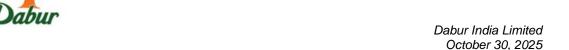
is flagging the sales.

Plus, there has been an impact of around INR 50-60 crores of Nepal due to the Gen Z protest which happened in Nepal. Our international business, which is growing at double digit, has done

a CC growth of 5.5% and the business was impacted because of Nepal and US tariffs. Some bit

of impact on Badshah and exports to the U.S. came in due to US tariffs, which also will get

addressed. So, these macros actually kind of suppressed the business growth.



Percy Panthaki: So, this 3% to 4% GST pipeline impact, it has happened this quarter. Do you expect that similar

amount of pipeline fill will happen in Q3?

Mohit Malhotra: Not to that extent as we have cleaned up the pipeline there and we have not increased the

pipeline, but we feel it will be relatively better than what we have seen in the past. Like the loading which did not happen in the previous quarter should happen if the season is doing well. So, that is what we expect it to be. Partially offsetting what we have seen a depression in last quarter should happen, not completely because we don't want to increase the pipeline once again. We want to keep the hygiene at around 22 or even improve it going forward by increasing

secondary and lower primary.

Mr. Prakash Kapadia from Kapadia Financial Services

Prakash Kapadia: Mohit, if you can give us some sense, how do we look at the business over the next few quarters?

Because I would guess there are tailwinds in terms of monsoons being good, GST coming in, which was not really expected. Winter is expected to be good. So, in this scenario, is there a case, maybe not immediate quarter, but over the next few quarters to get to double-digit growth and is there a shift from unorganized to organized market being possible with the GST cut? So, could you comment on some of these factors which will lead to growth? And secondly, from a rural and urban demand perspective, what categories will drive growth? And premiumization seems to be doing pretty well in most of the urban markets. Is that a play for Dabur? Is the time right for new product launches at least on the urban side? So, some thoughts on urban and rural

on the game plan that will be helpful.

Mohit Malhotra: So, first of all, I think, let me talk about urban and rural, your last question first. So, rural is

sustaining growth for the company and also overall, I think there is a huge growth. There is a 5.6% growth which is happening overall in FMCG. The rural is growing at 8.5% and urban is growing at around 3%, sustained resilience in ruraland so is the case of Dabur also. There is a

difference of around 400 to 500 bps between urban and rural growth for FMCG and for us also.

So, we see a 7% odd growth happening in GT in rural and we see around 3% odd growth

happening as far as our urban is concerned. If I leave aside the modern trade and e-commerce, this is completely urban feet. So, there is a tailwind of rural. To capitalize on this tailwind, we

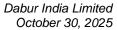
are looking at the LUP bundles and doing a lot of activation in rural and harnessing that growth

of rural.

So, we see one of the pivots of growth for us is definitely bottom of the pyramid and rural,

leveraging our distribution of super-stocking and sub-stocking also. And we are looking at initiatives expanding our distribution going forward, reaching out to more number of villages

and increasing our portfolio, increasing visibility to our sales as far as the rural is concerned





through SFA and through BMS and upgrading our sub stockists which have sales greater than INR 600.000-700.000 to become stockists.

So, we have a project Saksham which is currently ongoing, and we are working on expanding our rural footprint as far as India is concerned. So, we feel there is a huge rural tailwind and monsoon has been great. Agricultural output is fantastic, Kharif acreage is kind of improved, MSP is going up, MGNREGA allocation is not there. So, everything is in favor of rural and rural, I think, will drive the business growth, especially volume growth forward.

As far as urban is concerned, urban is also, last couple of quarters, actually inching up for us. And to drive urban, we have now very systematically taken premiumization as one of the initiatives and that was also mentioned in the seven moves of our strategy. So, we are tracking premiumization in category after category. As I mentioned, in Chyawanprash, we are looking at gummies. In hair oils, we are looking at value-added products like serums etc, and likewise we are looking in oral care, home care, health supplements, OTC products and in foods, we are looking at wellness food.

