DABUR INDIA

RESULT UPDATE

KEY DATA

Rating	BUY
Sector relative	Neutral
Price (INR)	502
12 month price target (INR)	605
52 Week High/Low	577/420
Market cap (INR bn/USD bn)	890/10.0
Free float (%)	32.1
Avg. daily value traded (INR mn)	1,579.5

SHAREHOLDING PATTERN

	Sep-25	Jun-25	Mar-25
Promoter	66.22%	66.22%	66.28%
FII	10.88%	11.85%	12.68%
DII	17.29%	16.16%	15.62%
Pledge	0%	0%	0%

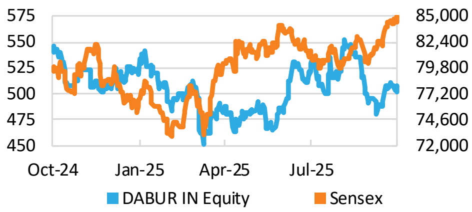
FINANCIALS (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Revenue	1,25,631	1,32,727	1,44,375	1,57,109
EBITDA	23,163	25,882	28,875	31,422
Adjusted profit	17,121	19,442	22,356	24,650
Diluted EPS (INR)	9.7	11.0	12.6	13.9
EPS growth (%)	(3.9)	13.6	15.0	10.3
RoAE (%)	16.6	17.3	18.4	18.6
P/E (x)	51.8	45.6	39.7	36.0
EV/EBITDA (x)	38.1	33.9	30.1	27.3
Dividend yield (%)	1.1	1.2	1.4	1.5

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	1,32,727	1,44,375	-2.1%	-2.2%
EBITDA	25,882	28,875	-2.1%	-2.2%
Adjusted profit	19,442	22,356	-4.1%	-2.9%
Diluted EPS (INR)	11.0	12.6	-4.1%	-2.9%

PRICE PERFORMANCE



Dabur Ventures—delayed but important move

Dabur's Q2FY26 revenue/EBITDA grew 5.4%/6.5% YoY (in line with our estimates). Negative impact of GST transition on revenue was ~3% (INR1bn). India volumes inched up 2% YoY, slightly below our estimate of 4%. HPC grew 8.9% YoY led by Toothpastes (outpaced industry and grew 14.3% YoY). International business grew 5.5% YoY in CC terms marred slightly by underperformance in Nepal (fell 15% YoY). It announced launch of Dabur Ventures, an INR5bn investment platform in new-age digital-first consumer business funded via internal accruals.

We are trimming FY26E–28E EPS by 2–4% on F&B underperformance, yielding a TP of INR605 (from INR625). La Nina (harsher winters) to benefit Dabur's winter portfolio—*Chyawanprash*, Honey, OTC; 'BUY'.

Strong performance in Oral Care

What we like: HPC grew 8.9% YoY led by Toothpastes (outpaced industry and grew 14.3% YoY). Colgate reported a 4% dip in Toothpaste volumes and its revenue declined ~6% YoY. HUL reported marginal decline in Oral care as well. Total 95% of the portfolio gained market share. GST cut has narrowed the price gap between juices and aerated beverages, improving category competitiveness. Total 66% of India portfolio to benefit from GST rate cuts and 86% of portfolio is now at 5% GST.

Dabur Ventures: Dabur has launched an INR5bn investment platform that will back new age, future forward digital-first consumer businesses in the spaces of personal care, healthcare, wellness foods, beverages and Ayurveda. Capital shall be entirely funded through internal accrual.

What we do not like: Healthcare/F&B inched up 1.3%/1.7% YoY. Within F&B, foods grew in double digits offset by weak beverages performance that was hurt by extended monsoons and competition. Nepal declined 15% YoY due to riots.

Q2FY26 conference call highlights: Adverse impact of GST transition was 3% (~INR1bn impact), not only restricted to September, but also 15–20 days of October. In response to Campa Cola's higher dealer incentives (2x peers), Dabur has increased trade incentives post-GST to maintain competitiveness. Q2 beverage business returned to growth (~1.5–2%) after previous quarter's softness; recovery is likely to accelerate in H2. Acknowledged inverted duty structure concerns (input GST ~8–8.5% versus output ~6.5–7%), but mitigation efforts are underway through supply chain optimisation, renegotiation with service vendors and possible price adjustments. Rural demand continued to improve, outpacing urban growth by 400–500bp. Rural posted ~7% growth; urban ~3% growth. Moreover, ~27% of the business, mostly LUPs is logging grammage hike and acting as a surrogate promotion.

