Ref: SEC/SE/2018-19
Date: August 1, 2018

Scrip Symbol: NSE & MSEI – DABUR, BSE Scrip Code: 500096

To,

Corporate Relation Department
Bombay Stock Exchange 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

Metropolitan Stock Exchange Limited (MSEI)
4th Floor, Vibgyor Towers, Plot No. C-62
G-Block, Opposite Trident Hotel,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400098

Sub: Annual Report & Business Responsibility Report for the Financial Year ended on March 31, 2018

Dear Sir(s),

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

1. Annual Report for the financial year ended on March 31, 2018, duly approved and adopted by members of the Company at the Annual General Meeting of the Company held on July 26, 2018.

2. Business Responsibility Report

This is for your information and records.

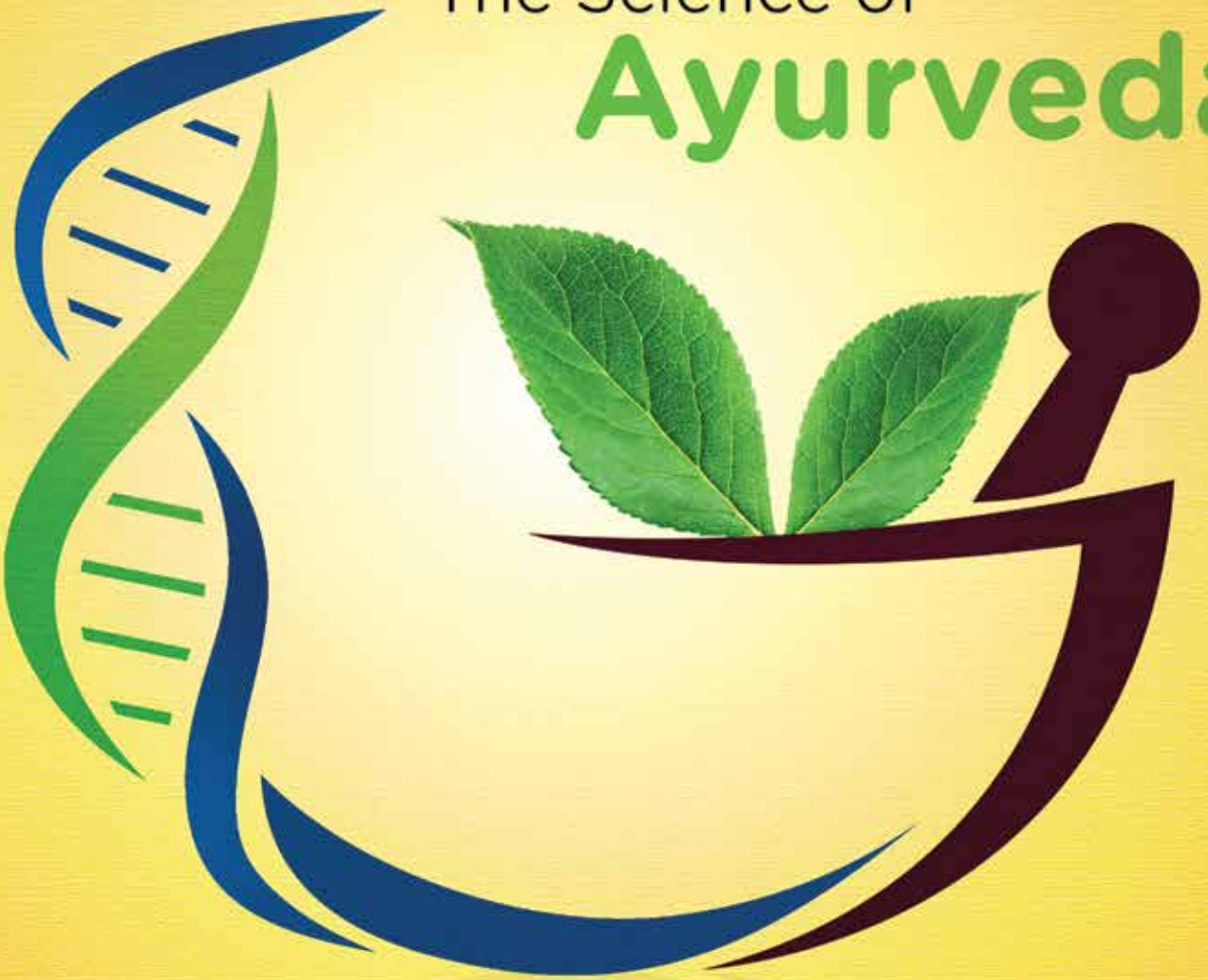
Thanking You,

Yours faithfully,

For **Dabur India Limited**

(A K Jain)
V P (Finance) and Company Secretary

The Science of Ayurveda



DABUR INDIA LIMITED | ANNUAL REPORT 2017-18

Highlights of FY 2017-18

Revenue: ₹ 7,748.3 crore

Operating Margin: 20.9%

Net Profit: ₹ 1,354.4 crore

Market Capitalization as on 31st March 2018: ₹ 57,602 crore

Area under cultivation of rare medicinal herbs: 5,250 Acres

No. of lives impacted through CSR: 1.4 Million

No. of Brands with turnover of over ₹ 100 crore: 16

The 2017-18 Annual Report complies with financial and statutory data requirements of the Companies Act, 2013 (including the Rules made thereunder and Accounting Standards), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

The Integrated Report incorporates financial and non-financial information, covering topics on Governance, Environment and Social, to help our stakeholders understand how Dabur creates and sustains value over the long-term.



Dabur India Ltd is a leading packaged consumer products manufacturer, offering a wide range of products based on traditional Ayurveda and Nature. With a legacy of over 134 years, Dabur is today the oldest and the Most Trusted name in the field of Ayurveda and Health Care.

Our wide range of Nature and Ayurveda-based products and medicines, backed by strong Research & Development, helps us deliver on our motto of being

‘Dedicated to the Health and Well-Being of every household’

and meet the health and wellness needs of our consumers.

Some of our most iconic brands, which are popular across the globe, are Dabur Chyawanprash, Dabur Amla, Vatika, Real, Hajmola, Fem and DermoViva.



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Chairman's Message

Dear Shareholders,

It gives me great pleasure to write to you at the end of another year in our 134-year-long journey. The financial year 2017-18 demonstrated yet again the strength of our strategy of being the country's leading Science-based Ayurveda expert, which helped us deliver greater value to all our stakeholders.

The year 2017-18 was marked by the implementation of Goods and Services Tax (GST) w.e.f. 1st July 2017. This major reform in India's taxation structure led to a temporary slowdown in the growth momentum as pre-GST jitters gripped the trade leading to significant pipeline reduction during the first quarter. These jitters were, however, short-lived as both demand and the economy posted a recovery in the months that followed the GST roll-out. Adverse macro-economic conditions and currency volatility in some of our international markets also posed additional challenges during the year.

Your Company has managed these challenges well on account of resilience and strength of its brands and continuing to invest strongly in sales and distribution and operations infrastructure. During 2017-18 the Company achieved Consolidated Revenue from Operations of ₹ 7,748 crore, growing by 6.9% after adjusting for currency and GST impact. Consolidated Net Profit for 2017-18 stood at ₹ 1,354 Crore, increasing by 6.1% over previous year.

Many of our key brands achieved significant landmarks during the year. Our brand portfolio today includes 16 brands in the Billion Rupee Turnover basket with Dabur Anmol Coconut Oil joining this coveted list this year. The year also saw our flagship toothpaste brand Dabur Red Paste cross ₹ 500 crore turnover mark, making it the fourth Dabur brand to reach this mark after Dabur Amla, Vatika and Réal. Brands such as Hajmola, Dabur Red, Real and Dabur Amla featured in the Most Trusted Brands survey reflecting the trust of millions of consumers.

Recent years have seen the re-emergence of Ayurveda with a growing population of Indians embracing traditional recipes and natural products

for meeting their day-to-day health and personal care needs. This consumer trend continues to gain traction offering numerous opportunities for growth and expansion. As the country's leading Science-based Ayurveda expert, Dabur has been at the forefront of driving innovation to make this traditional Indian knowledge available in a form that appeals to the modern consumer. I am pleased to inform you that we are continuing on this path with renewed vigor and commitment and will continue to build a strong and contemporary portfolio of Ayurvedic products both in consumer health and personal care categories.

In 2017-18, we launched several new products based on the knowledge of Ayurveda to address a variety of Health and Personal Care issues. These include Ayurvedic remedies for managing diabetes, improving digestion, treating cough & cold and maintaining oral health. Details of these new launches have been provided in the Management Discussion & Analysis section of this report. Our Ayurveda focus will only sharpen in the coming years as we have lined up a series of exciting new product launches and consumer connect initiatives to make Ayurveda accessible for the modern-day consumer.

Moving forward on this mission, we have also increased the coverage of our biodiversity initiatives. The year 2017-18 saw an increase of 25% in the area under cultivation of rare medicinal herbs to over 5,000 acres. This would not only help in generating sustainable supply of rare herbs but also contribute to the environment. The Company continues to invest strongly in Research and Development and has filed several patents for some of the developments in the field of Ayurveda.

With the market place changing rapidly due to GST, Dabur has focused on growing its distribution network not only in traditional trade but also in emerging channels like Modern Trade, E-commerce, etc. During fiscal 2017-18 our direct reach crossed 1 million retail outlets, making it one of the largest direct distribution networks in the FMCG space in India. We have also significantly strengthened our rural footprint with Dabur now reaching close to 42,000 villages across the country. This distribution enhancement initiative has helped increase the average number of brands being sold in the hinterland by nearly 10%, besides significantly augmenting the availability and reach of smaller brands. During the year, several purpose-driven digital campaigns were also initiated in the digital space to amplify and complement similar initiatives run both on traditional media as well as on-ground.