So, we are looking at premiumization and we are driving premiumization percentage of the overall mix, and the way we define premium product is that it should have 20% higher MRP and should also be accretive to the gross margin of the respective category. So, premiumization is the agenda that we are driving. As far as again rural is concerned, we see unorganized to organized movement because the price points have quite bridged between unbranded and branded. So, definitely there will be a movement happening from unbranded to branded, which I mean from unorganized to organized. So, things are looking up and season is also looking up.

So, for the balance of the year we look at mid- to high-single-digit growth backed by low to mid volume growth. We don't want to promise high single here. That is the kind of guidance that we are looking at going forward for the next half of the year. The first half obviously got impacted by weather and GST transition, but the second half our guidance remains what we have already alluded to before.

Prakash Kapadia: That gives us confidence to the recovery path.

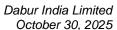
Avi Mehta from Macquarie Capital

Avi Mehta: Sir, just a clarification. Mid- to high-single-digit is for the second half, sir, or for the full year? I

am sorry, I missed that.

Mohit Malhotra: Yes, so mid to high single digit growth is for the second half actually. That is the guidance that

we have given. This will be backed by volume growth of around low to mid single digit.



Dabur

Avi Mehta:

The reason why, if I may push back, sir, we have winter also working. I mean, the loading is yet to happen. We also have GST related kind of coming back. Could there be an upside risk here? That is what would be the case because initially we are hoping to kind of drive a more mid- to high-single-digit for the full year. So, just wanted to appreciate how are you looking at this guidance and how should we see it? What is driving the expectation?

Mohit Malhotra:

Yes, so I am being a little, you know, high single is what optimistically we should be able to achieve. But I am giving you a guidance of mid to high to be not faltering here, but a high single is what we should be achieving if everything comes in our favor because with Gen Z protest in Nepal, we did not count for, this Trump tariff we did not. So, there are unforeseen events that actually happen which actually push back the business. I am factoring that in case something. Otherwise, a high single digit should look quite possible for us and backed by mid single volume growth. But don't hold me onto it. So, that is what we think should be, yes.

Avi Mehta:

Sir, just if I may, on the margin side also, if you could give us, should we see EBITDA growth being higher than sales growth for the full year? Is that an expectation that we still have? And if I may put the next question, sir, just clarification on Dabur Ventures. While I understand the philosophy, could you just deep dive into any categories that you would look for? In particular, whether there will be adjacencies, new categories, and IRRs, what are the metrics or things that you would kind of focus on when you are doing investments? Those are the two questions.

Mohit Malhotra:

As far as margin is concerned, definitely I think we have seen, despite whatever headwinds we face in international business or in the domestic business besides GST, our margins driven by gross margin have been higher. Plus there was huge inflation, around 8% inflation that we faced in the first half. Despite that, our margins have kind of held up and we saw 20 basis points increase in our gross margin and therefore operating margin has also gone up and our first half margins are operating margins around 19% broadly.

So, I think for the full year, our margins will definitely be better than the top line. And we are looking at saving initiatives also in the first half, saving initiatives in the range of around Rs. 60-odd crores. So, we are continuously tracking those saving initiatives as we go on. So, I think on margins front, we are good as far as current year is concerned as we have passed down all the inflation to the consumer. And while we took a 5% price increase for 8% inflation, our saving initiatives came in. So, all that we have been able to pass on.

As far as Dabur Ventures, about what categories we will look at, we will restrict ourselves to our existing categories and we will not go beyond existing categories because earlier also there was a question on diversification. We are already quite a diversified portfolio. So, we will restrict ourselves to home and personal care, health care, wellness foods and beveragesand also adjacencies of these categories. We will look for premium categories which are resonating with the digital-first consumer (Gen Z and Gen Alpha), we will get into modernization of formats and



any digital-first company which has got a head start to what we can't do organically ourselves, is what we will kind of speak to and get the company in the early stages of its formation. So, that is what this venture is meant to do, not to get diversified into multiple other categories. We want to stick to our knitting and our categories and adjacencies what it may be, yes.