Financials

Year to March	Q2FY26	Q2FY25	% Change	Q1FY26	% Change
Net Revenue	31,913	30,280	5.4	34,046	-6.3
EBITDA	5,881	5,520	6.5	6,678	-11.9
Adjusted Profit	4,526	4,244	6.6	5,139	-11.9
Diluted EPS (INR)	2.6	2.4	6.5	2.9	-11.9

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Financial Statements

Income Statement (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Total operating income	1,25,631	1,32,727	1,44,375	1,57,109
Gross profit	60,282	63,709	69,733	75,884
Employee costs	12,912	13,538	14,871	16,182
Other expenses	15,560	14,998	15,881	17,282
EBITDA	23,163	25,882	28,875	31,422
Depreciation	4,456	4,815	5,257	5,699
Less: Interest expense	1,635	1,449	860	460
Add: Other income	5,501	5,632	6,276	6,750
Profit before tax	22,573	25,250	29,034	32,012
Prov for tax	5,175	5,807	6,678	7,363
Less: Other adj	0	0	0	0
Reported profit	17,121	19,442	22,356	24,650
Less: Excp.item (net)	0	0	0	0
Adjusted profit	17,121	19,442	22,356	24,650
Diluted shares o/s	1,767	1,767	1,767	1,767
Adjusted diluted EPS	10	11	13	14
DPS (INR)	5.5	6.0	6.9	7.7
Tax rate (%)	22.9	23.0	23.0	23.0

Balance Sheet (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Share capital	1,772	1,772	1,772	1,772
Reserves	1,06,235	1,14,984	1,25,044	1,36,136
Shareholders funds	1,08,007	1,16,756	1,26,816	1,37,909
Minority interest	4,096	4,096	4,096	4,096
Borrowings	7,301	5,301	3,301	1,301
Trade payables	28,253	27,040	29,243	31,823
Other liabs & prov	13,951	13,951	13,951	13,951
Total liabilities	1,62,323	1,67,858	1,78,122	1,89,794
Net block	28,434	30,119	31,362	32,163
Intangible assets	11,463	11,463	11,463	11,463
Capital WIP	1,690	1,690	1,690	1,690
Total fixed assets	41,587	43,272	44,515	45,316
Non current inv	53,803	53,803	53,803	53,803
Cash/cash equivalent	26,656	29,883	36,193	43,957
Sundry debtors	8,885	9,818	10,680	11,622
Loans & advances	0	0	0	0
Other assets	29,784	29,474	31,323	33,487
Total assets	1,62,323	1,67,858	1,78,122	1,89,794

Important Ratios (%)

Year to March	FY25A	FY26E	FY27E	FY28E
Gross margin (%)	48.0	48.0	48.3	48.3
Staff cost (% of rev)	10.3	10.2	10.3	10.3
A&P as % of sales	6.9	7.0	7.0	7.0
EBITDA margin (%)	18.4	19.5	20.0	20.0
Net profit margin (%)	13.6	14.6	15.5	15.7
Revenue Growth (% YoY)	1.3	5.6	8.8	8.8
EBITDA growth (% YoY)	(3.5)	11.7	11.6	8.8
Adj. profit growth (%)	(3.9)	13.6	15.0	10.3

Free Cash Flow (INR mn)

Year to March	FY25A	FY26E	FY27E	FY28E
Reported profit	17,121	19,442	22,356	24,650
Add: Depreciation	4,456	4,815	5,257	5,699
Interest (net of tax)	1,635	1,449	860	460
Others	(2,737)	0	0	0
Less: Changes in WC	(607)	(1,836)	(507)	(527)
Operating cash flow	19,868	23,870	27,966	30,282
Less: Capex	(5,391)	(6,500)	(6,500)	(6,500)
Free cash flow	14,476	17,370	21,466	23,782

Assumptions (%)

Year to March	FY25A	FY26E	FY27E	FY28E
GDP (YoY %)	7.0	7.0	7.0	7.0
Repo rate (%)	4.3	4.3	4.3	4.3
USD/INR (average)	87.0	90.0	91.0	92.0
Dom Vol growth	(1.5)	6.0	6.0	6.0
Int bus growth	7.7	10.0	10.2	10.2
COGS % of sales (std)	17.4	17.4	17.4	17.4
Other exp (% of rev)	12.4	11.3	11.0	11.0
Dep (% of gross block)	6.9	6.8	6.8	6.8
Yield on cash	6.8	7.0	7.5	7.5

Key Ratios

Year to March	FY25A	FY26E	FY27E	FY28E
RoE (%)	16.6	17.3	18.4	18.6
RoCE (%)	20.7	21.7	23.0	23.4
Inventory days	119	121	115	115
Receivable days	26	26	26	26
Payable days	147	146	138	137
Working cap (% sales)	(1.7)	(0.2)	0.2	0.5
Gross debt/equity (x)	0.1	0	0	0
Net debt/equity (x)	(0.2)	(0.2)	(0.3)	(0.3)
Interest coverage (x)	11.4	14.5	27.5	55.9