A true transnational organization is recognized by its innovation and its ability to deftly adapt to changes in the business environment. Dabur's International Business has been facing currency and geopolitical headwinds for the past couple of years. We have put in place measures to respond to the changing market dynamics and launched a number of unique value-added nature-based offerings that helped our International Business report strong growth in constant currency terms. During the year the company signed an agreement to acquire 100% shareholding of D&A Cosmetics Proprietary Limited and Atlanta Body & Health Products Proprietary Limited. These companies own and operate the Long & Lasting brand of hair care products in Africa. This acquisition is expected to be a good bolt on to our existing hair care portfolio in Africa through the ORS brand.

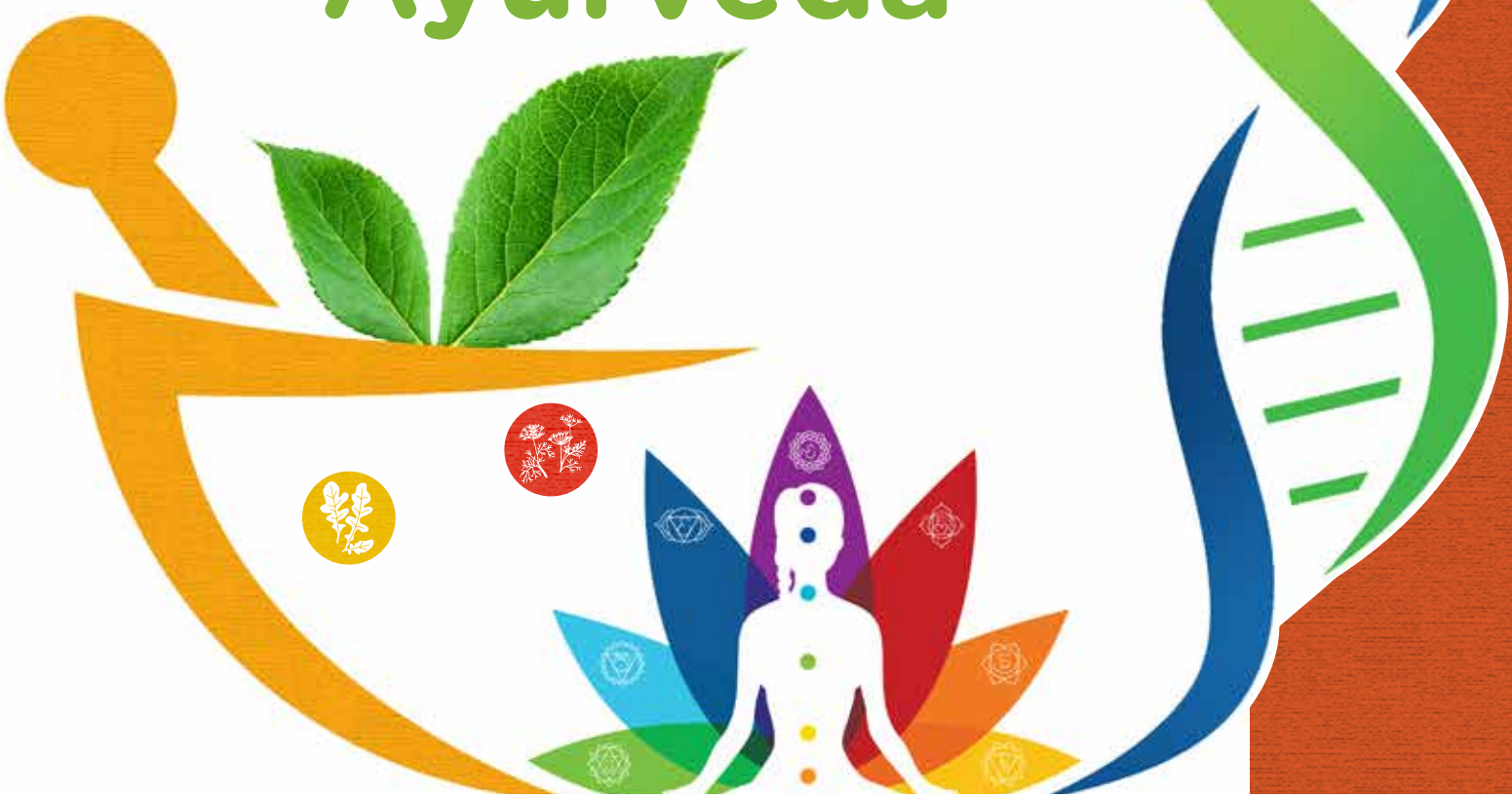
As an organization, Dabur is committed to sustainable development and being a responsible corporate citizen. We continue to focus on conserving our natural resources and reducing the water and energy use at our manufacturing units across the globe. Our commitment to social responsibility is also reflected in the several welfare programs initiated by Dabur. Details of these activities are provided in the following sections of this Annual Report.

At Dabur, we are committed to our mission of generating sustainable value for all our stakeholders, through more innovation, greater efficiency and profitable growth. On behalf of the entire Board and the Management of Dabur India Ltd, I would like to express my gratitude to all our employees, suppliers, consumers, distributors, partners and shareholders for their continuing faith and confidence in the company, our brands and products. We look forward to continuing this journey together in the current fiscal and beyond.

Sincerely,
Dr. Anand C. Burman
Chairman

Integrated Report

The Science of
Ayurveda



Consumers across the globe are reaffirming their trust in nature. In India too, this trend is gaining pace with a growing number of consumers embracing products made from natural ingredients. This is leading to a resurgence in Ayurveda and preference for products derived from this traditional system of health and wellness.

Ayurveda is generally understood as 'Science of life' translating 'Ayuh (r)' as life and 'Veda' as science. It is an ancient system of life dating back almost 5,000 years and is also the oldest surviving medical system in the world. Dabur is associated with Ayurveda since its inception. The company has been focusing on its Ayurvedic heritage to cater to the ever-changing needs of its consumers and introduce products leveraging its over-a-century-old experience in this area.

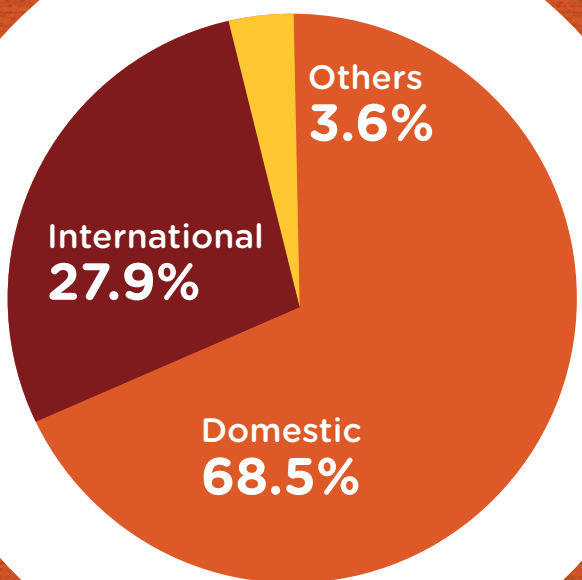
As the custodian of Ayurveda and Science-based Ayurveda expert, Dabur has been investing behind validating the benefits of Ayurveda and Ayurvedic ingredients and products through a series of scientific interventions. Modern day science has been infused into this traditional knowledge to generate evidence and support for the claims made on our products. Ayurveda is the core philosophy on which our product portfolio is built and some of our efforts in this direction are captured below.

New Product Developments during 2017-18

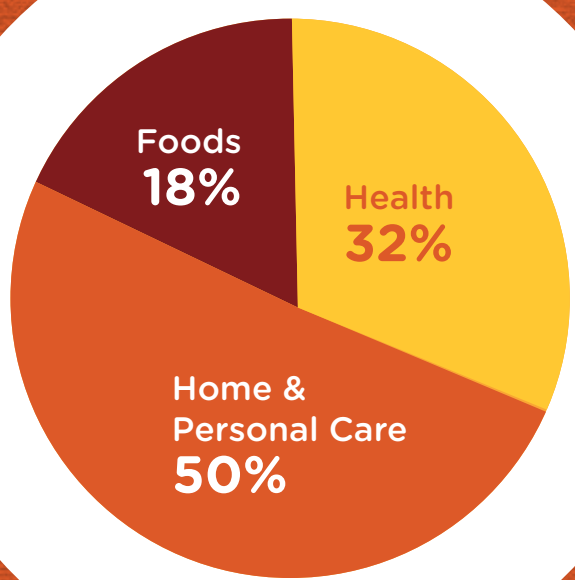
- **Pudin Hara Antacid,** a ready-to-use natural solution for all gastro diseases, combining Godhuma, Shatavari, Mentha Oil, Pudina and numerous other beneficial herbs
- **Dabur GlycoDab Tablets,** an Ayurvedic solution for effective management of Diabetes
- **Dabur Red Gel,** India's first Ayurvedic Gel toothpaste
- **Dabur Honitus Hot Sip,** a ready-to-use Ayurvedic kadha for relief from cough and cold
- **Agnisandeepam Churna,** an Ayurvedic medicine for improving digestion. It is enriched with Anardana, Amaltas, Elaichi and Kutki among other ingredients
- **Dadimavaleha,** a digestive tonic with Anar juice as the main ingredient. It helps cure acidity besides improving digestion
- **Vasant Meha Ras** is an Ayurvedic medicine for managing diabetes and its complications. It has Shilajit, Swarna Bhasma and Moti Bhasma, among other ingredients

Business Model

The company's business model is based upon its three verticals: **Healthcare (HC), Home and Personal Care (HPC) and Foods.** For details, please refer to Management Discussion & Analysis section in this report. The healthcare vertical is based on Ayurveda and the company has the entire range of Ayurvedic classical medicines in its portfolio. In addition, the company offers a wide range of proprietary products called Branded Ethicals, which are based on the principles and knowledge of Ayurveda. The company's HPC vertical also has strong linkages with Ayurveda as most of the products incorporate herbal and natural ingredients, which provide additional health benefits as compared to other products. Our Hair Care and Oral Care portfolios are strongly positioned as 'Herbal' and have been gaining market share based on this proposition. The company's Foods portfolio is strongly positioned on the Health & Wellness platform. The brands Réal, Activ and Hommade are centered on the theme of Health and Nutrition and provide a host of products based on the goodness of fruits and vegetables in a convenient format.