Ankush Jain: Avi, in terms of our returns, we think it should be superior than our current treasury yields.

Mohit Malhotra: Over the long term, we expect the returns to be ahead of our treasury. Our treasury returns are

in the range of around 6% to 7% and we expect to be a little higher than the treasury over a long term. Immediately when you acquire a company, obviously there will be a hit in the P&L, but

that we will absorb for the long term better yield than the treasury.

Harit Kapoor from Investec India

Harit Kapoor: Just one clarification. Firstly, the presentation mentioned the growth ex-Badshah for India

FMCG. Just trying to understand why that is the case? Why you kind of ex that out while giving

the numbers?

Isha Lamba: So, actually, as far as our published finances are concerned, we put Badshah in the consolidated

numbers. So, from that point of view, we have given ex-Badshah. That is the reason. But

Badshah also, the domestic business has grown well.

Harit Kapoor: So, the difference between standalone and the India?

Ankush Jain: Yes, Harit, in fact, the Badshah does not get into India. It's consolidated at a consolidated level,

since it is a subsidiary of Dabur India.

Harit Kapoor: No, I understand. I thought maybe in the presentation you would give a consol number. I got the

point for the India FMCG. So, the difference between the two is still the export piece, right? I think you have an export piece. So, that is the difference between your India FMCG and

standalone number. That's the way to look at it, right?

Mohit Malhotra: Yes. There is a piece of private label, there is a piece of a guar gum business, there is a piece of

intercompany export. All that is a difference to the India FMCG plus private label plus guar plus

intercompany exports which comes through the total standalone business.

Harit Kapoor: The second thing was, you mentioned that you passed on this pricing about 5%, but when I look

at the numbers, 5.7% and 2% doesn't fully reflect. I was wondering, has that happened through the quarter and will you see this kind of 4%-5% pricing in Quarter 3, Quarter 4 going forward?

Is that the right way to think about it?



Mohit Malhotra:

The pricing will not lap over. Pricing will carry forward in Quarter 3 also. We expect inflation of 7%. So, this will carry forward into the Quarter 3 also because we have just taken the price increases also. The difference why it strictly doesn't add up is because a lot of across trade schemes and consumer schemes also go which get netted off from the top line, and that is why. And we had to lubricate the trade because of GST also. We had to give additional schemes. So, they get netted off from the top line as well as the primary given schemes that we operate in. So, that is why you don't see a full difference between the two.

Harit Kapoor:

Mohit, just a follow up on this part. So, the gross margin actually sequentially has improved quite a bit, 300 basis points despite your lubrication of the trade and not the full impact of the pricing. So, is there a mix element here also because toothpaste has done better, foods not so much, which would have driven a higher GM and that should to some extent normalize in the quarters going forward as food also starts to pick up?

Ankush Jain:

Yes. So, Harit, when you try to answer, what we are seeing is it is sequentially down by 300 bps. But ours is a seasonal business. So, in the first half of the 1st Quarter, it is more juices, Glucose, and other stuff. But here, we start with loading of Chyawanprash and some bit of Honey itself, and hence the seasonality. And therefore, you can't compare sequential margins in our business because of seasonality.

Mohit Malhotra:

If you look at the Y-o-Y, I think year-on-year, Harit, that is a better way of looking at and there it's a 20-bps improvement. There is not 300 bps. Sequentially, the portfolio differs and rightly to your point, juices did not do as well. Juices is very high in the 1st Quarter. So, I think juices, the season ends in the 1st Quarter and you end into a lean quarter in Quarter 2. So, that goes down, which is inherently a low gross margin as compared to health care, and home and personal care which are high margin for us. It is a category play and a product play. That is what is impacting the margins on the positive side.

Harit Kapoor:

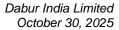
My last question is on Ventures. So, Dabur Ventures, is there a separate team leading this initiative?