Valuation Metrics

Year to March	FY25A	FY26E	FY27E	FY28E
Diluted P/E (x)	51.8	45.6	39.7	36.0
Price/BV (x)	8.2	7.6	7.0	6.4
EV/EBITDA (x)	38.1	33.9	30.1	27.3
Dividend yield (%)	1.1	1.2	1.4	1.5

Source: Company and Nuvama estimates

Valuation Drivers

Year to March	FY25A	FY26E	FY27E	FY28E
EPS growth (%)	(3.9)	13.6	15.0	10.3
RoE (%)	16.6	17.3	18.4	18.6
EBITDA growth (%)	(3.5)	11.7	11.6	8.8
Payout ratio (%)	56.9	55.0	55.0	55.0

Exhibit 1: Trends at a glance

Trends	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Consolidated										
Revenue (INR mn)	31,305	32,038	32,551	28,146	33,491	30,280	33,553	28,301	34,046	31,913
EBITDA (INR mn)	6,047	6,609	6,678	4,668	6,550	5,520	6,819	4,269	6,678	5,881
Revenue growth YoY (%)	10.9	7.3	7.0	5.1	7.0	(5.5)	3.1	0.5	1.7	5.4
EBITDA growth YoY (%)	11.2	10.0	9.5	13.9	8.3	(16.5)	2.1	(8.5)	2.0	6.5
Gross margin (%)	46.6	48.3	48.6	48.6	47.8	49.3	48.1	46.7	47.0	49.4
EBITDA margins (%)	19.3	20.6	20.5	16.6	19.6	18.2	20.3	15.1	19.6	18.4
Standalone										
Revenue (INR mn)	23,474	23,344	24,144	20,395	25,142	21,436	24,483	19,647	24,695	22,348
EBITDA (INR mn)	4,624	5,086	5,316	3,366	4,969	4,032	5,226	2,842	4,852	4,240
PAT (INR mn)	3,777	4,203	4,282	2,831	4,054	3,292	4,181	2,505	4,074	3,487
Revenue growth YoY (%)	7.7	3.0	5.1	5.2	7.1	(8.2)	1.4	(3.7)	(1.8)	4.3
EBITDA growth YoY (%)	8.1	7.6	7.0	10.8	7.5	(20.7)	(1.7)	(15.6)	(2.4)	5.2
Gross margins (%)	44.4	46.8	47.0	45.9	45.1	46.6	47.0	43.5	44.2	47.2
EBITDA margins (%)	19.7	21.8	22.0	16.5	19.8	18.8	21.3	14.5	19.6	19.0
Domestic volume growth YoY (%)	3.0	3.0	4.0	4.2	5.2	(7.5)	1.2	-3-4	(1.0)	2.0
Category growth YoY (%)										
Hair Oil growth (%)	10.0	4.0	4,5	(2.5)	3.3	3.8	2.7	(4.6)	Low Single	5
Shampoo growth (%)	9.0	4.1	11.3	6.1	13.7	3.2	NA	MSD	NA	9
Oral Care growth (%)	13.0	4.1	8.1	22.0	11.4	5.3	9.1	(5.2)	7.3	14.3
Health Supplements growth (%)	5.5	FLAT	FLAT	(9.1)	7.8	2.8	(3.4)	(3.6)	9.0	Mid single
Digestives growth (%)	14.3	18.1	15.1	16.0	10.7	6.3	3.9	(2.1)	High Single	Low single
Skin Care growth (%)	3.5	5.0	4.5	0.6	6.1	-	5.6	8.0	9.0	8
Home Care growth (%)	14.5	15.1	6.6	7.5	8.0	9.1	5.0	0.9	10.0	5.0
OTC & Ethicals										
OTC growth (%)	24.3	8.4	(3.0)	0.6	3.7	-	0.4	(8.4)	Low single	Mid single
Ethicals growth (%)	7.3	7.0	6.9	NA	NA	NA	NA	NA	NA	NA
Food (culinary) growth (%)	35.0	40.4	22.0	20.7	21.3	20.6	30.0	14.2	NA	NA
Beverages growth (%)	(2.0)	(10.0)	6.9	(1.5)	2.8	(11.6)	(10.3)	(9.2)	NA	NA
International										
Int. contribution to revenue (%)	23.4	25.9	24.2	26.0	23.0	28.4	25.0	29.0	26.0	29.0
International CC growth YoY (%)	20.6	23.6	11.7	12.0	18.4	13.0	18.9	19.3	13.7	5.5

Source: Company, Nuvama Research

Exhibit 2: CAGR trends (%)