Breakdown of Consolidated Sales: FY2017-18



Breakdown of Domestic Sales by vertical

Go to Market Strategy

The company's products are available on **6.3** million retail outlets in the country. In addition, they are sold through organized retail chains, e-commerce platforms and specialized channels such as beauty retail and salons, chemists and Ayurvedic pharmacies.

The company has set up a network of super stockists and sub-stockists in rural areas to tap the opportunities in these markets. Through this network, the company has a direct presence in **41,000** villages with **370** super-stockists and over **10,000** sub-stockists.

The company also has a team of around **175** medical sales officers who cover more than **39,000** doctors, both Ayurvedic and Allopathic, to garner endorsement from the medical community for our products. This medical detailing team, armed with tablets, has been engaging with doctors and providing them detailed information about Dabur's Health Care range as also information on various ingredients and clinical study data about each product. The company covers over **200,000** chemists and over **10,000** Ayurvedic pharmacies to promote and sell its Healthcare products.

Consumer Connect Initiatives

The company conducts a number of consumer connect initiatives from time to time, enabling the consumers to experience our products. Some of these initiatives during 2017-18 are:



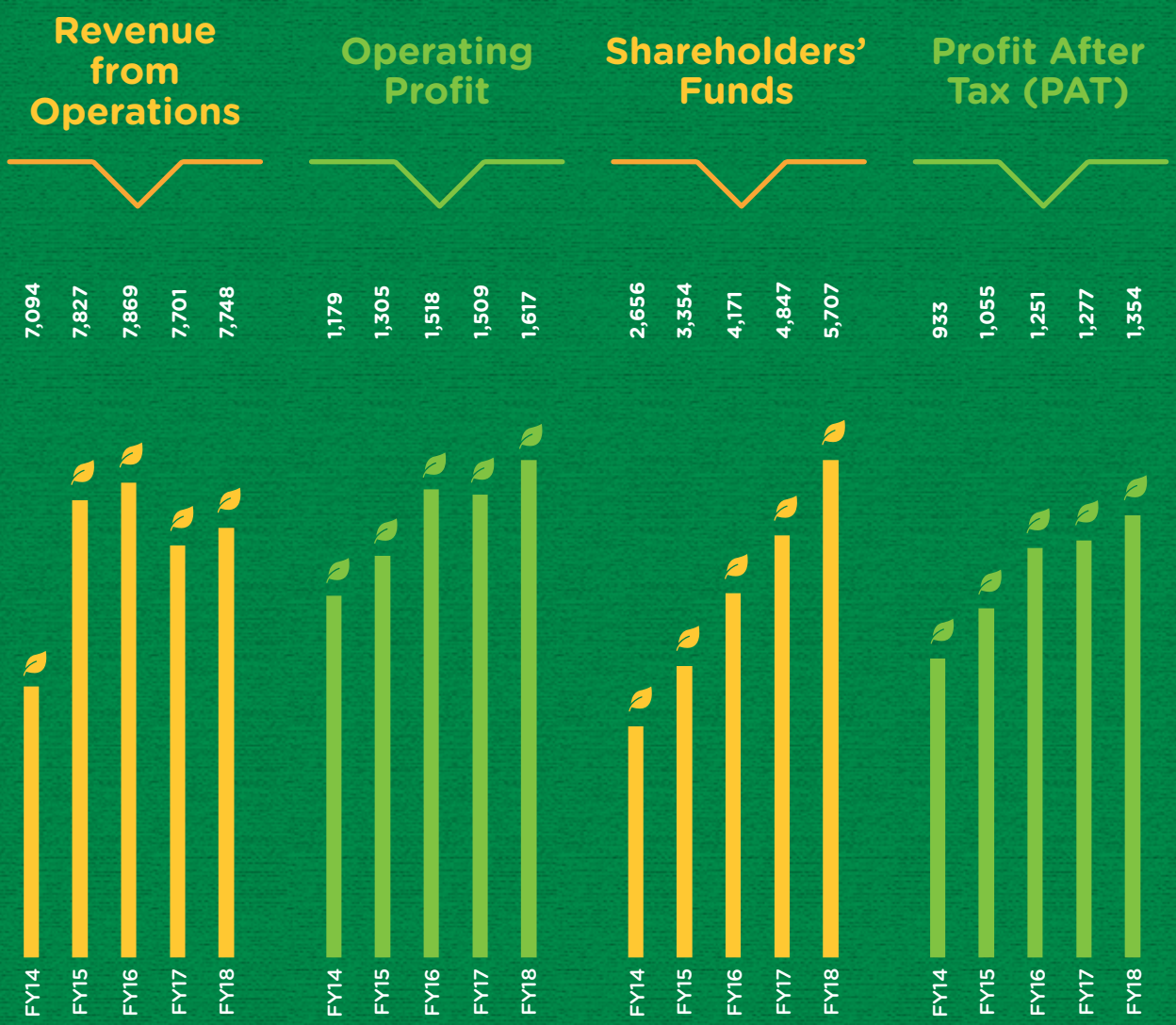




- An exclusive Dabur Red Paste "*Dant Snan Zone*" created at Magh Mela to spread the message of Oral hygiene amongst lakhs of devotees using a unique Toothpaste dispenser
- Dabur entered Guinness World Record book for successfully organising the largest simultaneous Nasya Panchkarma Treatment session involving over **1,000** participants in Jaipur. Nasya treatment refers to an Ayurvedic therapy that includes instillation of herbal oils and medicines through the nasal route
- Offered Honitus Hot Sip kadha to devotees visiting the Golden temple in Amritsar during Guru Parv
- Ayurvedic Health Camps set up for *Kanwariyas* en-route their holy journey for *jal-abhishek* of Lord Shiva, offering services like Health check-ups, Ayurvedic foot and back massage, etc.
- Dabur bagged another Guinness Record for holding the largest Oral Hygiene session with **1,822** school students in Gurgaon
- A 22-feet-high Dabur Pudin Hara bottle, the largest product replica ever, installed at the Nauchandi Mela in Meerut

Performance Highlights

All data in ₹ Crs



FY18 is as per IndAS and takes into account GST
FY16 and FY17 are as per IndAS
FY14 and FY15 is basis IGAAP

10-Year Highlights

In ₹ Crore (except per share data)

	FY09	FY10	FY11^^	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Financial Results										
Revenue from Operations	2,807	3,403	4,105	5,305	6,169	7,094	7,827	7,869	7,701	7,748
Other Income	33	35	32	57	109	128	158	217	298	305
Operating Profit	474	642	800	890	987	1,179	1,305	1,518	1,509	1,617
Operating Margins (%)	16.9%	18.9%	19.5%	16.8%	16.0%	16.6%	16.7%	19.3%	19.6%	20.9%
Profit Before Tax (PBT)	433	601	708	790	948	1,155	1,308	1,554	1,611	1,693
Taxes	46	100	139	146	183	219	251	300	330	335
Tax Rate (%)	10.5%	16.7%	19.6%	18.5%	19.3%	19.0%	19.2%	19.3%	20.5%	19.8%
Profit After Tax (PAT)	388	501	569	645	763	933	1,055	1,251	1,277	1,354
PAT Margins (%)	13.8%	14.7%	13.9%	12.1%	12.4%	13.2%	13.5%	15.9%	16.6%	17.5%
Financial Position										
Net Fixed Assets (incl. Goodwill)	559	677	1,531	1,668	1,674	1,789	1,927	1,773	2,001	2,070
Current Assets, Loans & Advances	951	1106	4,171	2,315	2,689	3,056	2,731	3,229	3,126	3,453
Current Liabilities & Provisions	805	920	1,458	1,384	1,414	1,887	1,942	2,169	2,278	2,491
Share Capital	87	87	174	174	174	174	176	176	176	176
Reserves & Surplus	732	848	1,217	1,543	1,921	2,482	3,178	3,995	4,671	5,530
Shareholders Funds	819	935	1,391	1,717	2,095	2,656	3,354	4,171	4,847	5,707
Equity Share Data										
Earnings Per Share	4.5	5.8	3.3	3.7	4.4	5.2	6.1	7.1	7.2	7.7
Dividend Per Share	1.8	2	1.2	1.3	1.5	1.8	2	2.3	2.3	7.5
Book Value per Share (BVPS)	9.5	10.8	8	9.9	12	15.2	19.1	23.7	27.5	32.4
No of Shares (In Crs)	86.5	86.9	174.1	174.2	174.3	174.4	175.7	175.9	176.2	176.2
Share Price (unadjusted)	99	159	96	106	137	180	266	250	277	327
Market Cap	8,538	13,782	16,722	18,536	23,887	31,310	46,653	43,961	48,856	57,602

^^ Bonus Issue of 1:1 during the year
Share price and market capitalisation as on end of fiscal
FY18 is as per IndAS and takes into account GST
FY16 and FY17 are as per IndAS
FY08 to FY15 is basis IGAAP

Company's Strategy

The company's strategy is to pursue a strong growth path with increasing focus on Ayurveda and nature-based products in Healthcare, Personal Care and Foods segments. With over 134 years of heritage and experience in Ayurveda, the company considers its healthcare portfolio as unique and a strong generator of profitable growth for a long time to come. The penetration of OTC products is very low in India. This provides enormous opportunities for growth in the future. In addition, the increasing consumer preference for Ayurvedic products provides Dabur a unique platform for offering products which are in sync with consumer preferences. Dabur is positioned as the 'Science-Based Ayurveda expert', which helps it connect with the younger generation who like to understand the science behind the products before consuming them. The company is also targeting the youth through specialized campaigns on the digital platforms in addition to enhancing its presence and availability of products on e-commerce and online platforms.

The company's Personal Care portfolio is also centered on 'herbal and natural' proposition, which has helped the company differentiate its products and offer therapeutic benefits to its consumers based on natural ingredients. The company aims to increase its focus on this proposition and add products which are derived from Ayurvedic and herbal knowledge.