Mohit Malhotra:

Yes, we have got Mr. Abhinav Dhall who joined us from McKinsey. He is an expert in private equity, venture capital investments, and has got a huge experience and is a very talented gentleman. I think he will be heading Dabur Ventures. And if need be, then we will be supporting him with other members also who will be exclusively working on Dabur Ventures. But today, he will be exclusively leading this whole venture.

Mehul from JM Financial

Mehul: Sorry, my questions are answered.





Nitin Gupta from Emkay Global Financial Service

Nitin Gupta:

First question is around your guidance around mid- to high-single-digit growth in second half. If I be particular about Q3, so we have multiple benefits in terms of winter loading, primary sales shift, GST benefit. So, any sense you can provide in terms of how you see the domestic growth in Q3 particularly?

Mohit Malhotra:

Nitin, it is very difficult for me to give you a guidance of such a short-term business. Long term I can comment upon, the short term very difficult. As I told you, it all depends upon how the season pans out because this quarter is going to be very season dependent and very winter centric for us, and a third of the portfolio is winter centric. While our winter products are doing well, Honitus last quarter gave us a growth of 28%. Honey has also grown by 28%, etc. I think the Chyawanprash is a big one and all depends upon how Chyawanprash offtakes and fares in the market. It is difficult for us to give you a guidance in such a short term.

Nitin Gupta:

This is fine. So, my question was also pertaining to the price growth. We are sort of having around 5%, so that itself takes to mid single digits. So, any headwind particularly you see which is limiting your guidance or aspiration you can say, like, will not chase you for the number, but just wanted to have some clarity on this?

Mohit Malhotra:

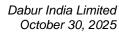
Not really, we don't see any headwind as of now. I think we are only seeing the tailwind. The only headwind which I told you is that the GST transition is carrying forward into the October month also, and there is an old price stock still with the trade. And till the time that gets flushed out, the whole system is not getting streamlined. So, that is the only hiccup that we see in the current quarter. Otherwise, not much we have seen. Even Nepal situation is relatively better as compared to the previous quarter, and we hope the Trump tariff situation also getting resolved in the short term.

Nitin Gupta:

Second question is with respect to like we have the widest portfolio in FMCG, and the question is around like how we are aligning our portfolio with youth. So, HUL in this quarterly call have highlighted that Gen Z is 400 million and they are basically driving the shift in growth, and they are looking to sort of align their portfolio with youth. So, do you agree with the view? And any perspective you can provide here?

Mohit Malhotra:

No, so I think it is not aligning my view to HUL. I think they have got their own strategy, we have got our own strategy. As I told you, there are two pivots of growth as far as Dabur is concerned. One is the growth of premiumization where we are modernizing and contemporizing our portfolio and all our brands. Whether it is hair oils, whether it is shampoo, whether it is home care or skin care, we are modernizing and that is towards this 400 to 500 million cohort which is an urban cohort of consumers.





Out of that, only 2% or 3% are in the income bracket who earn more than around INR 2-3 lakh per month kind of income bracket. So, it is a more razor-sharp approach of going to e-commerce and doing premiumization. So, that is the premiumization pivot of growth.

The second pivot of growth is a rural pivot of growth towards the bottom of the pyramid, which is towards LUP, etc. So, two growth forks for us: one is the premium end, which is where we are contemporizing the brands and premiumizing it and making it more relevant to the Gen Z and the new generation.

To your point, like giving you examples like Chyawanprash gummies coming in, so that is a good thing. Launch of Siens that we have already done, that has happened. Launching a Shilajit resin, which has already happened. So, all those initiatives are meant to relate with the new consumer, but that will be more of a premiumization, more price-driven, more profit driver, and the bottom of the pyramid is going to be more volume driver and more bulk driver for business. So, that is our strategy in terms of premiumization and innovation and relating to the current Gen Z.

Isha Lamba:

I would like to thank all the participants for joining today's call. The webcast recording and transcript will be available on our website. Thank you and have a great evening ahead.