	Q2FY21	Q2FY22	Q2FY23	Q2FY24	Q2FY25	Q2FY26	3-Yr	4-Yr	5-Yr
Revenue (INR mn)	25,160	28,176	29,865	32,038	30,280	31,913	2.2	3.2	4.9
EBITDA (INR mn)	5,694	6,207	6,007	6,609	5,520	5,881	(0.7)	(1.3)	0.6
PAT (INR mn)	4,829	5,053	4,917	5,151	4,244	4,526	(2.7)	(2.7)	(1.3)

Source: Company, Nuvama Research

How Q2FY26 panned out for listed oral care players

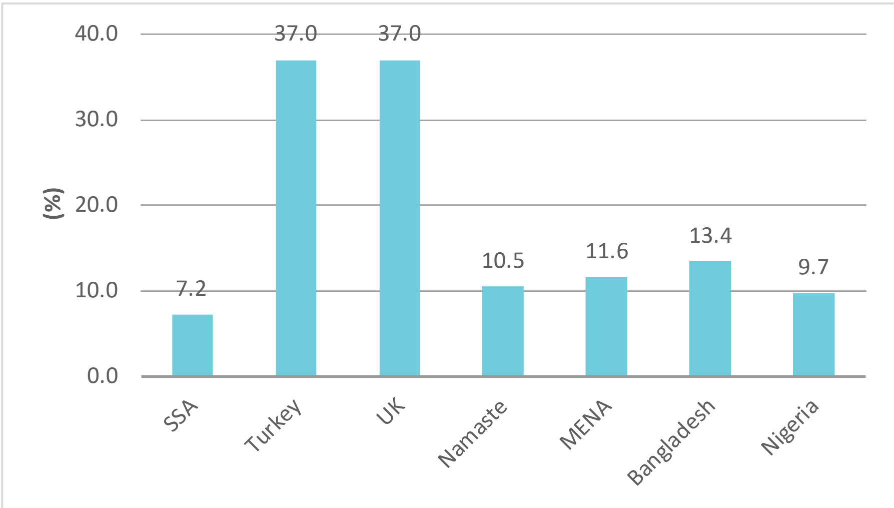
- Colgate's overall revenue fell 6.2% YoY in Q2FY26. In our view, toothpaste volumes decreased 4% YoY.
- HUL's oral care posted a marginal decrease in Q2FY26 while Closeup grew in low-single digit (versus high single-digit growth in Q2FY25).
- For Dabur, oral care reported a strong performance of 14.3% led by both Dabur Red Toothpaste and Meswak, which sustained their strong growth trajectory.

Exhibit 3: Oral care performance

Oral care % Growth YoY	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Colgate	0.9	3.8	10.6	6	8.1	10.3	13.1	10.1	4.7	-1.8	-4.2	-6.2
Dabur	2.6	-3	13	4.1	8.1	22	11.4	5.3	9.1	-5.2	7.3	14.3
HUL	Steady performance	High single digit	High double digit	Mid-single digit	Mid-single digit	Double-digit	Mid-single digit	High-single digit	Mid-single digit	Low single digit	Mid-single digit	marginal decline

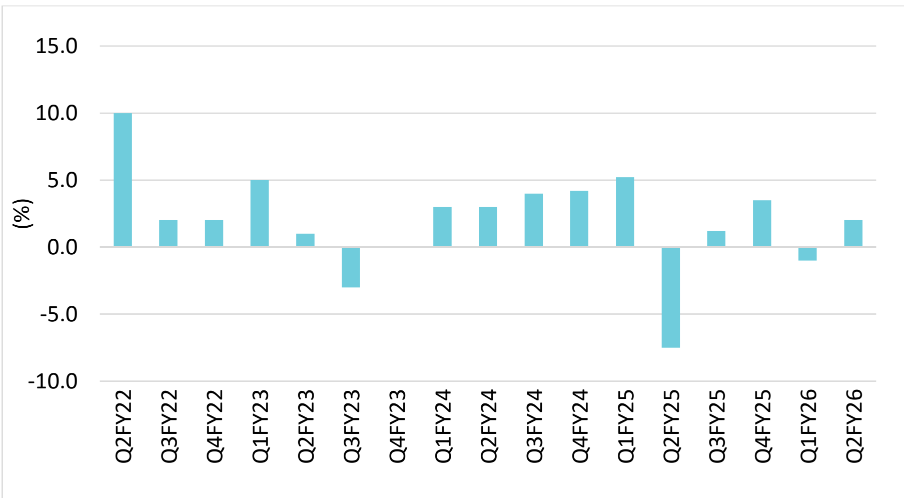
Source: Company, Nuvama Research

Exhibit 4: International business CC growth in Q2FY26



Source: Company, Nuvama Research

Exhibit 5: Volume growth trend (%)