In its International markets, the company is largely focused on herbal and natural offerings in Personal Care categories such as Hair Care, Oral Care and Skin Care. The company aims at expanding its presence in its markets by investing strongly behind its brands, distribution and manufacturing capabilities. Our brand architecture remains the same across markets although the product portfolio differs from country to country as it is customized to meet local tastes and preferences. Details of our international portfolio are presented in the Management Discussion and Analysis report.



The company will continue to strategically focus on the 'herbal and natural' proposition as its core philosophy both in India and overseas. In addition, the emphasis on health and wellness makes it a differentiated provider of consumer products and the company will continue to leverage this as a competitive advantage and means to increase its market share in the categories in which it operates.

Competitive Landscape

Competition in the FMCG space includes global, local and smaller players across categories. Dabur faces competition from different players in each category. In Home and Personal Care, we compete with multinational FMCG companies as well as local companies. In Healthcare, the competition is mostly with Indian companies having experience in Ayurvedic products. In Foods segment, we compete with global beverage players and some home-grown brands.

The past year has seen an increase in competitive intensity, both in terms of new entrants entering the established markets and higher discounting by incumbent players. That said, your company has continued to maintain or increase its market shares across categories. In the Ayurveda space, we have seen the entry of more players offering Ayurvedic variants under their own brands. This has helped us in two ways. First, it adds to the consumer interest in the space by educating the consumers and thus helping to increase the size of the pie. Second, it helps your company, the 'Science-based Ayurveda expert' to use its heritage and equity to drive home the advantage and leadership that we have in this space.



CAPITALS & VALUE CREATION

At Dabur, we acknowledge that the real value of any organization is determined by the value it delivers to its stakeholders. Across all our businesses and operations, we have been working towards achieving profitable growth in an ethical, environmentally friendly and socially responsible manner.

In this section, we cover our approach to value creation across the six capitals – Financial, Manufactured, Intellectual, Human, Social & Relationship capital and Natural. The following chart describes what is encompassed in each capital.



Financial Capital

broadly understood as the pool of funds available to an organization and the Economic value that an organization generates through its business.



Manufactured Capital

broadly refers to the manufacturing facilities and capabilities of an organization



Intellectual Capital

refers to the knowledge-based intangibles, research etc that are a key element in an organization's future earning potential



Human Capital

comprises the employees and their capabilities



Social & Relationship Capital

represents our engagement with the communities and various stakeholder groups towards social welfare and development



Natural Capital

represents all renewable and non-renewable natural resources



FINANCIAL CAPITAL

Finance is the elixir that allows businesses to take advantage of opportunities to grow, generate employment and support overall economic and social development. The strategic use of finance is key to the success of every business.

At Dabur, we allocate Financial Capital appropriately and responsibly to fund our operations, sustain our business, invest in the future through Capital Expenditure and to fund any acquisitions that make a good strategic fit with our business. The company makes significant investments behind its brands with Advertising and Promotional spends amounting to around **10-12%** of our Revenue annually. The company also invests significantly in its sales and distribution infrastructure as this is the lifeline of its sales channels and route to market. The operating margins of Dabur were at **20.9%** in fiscal **2017-18** and PAT margins were **17.5%** on consolidated basis. The company added **₹ 1,163** crore to its cash surplus during the year taking the accumulated net cash reserves to **₹ 3,176** crore. During fiscal **2017-18** the company invested **₹ 239** crore in Capital Expenditure on various units for maintenance as well as capacity enhancement. During **2017-18,** the company paid out a special dividend of **₹ 5** per share in addition to its annual dividend of **₹ 2.50** per share. The special dividend was declared to commemorate **25** years of listing of Dabur India Limited.

Overall, the company follows a prudent financial allocation policy for funding its capital requirements for capital expenditure, consistent dividend payout and building cash reserves for any acquisition opportunities that may come up. For details on **2017-18** financials, please refer to Financial Review section in Management Discussion & Analysis.



MANUFACTURED CAPITAL

Manufactured capital is the infrastructure, plant and equipment that we use to make our products. These assets are key to our achieving manufacturing and operational excellence and help us produce innovative and sustainable products that add value to all the capitals.

Dabur manufactures products that are tailored to meet the diverse needs and aspirations of our consumers across the globe. We put a lot of emphasis on our manufacturing capability to ensure that our supply chain conforms to the highest standards of quality. At Dabur, we have been investing in establishing new manufacturing facilities across the globe while also upgrading the manufacturing capability at our existing units by adding high-speed lines to improve asset utilization and productivity.

The manufacturing units have been focusing on greater efficiencies and higher productivity. Some of the key technology interventions undertaken at our India manufacturing units this year include:

- Procurement of a high-end technology toothpaste filling machine for the Tezpur unit. This will enable efficient throughput to the tune of Overall Equipment Efficiency **90%**, and will also be able to generate its own spares list and interact with its global manufacturers on the list of urgent spares required.
- In-mould labelling for small bottles to eliminate the label application operation, leading to faster operation at the unit and improved quality of packaging
- Online laser coding on corrugated wrap-around trays, resulting in cost savings by replacing the current practice of screen printing on wrap-around trays. It also aids in lowering inventory and helps flexibility in operations
- Use of counter-pressure retort process for packing coconut water, increasing productivity by **70%** while reducing the weight of the bottle by **20%**



No. of Manufacturing Locations in India

12



Reported a 7% increase in production



No. of Manufacturing Locations Overseas

8



Increase in OEE% (Overall Equipment Efficiency) is at best-ever level of 2.5%

Robotics & Automation

The year 2017-18 saw Dabur inaugurate the first industrial robot to be used in its manufacturing plants overseas. The ABB Robotic Palletizer Model IRB-460, a leading automation technology that will increase the speed, reach and payload in Dabur's production process, has been established at our facility in Ras Al Khaimah, UAE.

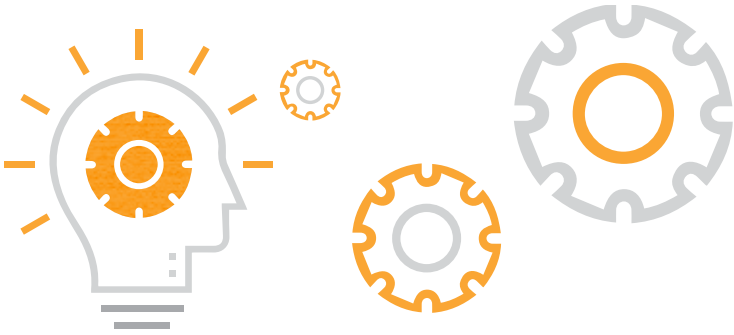
Introduction of this new technology ensures better efficiency in our production. The ABB Robotic Palletizer Model IRB-460 is considered to have the best throughput in class by high speed and payload. It is an exceptionally fast 4-axis machine that combines a 2.4-meter reach with a 110 g payload that can palletize bags, boxes, crates, and bottles, among others.

Life Cycle Analysis

Dabur is a Product Carbon Footprint (PCF) Certified company from TUV NORD for three products – Dabur Chyawanprash, Dabur Honey and Réal Juices. We undertook this proactive Product Carbon Footprint mapping exercise to understand the environmental impact of these three key and large-selling products. This helps us better understand the hotspots and take initiatives to reduce carbon emissions. This will further lead to resource optimization, operational cost reduction, besides brand enhancement for Dabur. At every stage of our products' life cycle, we look for ways to reduce the environmental footprint while improving the performance and efficacy of our products.

Communicating Responsibly

Dabur believes in complete transparency when it comes to product labeling and claims, and lays strong emphasis on communicating responsibly, both through product advertisements and product labels. For the benefit of our consumers, we provide clear nutrition information on our products. All product labels are developed by our team of highly-trained technical experts and only scientifically verified information and claims are conveyed on the product label. We also ensure that all our campaigns are in line with the government regulations and legislation.



INTELLECTUAL CAPITAL

Intellectual Capital intangibles include intellectual property and the organizational capital such as systems and processes that gives the organization a competitive advantage. Dabur is a research-driven organization that has been marrying traditional knowledge of Ayurveda with modern-day Science to develop products that meet the ever-changing needs and aspirations of our consumers across generations and geographies. Our strong heritage, brand, research, technology and processes constitute our intellectual capital.

Our strong focus on development of novel and proprietary Ayurveda-based solutions have paved the way for accelerated and profitable growth in the future.

From Bush to Brand

Dabur has a strong in-house research wing, which is involved in every step of the product value chain — from bush to brand. We grow rare medicinal herbs to ensure that only authentic herbs form the ingredients of our various products. Detailed scientific tests and clinical trials are also conducted on ingredients and final products to ensure that each Dabur product meets the highest standards of quality. A team of **126** highly qualified Scientists form the backbone of this institution.

Our Research and Development initiatives continue to focus on strengthening and extending our Ayurvedic portfolio in India on the one hand, and enhancing our nature-based offerings in the overseas markets on the other. In the **2017-18** financial year, the

No. of Scientists
126

Total Patent Applications
11

No. of New Product launches globally
16

No. of Research Papers published
5

No. of Patents where final specifications were filed
3

R&D team developed 16 new products for India and International markets. In the domestic market, these new launches have helped further establish Dabur as the Science-based Ayurveda expert. The new Ayurvedic preparations launched during the year have been mentioned elsewhere in this report.

In addition to the products launched in Indian market, the company is also introducing a range of healthcare products in its overseas markets. Moving forward in this direction, Dabur introduced the world's first pure vegetarian single-herb capsule that does not have any chemicals and preservatives. The capsule with a revolutionary vegetable origin capsule cover has been introduced under the Nature4U brand, which sells in a few of our international markets such as UK. The first new product in this range was Dabur Nature4U Boswellia, for promoting bone and joint health.

Boswellia
(for promoting bone and Joint health)



Some other new introductions in the International markets are Himalayan mono-floral Honey, fruit variants of Chyawanprash and the first-ever Hajmola in a local Bangladeshi Borhani flavor. Borhani is a traditional spicy yoghurt drink served at weddings and parties. We have incorporated the same traditional taste of Borhani in our Hajmola digestive tablet, a first in the category.

Intellectual Property

In 2017-18, we filed one new process product patent application, taking the total number of patent applications filed by us to 11. In addition, we have filed final specifications for 3 patents, which brings us closer to the patents being awarded.

We have also been conducting detailed scientific tests and clinical trials on various ingredients and final products to ensure that each product meets the highest standards of quality. This year, 5 of our research observations were published in Peer Review Journals. These research papers cover products for managing diabetes, improving health and immunity, providing symptomatic relief from cough and throat irritation and stimulating appetite.

Herbal Garden

Dabur – as the custodian of Ayurveda – has taken the lead in preserving and growing some of the herbs which are endangered and whose supply is going down. Our biodiversity initiatives involve farmers, tribal and forest-based communities across the country, taking them along in this mission to not just arrest the decline in the production of these rare herbs but also increase their population.

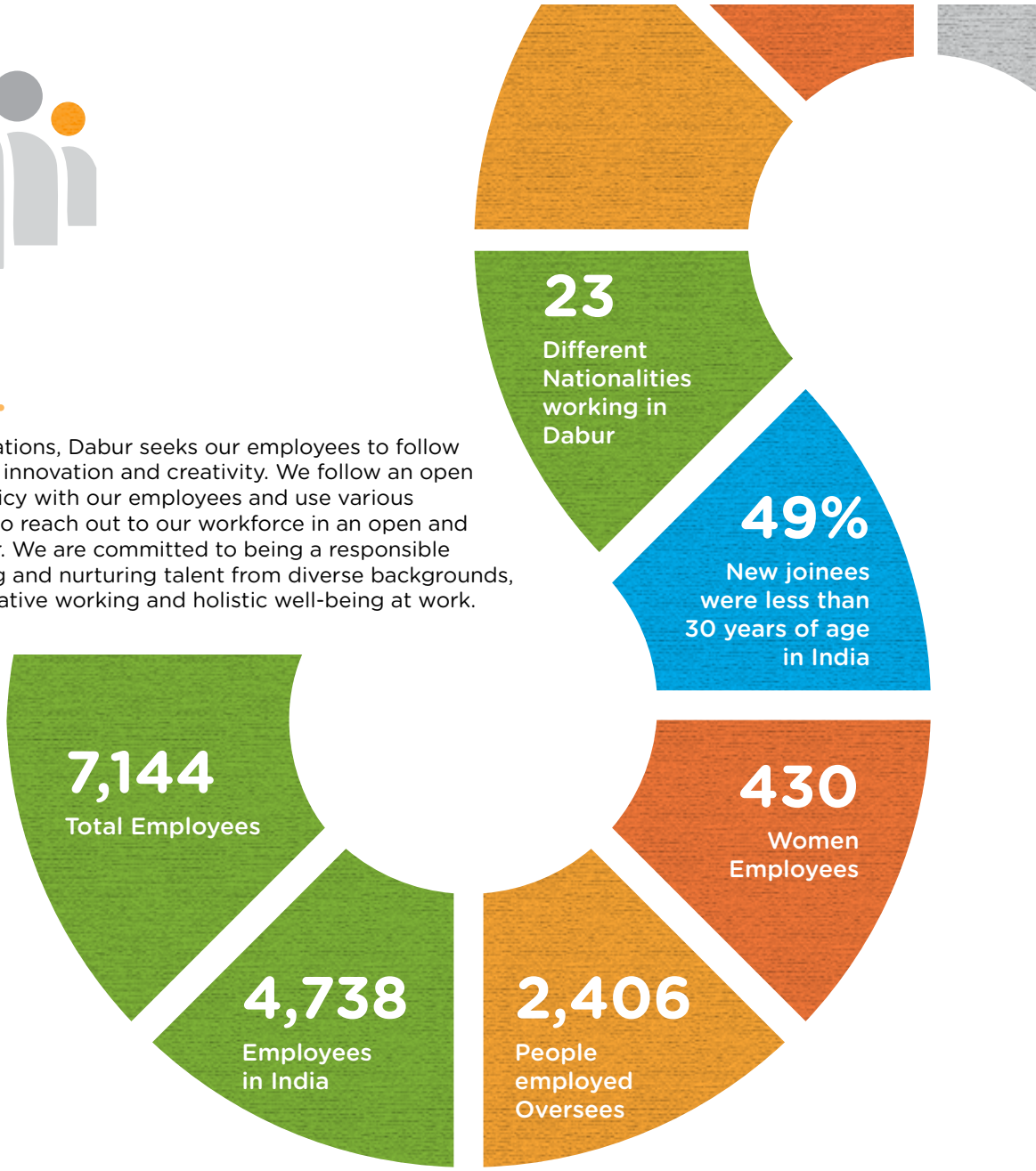
We have identified environmentally sensitive species of medicinal plants and herbs, and developed methodologies to address their sustainability concerns. Today, we use 249 medicinal and aromatic plants (MAPs) for our various Ayurvedic and natural preparations. Of these, we have identified 100 MAPs as being critical to our operations in terms of their availability, value and volume. Through our biodiversity initiatives, we have put in place direct interventions for either cultivating or sustainably collecting 58 of these 100 critical MAPs. In 17 species of MAPs, Dabur is 100% self-sufficient in a way that the entire requirement of these 17 herbs are managed through our biodiversity programme and interventions.

Under this programme, we engage with marginal farmers in cultivation of these herbs and MAPs, providing them visible economic opportunities and supplementing their income. We also undertake special training programmes for farmers, villagers and tribal communities to train them on sustainable and environment-friendly cultivation processes.

At end of March 2018, Dabur has 5,250 acres of land under cultivation of these rare herbs and MAPs in India. This initiative today covers 19 states in India. In addition, some Himalayan herbs are being cultivated in another 400 acres of land in Nepal. 2,400 farmer families in India and 1,500 farmer families in Nepal are benefiting from this initiative.

HUMAN CAPITAL

Across all our operations, Dabur seeks our employees to follow the culture of trust, innovation and creativity. We follow an open communication policy with our employees and use various interactive forums to reach out to our workforce in an open and transparent manner. We are committed to being a responsible employer, attracting and nurturing talent from diverse backgrounds, promoting collaborative working and holistic well-being at work.



Millennial Ready

At Dabur, we have been working towards creating a digitally networked ecosystem at the workplace, that enables faster communication, encourages a culture of collaboration and co-creation, resulting in higher employee engagement. As a first step, Dabur has put in place a web-enabled Human Capital Management System (HCMS), christened PULSE (Platform Used for Learning, Sharing and Engaging). Covering Dabur's operations across the globe, this platform has created a paper-less working environment through automated HR processes and defined workflows, thereby ensuring HR deliverables in a more effective, coordinated and impactful manner.

From a Learning & Development point of view, we have moved towards Gamified e-learning across functions. This helps in easier learning and retention compared to conventional class room training. This kind of a learning is not only GenY-friendly but being easily adopted by other employees as well.

Talent Management

Dabur maintains its competitive edge by honing talent and carving out leaders through various initiatives for managing, developing and retaining superior talent. We provide dedicated employees with a strong growth platform. Our employees are the foundation of our success. We reward their contribution in many ways, like providing competitive pay, giving instant reward and recognition for path-breaking innovation, and through softer incentives like birthday/ anniversary day-off, family get-togethers and on-campus recreation opportunities.

As a growing company with a sizeable presence in the overseas markets, we also offer our employees cross-border learning experiences by giving our employees overseas exposure.

Dabur has an established Career Development Centre (CDC), which was specifically instituted for providing career development and advancement opportunities for our employees. The CDC helps us identify and reward talent and allows us to look internally for filling key positions, rather than just laterally.

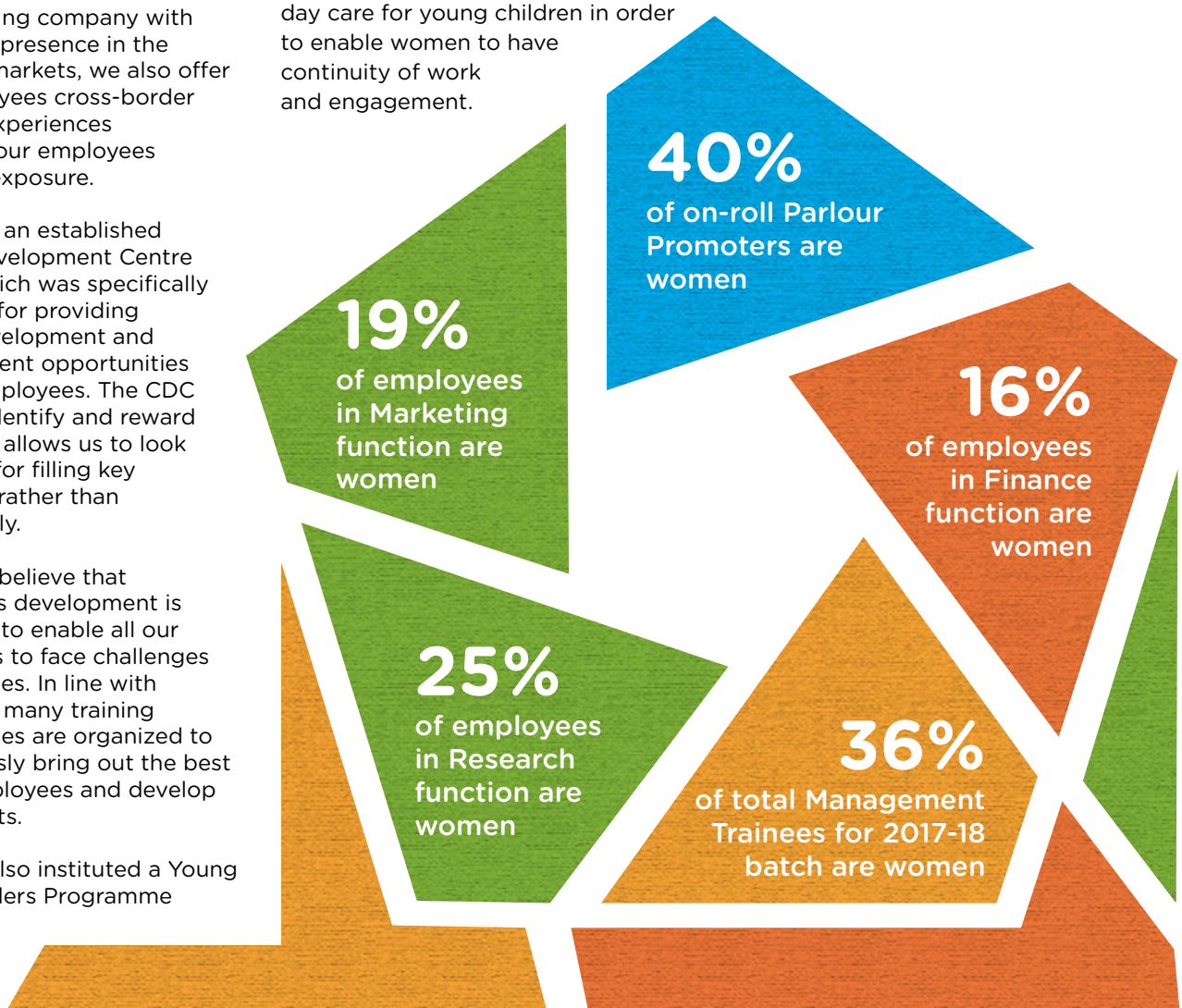
We firmly believe that continuous development is necessary to enable all our employees to face challenges and changes. In line with this belief, many training programmes are organized to continuously bring out the best in our employees and develop their talents.