Source: Company, Nuvama Research

Exhibit 6: Digital campaign

Source: Company, Nuvama Research

Exhibit 7: Key management commentary - Outlook, revenue and margins

Particulars	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Outlook	Expects growth to return to mid-to-high single digits in H2FY25, subject to good winter season and industry doing well. Flat EBITDA margin expected in H2FY25. Rural growth remains resilient, outpacing urban in secondary sales, with positive factors like higher Kharif acreage and MSP increases expected to support consumption. The one-time inventory correction is now complete, with distributor inventory reduced from 30 to 21 days, targeting 19 days by December.	Expects sequential improvement in demand over the next few months driven by infrastructure investments, good harvest and government initiatives. To combat inflation, plans to take calibrated price increases , implement cost savings initiatives and focus on premiumisation. The company has engaged McKinsey to refine its 3-year strategy. Beverages are likely to improve as pricing strategies and consumer value offerings take effect.	Targets volume/value growth in range of high single-digit to near double-digit for FY26. Expects low-to-mid-single digit growth in the Foods and Beverage portfolio. Aims double-digit CAGR by FY28E in both top line and bottom line.	Expects high single-digit growth for FY26 with double-digit growth in the Q2 due to a low base, though beverages may see only low single-digit growth. Expects improvement in EBITDA margins compared to FY25, driven by premiumisation and better product mix. The international business continues to show strong momentum, with currency depreciation impacts now normalizing in most geographies. The company would increase A&P spends, going forward.	Full-year operating margin guided to improve over FY25 levels (~19%). GST rate reduction (12% → 5%) across ~66% of the portfolio is expected to unlock volume growth and affordability across categories like oral care, hair oils, shampoos, beverages, and proprietary Ayurvedic medicines. Rural continues to be the key growth driver, with 7% growth expected in GT and rural markets versus ~3% in urban
Revenue	Revenue declined 5.5% YoY. Volume declined 7.5% YoY. Home & Personal care (HPC)/Health Care/F&B revenues decreased 8.1%/9.8%/20.7% YoY	Revenue grew 3.1% YoY. Volume inched up 1.2% YoY. Home & Personal care/Foods grew 5.7%/30% YoY; Healthcare/Beverages fell 1.3%/10.3% YoY.	Revenue remained flat YoY. Volume declined 3-4% YoY. Home and Personal Care reported flat YoY growth, Healthcare contracted 2.2% YoY, Foods grew 18.4% YoY and Beverages declined 8.8% YoY	Revenue grew 1.7% YoY. Volume inched down 1% YoY. HPC rose 5% YoY; Healthcare was up 2.7% YoY while F&B fell 14.3% YoY due to unseasonal rains affecting beverage and Glucose.	Revenue grew 5.4% YoY. Volume inched down 1% YoY. HPC rose 8.9% YoY; Healthcare was up 1.3% YoY while F&B was up 1.7% YoY
Margins	Gross margin expanded 101bp YoY to 49.3% while EBITDA margin dipped 240bp YoY to 18.2%.	Gross margin contracted 55bp YoY to 48.1% and EBITDA margin inched down 19bp YoY to 20.3%.	Gross margin contracted 192bp YoY to 46.7% and EBITDA margin declined 150bp YoY to 15.1%.	Gross margin contracted 75bp YoY to 47% and EBITDA margin remained flat YoY to 19.6%.	Gross margin contracted 49bp YoY to 40.4% and EBITDA margin expanded 20bp YoY to 6.4%.

Source: Company, Nuvama Research

Q2FY26 conference call: Key takeaways

Outlook

- Mid–high single-digit revenue growth in H2FY26 backed by mid-single digit volume growth.
- H2FY26 margins shall be better than H1FY26.
- Q2 beverage business returned to positive growth (~1.5–2%) after previous quarter's softness; recovery likely to accelerate in H2.
- Price increases taken in the quarter are likely to be carried forward into Q3, supporting an estimated inflation impact of ~7%.
- Herbal segment likely to outpace non-herbal.
- Honey, Chyawanprash and OTC portfolios to benefit from a harsh and prolonged winter. Several new variants (women's, sugar-free and bar formats) are likely to drive year-round consumption.

Demand

- GST transition impact was 3% (~INR1bn impact), not only restricted to September but also 15–20 days of October.
- Positive demand drivers for H2FY26 were good monsoon and improved agricultural output.
- Rural continues to be the key growth driver with 7% growth likely in GT and rural markets versus ~3% in urban.

GST rate reduction

- GST rate reduction (12% → 5%) across ~66% of the portfolio is likely to unlock volume growth and affordability across categories such as oral care, hair oils, shampoos, beverages, and proprietary Ayurvedic medicines.
- Around 27% of the business (mainly LUPs) is seeing grammage increases and acting as a surrogate consumer promotion.