We have also instituted a Young Sales Leaders Programme (YSLP), which has helped us create a good bench strength of young talent in the sales function. Realizing the fact that people who can work on technology-controlled manufacturing systems are in high demand, we have initiated a multi-skilling initiative at the shop floor. Along with the technology provider, we have been creating content to develop and upgrade the skills at the shop floor level.

Diversity & Inclusion

At Dabur, we believe that a highly diverse, inclusive, and collaborative culture are the key ingredients to fuel faster growth. An inclusive and diverse workforce, we feel, helps us connect better with our customers and understand the needs of our consumers. It is our firm belief that a diverse organization produces better business results and promotes a culture of respect.

Dabur values its women employees and aims at increasing the number of women in its workforce for a balanced gender diversity. Dabur believes in offering equal opportunities to its women employees and provides maternity leave, paternity leave and day care for young children in order to enable women to have continuity of work and engagement.



Employee-Driven Innovation

At Dabur, we encourage innovation in all aspects of conducting our business and have always encouraged our employees to think out of the box. In 2017-18, we institutionalized this with the launch of ThinkAloud, an IT-enabled Platform to crowdsource Big Ideas from all employees.

The ThinkAloud module has been incorporated on our on-the-go HR platform, and is open to all employees, including field staff.

The employees are free to share ideas on a variety of issues like cost savings, new product development, stopping spurious products and process improvement, to name a few. All suggestions received are evaluated on a regular basis and the implementable Big Ideas are rewarded.



Occupational Health & Safety

At Dabur, we regard protecting the safety, security and health of our employees as indispensable to our business activities. We have been dedicating our efforts towards achieving a safe and pleasant working environment with zero fatalities and no serious injuries.



All our domestic manufacturing facilities today are OHSAS 18001 and ISO 14001 certified. Reporting and monitoring of injury frequency rates occurs across geographies and units. During the year 2017-18, Dabur has continued the certification for ISO 9000:15000, ISO 14000:15000 & OHSAS.

In recognition of our efforts, Dabur has been awarded the GreenTech Safety and Environment Gold Award 2017.

SOCIAL & RELATIONSHIP CAPITAL

Dabur strives for a positive impact in the communities where we operate. At Dabur, Corporate Social Responsibility (CSR) activities have been designed to promote education and provide opportunities for increasing employment and income generation for these communities. We take pride in being a business with a heart and soul. For us, business success and community development are inseparable.

CSR Spend in 2017-18

₹ 23.74 Crore

40 Lakh kids benefited from Oral Hygiene camps

2,857 women empowered through Vocational Training and Literacy programmes

5,743 kids gained access to better infrastructure in schools

3,600 people gained access to proper sanitation facilities in rural households

"What is that life worth which cannot bring comfort to others."



This thought of our founder Dr S. K. Burman has been the guiding light for our community development initiatives. For an organization that was built on the foundation of offering holistic health and well-being to all, community development means building an inclusive society by helping to improve the well-being of the community and enabling them to prosper.

CSR Policy

We have a well-structured CSR Policy, which is also a declaration of our intent to contribute to creating a better and self-reliant society. In this policy, the key areas where we pay special attention while preparing development programmes are:

Promoting Nutrition
Sanitation
Preventive Healthcare
Environment Sustainability
Promoting Education
Women Empowerment
Rural Development

CSR Governance

The CSR Policy has been approved by our Board of Directors. The Board reviews all the activities undertaken by the Company and may consider other areas or activities for inclusion in this policy. A CSR committee has also been constituted, which monitors implementation of this policy besides undertaking periodical assessment of the activities and the expenditure therein. At the ground level, the activities are carried out through our CSR arms in coordination with the units and volunteers.

The CSR team provides regular progress report and updates to the CSR Committee of the Board. The committee is also given a detailed report of the activities undertaken each quarter, along with targets and reasons for variance, if any.



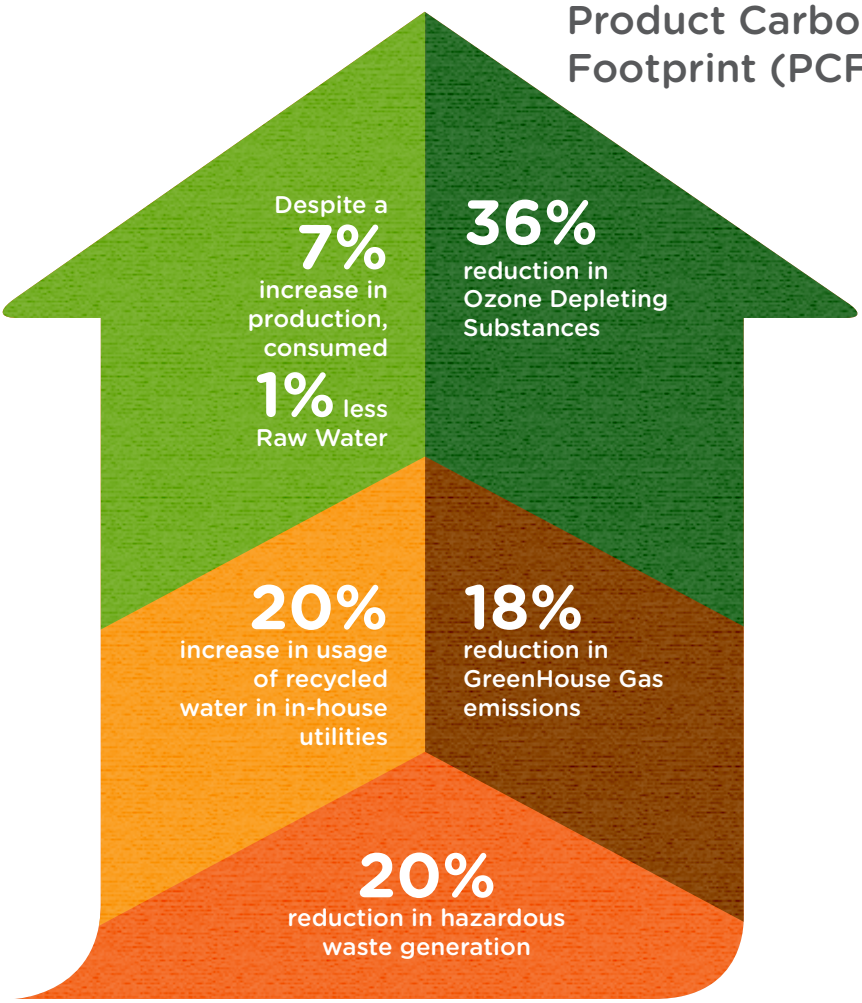
For details of CSR activities of the Company, please refer CSR Report for 2017-18, the Annexure 9 of the Directors' Report.

NATURAL CAPITAL

Recognizing the value of scarce natural resources, Dabur has been focusing on reducing our water and energy use and conserving our natural resources.

We fully embrace the concept of waste minimization across the supply chain by following the 3R principle of Reduce, Reuse, Recycle. Conscious of its responsibility and role, Dabur stays steadfast on its resolve to meet the emerging regulations and has been investing in making the work environment free from different emissions, be it solid, liquid or air.

Dabur is also a Product Carbon Footprint (PCF)



Certified company from TUV NORD for three products – Dabur Chyawanprash, Dabur Honey and Réal Juices.

Through continuous efforts, collaborative tools and innovative solutions, Dabur has made significant progress in improving the environmental efficiency of its operations and reducing the energy and carbon intensity.

For the company's initiatives on Environment and Energy conservation, sustainable sourcing, promotion of bio-diversity, please refer Annexures 7 and 8 of the Directors' Report and the Annual Business Responsibility Report.



Stakeholder Engagement

Our stakeholders are vital to our business; and stakeholder engagement, we feel, is the foundation of every sustainable business model. At Dabur, we believe in maintaining an open, honest and clear communication with our stakeholders. We have mapped our internal and external stakeholders in a structured way.

Our key stakeholders are:

- Employees
- Shareholders & Investors
- Business Partners
- Consumers
- Community

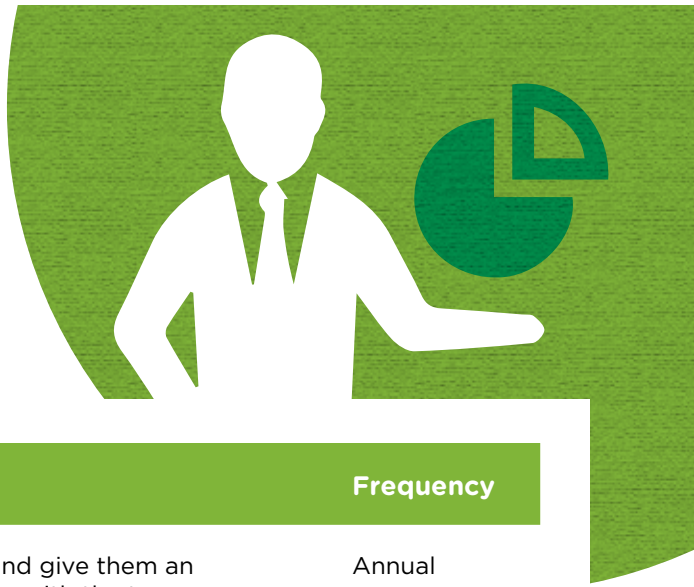
In addition, we also regularly engage with:

- Industry Associations
- Regulatory Authorities

EMPLOYEES



Activity	Engagement Approach	Frequency
Career Development Centre	Specially instituted for providing career development and advancement opportunities for our employees	Annual
Young Manager's Development Programme	A nine-month cross departmental training programme for Management Trainees that gives the young recruits real-time exposure to various markets and Channels	Annual
'Umang', our Intranet and Corporate Social media platform	A communication tool that's used to share information about latest developments within Dabur as also our various policies	Ongoing
'Pulse', our employee engagement platform	A web-based platform created to ease their functioning; reflects the changes made throughout the organization in response to employee feedback	Ongoing
'Utsav', our annual employees' family outing	An annual get-together across units and locations covering all employees to strengthen the bond and togetherness between the Company and employees' families	Annual
'Applause', the employee rewards & recognition programme	A rewards programme that provides instant gratification for excellent work and path-breaking ideas; Motivates our employees to innovate and improve their performance	Half-Yearly
Inter-division Cricket tournament	A team spirit-building exercise that also helps employees stay fit and active while pursuing their hobbies and passions outside work	Annual



SHAREHOLDERS & INVESTORS

Activity	Engagement Approach	Frequency
Annual General Meeting	Reach out to retail investors and give them an opportunity to interact directly with the top management and the Board of Directors	Annual
Investor Conference Calls	Interact with investors and update them about developments within the company, including the Quarterly Results, new product introductions	Quarterly
One-to-One interactions and Investor meets	To address investor specific queries about Dabur and its performance	Ongoing
Press Releases and Presentations	To disseminate information about latest development with regards to new product introductions and new initiatives both at the Corporate and the brand level	Ongoing
Published Result Announcements	Publish Quarterly Results in leading English and Vernacular dailies to disseminate information about the Company's performance	Quarterly
Annual Report	A published document that provides detailed information about Dabur, its financials and non-financial activities	Annually
Dabur website	Provide latest updates about developments at Dabur by posting all information, including investor call transcripts, investor presentations, press releases and Quarterly results	Ongoing



BUSINESS ASSOCIATES

Activity	Engagement Approach	Frequency
Dealer Meets & Conferences	A forum to engage our partners, inform them about the new initiatives at Dabur and reward excellence	Ongoing
Dealer Management System	System to enable stockists across India and help them establish seamless business transactions	Ongoing



CONSUMERS

Activity	Engagement Approach	Frequency
Call Centre & Consumer Cell	A dedicated system to help consumers reach out to Dabur for any product related queries and complaints	Ongoing
Consumer Activations, Participation in exhibitions & events	A platform to reach out to our consumers across markets to help them experience Dabur products, spread awareness about product benefits and disseminate information about differentiating between a spurious product and a genuine Dabur product	Ongoing
Focused Group Discussions	A platform to better assess the changing needs of our consumers and gauge their aspirations that help us develop products to suit their changing needs	Ongoing
Dabur Website	Provide latest updates about developments within Dabur and information about new products	Ongoing
Digital Platforms & Social Media	Engage consumers with activities and spread information about both new products and key benefits of existing products; Disseminate information regarding Ayurvedic health care and natural beauty care	Ongoing

COMMUNITY

Activity	Engagement Approach	Frequency
Community Development & Engagement	Meetings with community leaders and members to identify programmes basis their specific needs and implementation of these development activities	Ongoing
Engaging with local NGOs	Participate in development activities along with local NGOs to generate additional income for local and forest-based communities while upgrading their skill sets	Ongoing
Health Camps	Health camps organized across the country to provide free consultancy to the poor & needy	Ongoing
Student visits	Engage with students to help them understand the importance of Ayurveda and spread awareness about various community development initiatives	Ongoing

INDUSTRY ASSOCIATIONS

Activity	Engagement Approach	Frequency
Participation in industry and cross-industry groups	Undertake regular meetings and involved in special task forces of sub-industry group committees to discuss various emerging issues and topics	Ongoing
Public Policy advocacy	Help contribute to the development of sound public policy by providing accurate information about our industry and our activities	Ongoing



REGULATORY AUTHORITIES

Activity	Engagement Approach	Frequency
Multi-stakeholder meetings	Participate in multi-stakeholder public processes, sharing thought leadership to assist them in formulating policies and regulatory frameworks that promote as well as protect the interest of our stakeholders and the industry at large	Ongoing

Dabur believes in transparency in action and this transparency is an essential ingredient when it comes to building trust with our stakeholders. Every stakeholder is given the opportunity to voice their opinion or share their concerns, and their feedback is always considered and queries addressed in a time-bound manner.

Information on cases filed by any stakeholder against Dabur India Ltd regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending at the end of financial year 2017-18 is provided in the following table:

Details	Number of cases filed in the last 5 years	Number of cases pending at the end of 2017-18	Remarks
Alleged unfair trade practices	0	0	No case was filled against the company
Alleged irresponsible advertising	17	0	All 17 complaints were disposed of
Alleged anti-competitive behaviour	0	0	No case was filled against the company

Risks & Opportunities



Risk Management Systems

The Risk Management System at Dabur is an integral part of the comprehensive planning, controlling and reporting systems. We pursue a holistic, integrated approach when it comes to Risk Management that help us manage significant risks to the entire Group – covering all its legal entities, subsidiaries, business units and corporate functions – holistically.

At Dabur, risk assessment is undertaken based on likelihood of occurrence and possible impact per the levels — Low, Medium and High. Each unit and business division is responsible for identifying the probable risks in their areas of operation, which is then escalated to the management level. The Risk Department coordinates with all Corporate functions, Units and Zonal Offices, seeking updating of existing risks as well as identification of new, emerging risks in their respective areas, if any. The mitigation plan for each risk is decided in consultation with the functional team and finalized in discussion with the Management Committee and the Risk Management Committee. The progress on implementation plan is monitored regularly, and a final presentation is made to the Risk Management Committee (headed by Independent Director) and to the Board of Directors.

This risk management structure has been in place for seven years now and is being continuously monitored by Management Team, Risk Management Committee and Audit Committee. To ensure adequate internal financial control, a strong and independent Internal Audit function at the Corporate level carries out risk-focused audits across all businesses.

During the year, we conducted an extensive exercise to identify the various risks and their mitigation strategy.

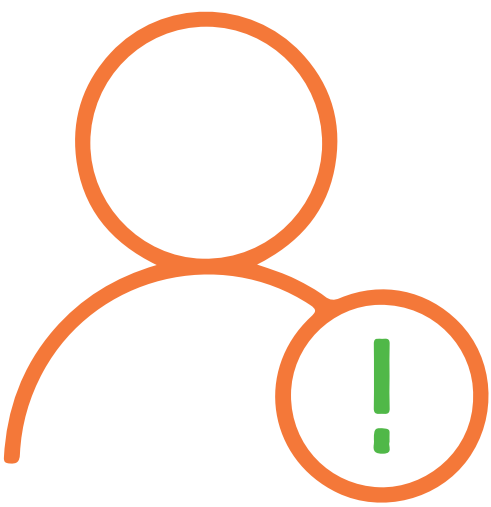


Risk Management Committee

A Risk Management Committee was established under the Board of Directors to regularly monitor the emerging risks and the initiatives to mitigate the same. The composition of the Risk Management Committee, headed by an Independent Director, is given below:

Name of Director	Category	Role
Dr. Ajay Dua	Independent Director	Chairman
Mr. P. N. Vijay	Independent Director	Member
Mr. Amit Burman	Non-Executive Promoter Director	Member
Mr. P. D. Narang	Executive Director	Member
Mr. Sunil Duggal	Executive Director	Member
Mr. A. K. Jain	VP (Finance) & Company Secretary	Member & Joint Chief Risk Officer
Mr. Lalit Malik	Chief Financial Officer	Member & Joint Chief Risk Officer

The Risk Management Committee is responsible for ensuring the effectiveness of the risk management framework of the Company, focusing on the strategic risks and reviewing the progress of the mitigation plan. It meets every quarter to assess and review the various risks and the actions taken to mitigate those risks. It reviews, assesses the quality, integrity and effectiveness of the Risk Management plan and systems and ensures that the risk policies and strategies are effectively managed by the management and that risks taken are within the agreed tolerance and appetite levels.



Threats & Opportunities

The company closely monitors the potential risks and opportunities that arise from Political, Economic & Regulatory environment, Exchange Rate fluctuations, Technology Changes, Environment and Competition. Following are some of the Business Sustainability risks identified by us from a business perspective and our approach towards addressing them.

Political & Macroeconomic Environment

The past couple of years have been tough for the FMCG industry in India with the sector facing severe headwinds. Demand growth for packaged consumer products remained muted despite good monsoon. The geopolitical disturbances and resultant decline in growth in key countries and regions also impacted sales. The pre-GST jitters further depressed sentiments and led to massive amount of destocking across the entire trade channel.

The Company responded to the emerging challenges in the domestic market by changing its marketing mix by reducing consumer promotions while deploying innovative consumer engagement programmes both in rural and urban markets.

In the hinterland, we reached out to our consumers through a variety of on-ground initiatives that give them the opportunity to touch, feel and experience our products.

We also countered the economic risks with proactive production planning, structural adjustments and cost flexibility. The impact of geopolitical disturbances in some key manufacturing locations like Nepal were mitigated through development of alternate manufacturing facilities in India and Sri Lanka.