Competitive landscape

- It expects volume tailwind in beverages as Relative Price Index (RPI) declines post-GST.
- Q2 beverage business returned to positive growth (~1.5–2%) after previous quarter's softness; recovery expected to accelerate in H2.

Margins & profitability

- Margins expected to remain ahead of top-line growth despite GST-related disruptions and 8% input inflation, aided by ~5% price increases and INR6bn annualised cost-saving initiatives.
- Full-year operating margin guided to improve over FY25 levels (~19%).
- It acknowledged emerging inverted duty structure concerns (Input GST ~8–8.5% versus output ~6.5–7%), but mitigation efforts are underway through supply chain optimisation, renegotiation with service vendors and possible price adjustments.

GST transition impact

- It experienced temporary trade disruptions following the announcement of GST reforms, which affected near-term supply chain operations.
- However, the company swiftly normalised trade channels and ensured full compliance with regulatory requirements.
- Around 66% of Dabur's India portfolio benefited from a GST rate reduction (from 12–18% to 5%), including key categories such as toothpaste, juices, hair oils, shampoos, and glucose.
- It passed on the benefits to consumers, which is likely to stimulate consumption and drive medium-term volume recovery, reinforcing Dabur's competitive position across core categories.

Operating headwinds

- Trade witnessed temporary disruptions post GST reforms announcement
- Heavy rainfall and floods impacted consumption of Beverages
- Input cost escalation in key raw materials

Q2FY26 highlights

- 95% of the portfolio gained market share during Q2FY26.
- Operating profit rose 6.4% YoY, with 20 bps margin expansion.
- PAT grew 6.5% YoY; consolidated EBITDA margin at 22.8%
- Rural continued its growth momentum and outpaced urban demand
- Consolidated/India FMCG business grew 5.4%/5.7% YoY.
- 66% portfolio benefitted from GST rate reduction

Home care (55% salience in domestic)

- Odonil grew double-digit on the back of robust growth in gels and aerosol formats; market share gains in air freshener category
- Sanifresh grew in high-single digit.
- Segment revenue at 11230mn grew by 8.9% YoY

Oral care

- It continues to outpace category growth in toothpastes and has gained market share in Q2FY26.
- Toothpastes recorded 14% growth YoY
- Dabur Red Toothpastes and Dabur Herbal franchise sustained its strong growth trajectory
- Herbal segment continues to outpace non-herbal by 5x;

Skin care

- High single digit growth seen in the "Gulabari" franchise driven by the flagship product Gulabari Rose Water and Face fresheners
- Strong performance by Fem and Oxy.

Hair care

- Shampoo category registered high-single digit growth and market share gains
- Hair oils grew ahead of the category and registered market share gains

Health Supplements

- Dabur honey grew double digit YoY.
- Chyawanprash gained 234bp market share on back of focused media initiatives

Digestives

- Hajmola grew double digits and strengthened its leadership position by registering market share gain in the Digestives category
- Pudin Hara fizz received good response led by focused advertising campaign

OTC & Ethicals

- Honitus posted strong double-digit growth, driven by robust seasonal demand.
- Health Juices maintained strong double-digit growth momentum.
- Segment performance was partially impacted by the discontinuation of Diaper Baby Super Pants and temporary trade disruptions during the GST transition

F&B (16% salience in domestic)

- Segment grew 1.7% YoY to INR3230mn.
- Activ range (Juices & Coconut Water) sustained strong double-digit momentum.
- Real Juices portfolio was temporarily impacted by adverse weather (heavy rain, floods, landslides).
- GST rate cut (12%→5%) on juices expected to support consumption recovery.
- Despite headwinds, Dabur outperformed the category, gaining 115 bp share in Nectars and 1074 bp in 100% Juice.

International

- Dabur's international operations delivered a robust 7.7% YoY growth, reflecting sustained momentum across key geographies.

Others

- Launch of Dabur Ventures an investment platform with allocation of INR5bn funded by Dabur's balance sheet.
- Declared an interim dividend of INR2.75 per share.

Exhibit 8: Consolidated segment performance (INR mn)

Year to March - Revenues (INR mn)	Q2FY26	Q2FY25	% growth Y-o-Y	Q1FY26	% growth Q-o-Q
Consumer care business	26,508	24,876	6.6	27,049	(2.0)
Foods business	4,658	4,674	(0.3)	6,209	(25.0)
Others	747	736	1.5	788	(5.2)
Gross income (Excl other income)	31,913	30,286	5.4	34,046	(6.3)
Year to March - PBIT (INR mn)					
Consumer care business	5,952	5,704	4.3	6,441	(7.6)
Foods business	566	508	11.5	805	(29.6)
Others	37	18	101.1	63	(42.3)
PBIT	6,555	6,230	5.2	7,309	(10.3)
Year to March - Margin					
Consumer care business	22.5	22.9	(48)	23.8	(136)
Foods business	12.2	10.9	129	13.0	(81)
Others	4.9	2.5	243	8.0	(314)
Margin	20.5	20.6	(3)	21.5	(93)

Source: Company, Nuvama Research

Exhibit 9: Standalone financial snapshot (INR mn)

(INR mn)	Q2FY26	Q2FY25	YoY % Change	Q1FY26	QoQ % Change
Total income from operations	22,348	21,436	4.3	24,695	(9.5)
Cost of materials consumed	11,797	11,437	3.1	13,789	(14.4)
Advertising & publicity	1,722	1,649	4.4	1,511	14.0
Employee benefits expenses	2,058	2,081	(1.1)	2,058	-
Other expenses	2,455	2,238	9.7	2,485	(1.2)
Total expenses	18,032	17,404	3.6	19,843	(9.1)
EBITDA	4,316	4,032	7.0	4,852	(11.0)
Other income	1,055	1,185	(11.0)	1,159	(9.0)
Depreciation and amortisation expense	641	638	0.5	632	1.5
Finance costs	196	289	(32.2)	173	13.4
PBT	4,534	4,289	5.7	5,207	(12.9)
Tax expense	981	997	(1.7)	1,133	(13.4)
PAT before exceptional	3,553	3,292	7.9	4,074	(12.8)
Exceptional	-	-	NM	-	NM
PAT	3,553	3,292	7.9	4,074	(12.8)
As % of net sales					
COGS	52.8	53.4	(57)	55.8	(305.1)
Advertising & publicity	7.7	7.7	1	6.1	158.6
Staff costs	9.2	9.7	(50)	8.3	87.5
Other expenditure	11.0	10.4	55	10.1	92.4
EBITDA	19.3	18.8	50	19.6	(33.5)
PBT	20.3	20.0	28	21.1	(79.8)
Net profit	15.9	15.4	54	16.5	(60.0)
Tax rate	21.6	23.2	(162)	21.8	(12.3)

Source: Company, Nuvama Research

Exhibit 10: Consolidated financial snapshot (INR mn)

Year to March	Q2FY26	Q2FY25	% change	Q1FY26	% change
Net sales / Income from operations	31,913	30,280	5.4	34,046	(6.3)
Cost of goods sold	16,135	15,343	5.2	18,033	(10.5)
Gross profit	15,778	14,937	5.6	16,013	(1.5)
Advertising & publicity	2,336	2,256	3.5	2,020	15.7
Staff costs	3,479	3,388	2.7	3,378	3.0
Other expenditure	4,083	3,773	8.2	3,938	3.7
EBITDA	5,881	5,520	6.5	6,678	(11.9)
Depreciation	1,154	1,110	4.0	1,141	1.1
EBIT	4,727	4,410	7.2	5,537	(14.6)
Interest Expense	397	474	(16.3)	346	14.6
Other income	1,401	1,515	(7.5)	1,440	(2.7)
Profit Before Tax	5,731	5,451	5.1	6,630	(13.6)
Provision for Tax	1,282	1,284	(0.2)	1,543	(16.9)
Minority Interest	-77	-77	NM	-52	NM
Exceptional items	0	0		0	
Reported Profit	4,526	4,244	6.6	5,139	(11.9)
Adjusted Profit	4,526	4,244	6.6	5,139	(11.9)
No. of shares (mn)	1,774	1,772		1,774	
Adjusted Diluted EPS	2.6	2.4	6.5	2.9	(11.9)
EPS (INR)	2.6	2.4	6.6	2.9	(11.9)
as % of net sales	49.4				
COGS	50.6	50.7	-11	53.0	-241
Gross Margin	49.4	49.3	11	47.0	241
Advertising & publicity	7.3	7.5	-13	5.9	139
Staff costs	10.9	11.2	-29	9.9	98
Other expenditure	12.8	12.5	33	11.6	123
EBITDA	18.4	18.2	20	19.6	-119
EBIT	14.8	14.6	25	16.3	-145
PBT	18.0	18.0	-4	19.5	-152
Adjusted Profit	14.2	14.0	16	15.1	-91
Tax rate	22.4	23.6	-119	23.3	-90

Source: Company, Nuvama Research

Company Description

Dabur is among the most trusted FMCG brands in the country. Known as the 'Custodian of Ayurveda', Dabur marries age-old traditional wisdom with modern-day science to develop products for consumers across generations and geographies. Dabur's FMCG portfolio includes eight Power Brands with distinct brand identities: Dabur Chyawanprash, Dabur Honey, Dabur PudinHara, Dabur Lal Tail and Dabur Honitus in the Healthcare space; Dabur Amla and Dabur Red Paste in the Personal Care category; and Réal in the Food & Beverages category. In addition, Vatika is an International Power Brand. Dabur operates in key consumer product categories such as Hair Care, Oral Care, Health Care, Skin Care, Home Care and Foods. The Ayurveda company has a wide distribution network with a high penetration in both urban and rural markets. Dabur's products also have huge presence in the overseas markets and are available in over 120 countries across the globe. Its brands are highly popular in the Middle East, SAARC countries, Africa, US, Europe and Russia.

Investment Theme

Dabur’s broad product portfolio provides a good play on Indian Consumer Goods spend by virtue of its strong presence in less penetrated and high growth categories. Dabur’s positioning on the ‘health and wellness’ platform, backed by its ANH (ayurvedic/natural/herbal) image is very progressive. This, combined with its demonstrated ability to create new categories and sub-categories, makes it wellplaced to capture lifestyle changes-led growth in the Consumer Goods space. Improvement in margins of foods and international businesses are likely to result in improvement in margins for the consolidated operations.

Key Risks

- A slowdown in rural demand due to lower government spending or monsoon failure could affect Dabur’s revenues significantly.
- Further rise in competitive intensity in categories like Shampoo, Oral care, hair oils, juice (Campa effect) may put pressure on volume.

Additional Data

Management

CEO	Mr. Mohit Malhotra
CFO	Mr. Ankush Jain
CS	Mr. Ashok Kumar Jain
Chairman	Mr. Mohit Burman
Auditor	M/s G Basu & Co

Holdings – Top 10*

	% Holding		% Holding
Life Insurance	6.47	ICICI Prudentia	1.50
HDFC Asset mana	2.35	Vanguard group	1.41
HDFC Trustee Co	2.32	NPS Trust A/c U	1.20
Blackrock Inc	1.63	Massachusetts F	0.86
SBI Fund Manage	1.57	First Sentier I	0.78

**Latest public data*

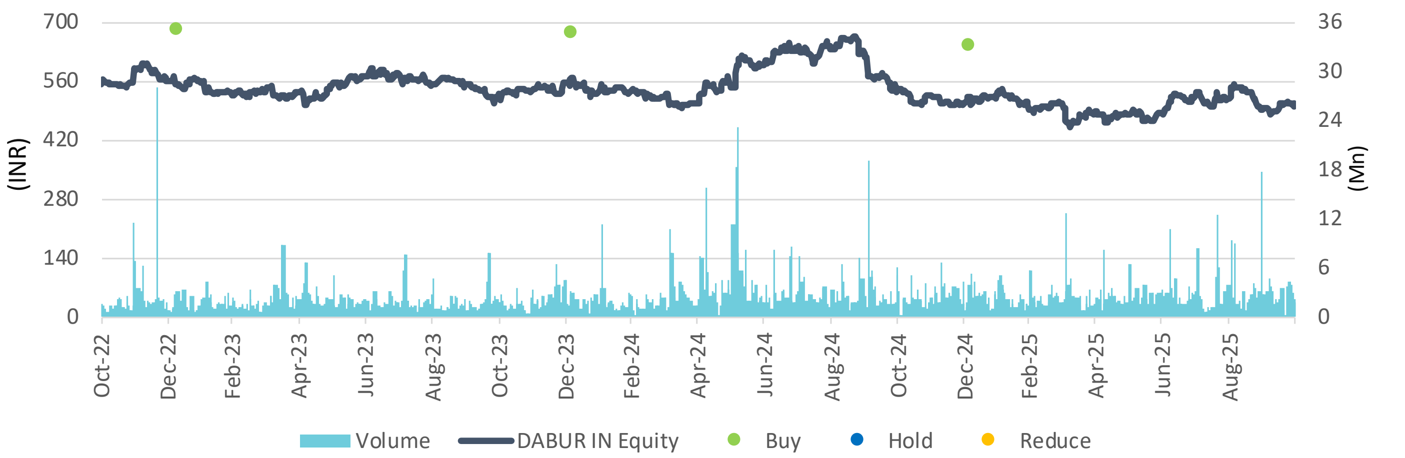
Recent Company Research

Date	Title	Price	Reco
07-Oct-25	In-line with expectations; *Nuvama Flash*	492	Buy
31-Jul-25	Entering into soft base; *Result Update*	529	Buy
04-Jul-25	Positive outlook on India business; *Nuvama Flash*	495	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
29-Oct-25	VBL	Diversifying amid more competition; *Result Update*
23-Oct-25	Hindustan Unilever	Decent performance excluding GST impact; *Result Update*
23-Oct-25	Colgate-Palmolive	Double whammy: GST and competition; *Result Update*

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	205
Hold	<15% and >-5%	68
Reduce	<-5%	37

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