This ensured derisking of our Foods business and establishment of an alternate supply chain for the business, which helped the business report strong growth.

Regulatory Framework

India's Regulatory Environment is undergoing several structural changes with the Indian regulations being modified to reflect the developments in the Western world. To cite an example, GST, the most ambitious tax reform since Independence, was introduced on July 1, 2017.

The Company has followed all legal and regulatory requirements and has implemented all statutory requirements. In addition, it has also assisted its business associates, viz. distributors and vendors to prepare for compliance with the new regulatory regime.

Environment & Climate Change

In order to mitigate the impact of climate change, we are committed to reducing our absolute energy consumption and CO_2 emissions, while adopting clean energy, recycling waste and working towards increasing biodiversity by involving local communities.

At Dabur, we have a two-pronged approach towards Environment Sustainability. We have been working towards reducing the environmental impact of our operations, particularly energy use, water use and waste output, besides targeting the primary source of GHG emissions.

Dabur has formed a consortium with other responsible organizations to collect and help recycle multi-layer plastic waste materials based on the Extended Producers Responsibility (EPR) principle. Details of these programmes have been discussed in other sections of this report.



Counterfeit Products

Counterfeit or spurious products have today emerged as a global problem of enormous scale, impacting almost every sector. In India, the presence of counterfeit is specifically high in FMCG, causing significant losses to the industry and the government. A study by KPMG and Federation of Indian Chambers of Commerce and Industry (FICCI) indicated that sales of fake consumer goods are growing faster than the overall consumer products market.

Dabur has been targeting the spurious and counterfeit products manufacturers with a multi-pronged strategy. We have been working with local authorities across states to target manufacturers of spurious products as also label printers in a planned manner. Last year, our efforts have led to nearly 200 raids by local authorities across 19 states, which led to seizure of goods worth over ₹ 10 Crores.



Information Security

In day-to-day operations of the company, employees have access to a variety of data and information, which includes production plans, investment strategies and new product launches. At Dabur, we have put in place safeguards to ensure that information is not misused in any way.

A robust IT security system has also been put in place to guard ourselves from the information security threats that the Internet brought in. With the growing threat of companies losing information over the Internet, it has become increasingly important for companies to protect their digital assets from loss or unauthorized access. Strict vigilance is maintained in all offices and manufacturing locations regarding entry of laptops, mobile phones, hard drives and pen drives.

We have been working towards raising awareness of our employees regarding managing their information, and have put in place a policy regarding employees' use of social media. Real time back-up of SAP and e-mail data is also undertaken, thereby ensuring business continuity.



Competitive Intensity

The demand for Ayurvedic and natural products has been growing at a steady pace with more and more consumers embracing these products. This category has, of late, seen heightened activity with the entry of new players, both domestic and international. Dabur has been marrying the age-old Ayurvedic heritage and traditions with cutting-edge scientific prowess. We have a strong in-house research wing that follows a 'bush-to-brand' approach. This research wing also undertakes detailed tests on individual ingredients and products to ensure that the final product meets customer needs and aspirations and is compliant with regulatory standards. Adherence to high standards of quality and science-based approach has helped Dabur meet the challenges on competitive front.



Corporate Information



Corporate Office

Dabur India Limited

CIN: L24230DL1975PLC007908
Dabur Corporate Office, Kaushambi,
Sahibabad, Ghaziabad-201010 (U.P.), India
Tel.: 0120-3962100 | **Fax:** 0120-4374929
Website: www.dabur.com | **Email:** corpcomm@mail.dabur
Email for investors: investors@mail.dabur

Registered Office

8/3, Asaf Ali Road, New Delhi-110002, India
Tel.: 011-23253488

VP (Finance) & Company Secretary

Mr. A K. Jain

Auditors

Walker Chandiok & Co. LLP

Internal Auditors

Pricewaterhouse Coopers Pvt. Ltd.

Bankers

Punjab National Bank | Standard Chartered Bank
The Hongkong & Shanghai Banking Corporation Ltd.
Citibank N.A. | HDFC Bank Ltd.
Bank of Tokyo Mitsubishi UFJ, Ltd.
Bank of Nova Scotia | IDBI Bank Ltd.

Board of Directors



From left to right

(Sitting)

Mr. R. C. Bhargava
Director

Mr. Amit Burman
Vice Chairman

(Standing)

Dr. Ajay Dua
Director

Mr. Sanjay Kumar Bhattacharyya
Director

Mr. P. N. Vijay
Director

Dr. S. Narayan
Director



(Sitting)

Dr. Anand C. Burman
Chairman

Ms Falguni Sanjay Nayar
Director

(Standing)

Mr. Mohit Burman
Director

Mr. Sunil Duggal
Whole-Time Director & CEO

Mr. P. D. Narang
Whole-Time Director

Mr. Saket Burman
Director

Our Global Footprint

12 Manufacturing Locations in India



8 International Manufacturing Locations



Our Key Overseas Markets

Gulf Cooperation Council | Iran | North Africa | Egypt | South Africa
Nigeria | Kenya | Turkey | UK | US | Canada | Nepal | Bangladesh
Sri Lanka | Myanmar | Pakistan | Afghanistan

Rewards & Recognition



Financial Capital

- Dabur awarded ICSI Certificate of Recognition for Excellence in Corporate Governance
- Dabur named as India's top-three Most-Trusted FMCG Brands on Quality, by Confederation of Retail Industries of India
- Dabur ranked amongst Iconic Brands of India 2017, by The Economic Times
- Dabur amongst Best Asian Healthcare Brands of 2017 under the Consumer Healthcare Segment, by Economic Times



Social & Relationship Capital

- Dabur bags FMCG Excellence Award 2017 for Exemplary Contribution to Society and Environment, by ASSOCHAM
- Dabur ranked 36 in Responsible Business Rankings report 2017 of India's Top 100 companies for Sustainability and CSR

Natural Capital

- Dabur bags 1st prize for Corporate Social Responsibility initiative under Environment Sustainability category, at NHRDM-BIMTECH CSR Summit



Human Capital

- Dabur bags Silver in Manufacturing–Private Sector category at BML Munjal awards for 'Business Excellence through Learning & Development'



Manufactured Capital

- Réal bags Gold award in packaged juice category; named Most Trusted brand, by Reader's Digest
- Dabur named BrandZ Most Valuable Brand in Personal Care category, for second year in a row, by Millward Brown
- Dabur ranked amongst Top 20 brands in the BrandZ Top 50 Most Valuable Indian Brand 2017 Report, by Millward Brown
- Dabur Vatika Lajja Kavach bags Gold, Silver Media Abbys 2017
- Dabur Vatika Lajja Kavach wins Gold at Neon OOH awards 2017
- Dabur consumer & trade activations win 2 Golds, 5 Silvers at RMAi Flame Asia Awards 2017
- Odomos bags Healthcare Leadership Awards 2017 in the 'Best Public Health Initiative of the Year' category



Intellectual Capital

- Dabur India Ltd bags the Economic Times Supply Chain Management award
- Dabur India Ltd bags IndiaStar 2017 award for packaging excellence for Dabur Honey Squeezy pack
- Dabur bags 2 SIES SOP Star Awards 2017 for excellence in packaging innovation, development
- Dabur's Baddi unit bags CII Award for Food Safety in Sweeteners & Confectionery-Large category
- Dabur's Baddi Greenfield unit bags Greentech Gold Safety Award in FMCG sector



Management Discussion & Analysis

OVERVIEW

This Management Discussion & Analysis report presents the key performance highlights of the year 2017-18 pertaining to the Company's business. This review should be read in conjunction with the Integrated Report presented in the earlier sections of this Annual Report, the Company's financial statements, the schedules and notes thereto and the other information included elsewhere in this Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), complying with the requirements of the Company's Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).



Indian Economy

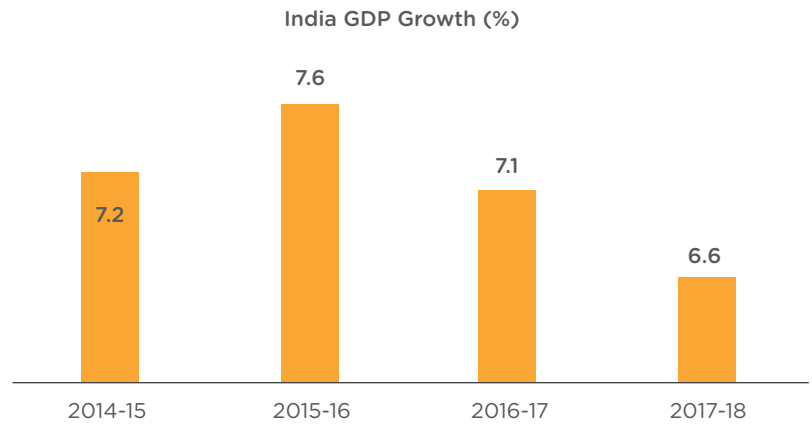
After registering GDP growth of over 7% for the third successive year in 2016-17, the Indian Economy showed signs of a slowdown with a growth of 6.6% in 2017-18, according to Advance Estimates released by CSO (Refer Chart 1). The year 2017-18 began on a positive note with demand showing signs of revival with the impact of demonetization fading. However, implementation of the Goods and Services Tax (GST) from 1st July 2017 again led to uncertainty and loss of momentum which had an impact on the economic growth.

Due to pre-GST jitters and pipeline clearing by trade, the gross domestic product (GDP) growth went down to a three-year low of 5.7% in the first quarter of 2017-18. Fortunately, the jitters were short-lived as the economy recovered thereafter to report a 6.5% growth in the second quarter and grew by a stronger 7.2% in the third quarter.

The rollout of GST may have had its share of problems, but the biggest tax reform in the history of independent India is overall a big positive for the industry as it will lay the foundation for future growth. GST is expected to bring in efficiencies in the system by improving the ease of doing business, streamlining the regulatory structure, removing multiple taxes and digitization of the tax collection mechanism thereby leading to an improved business environment. It will also curtail the cascading effect of multiple taxes, enabling faster movement of goods across the country and reduce inefficiencies in supply chain.

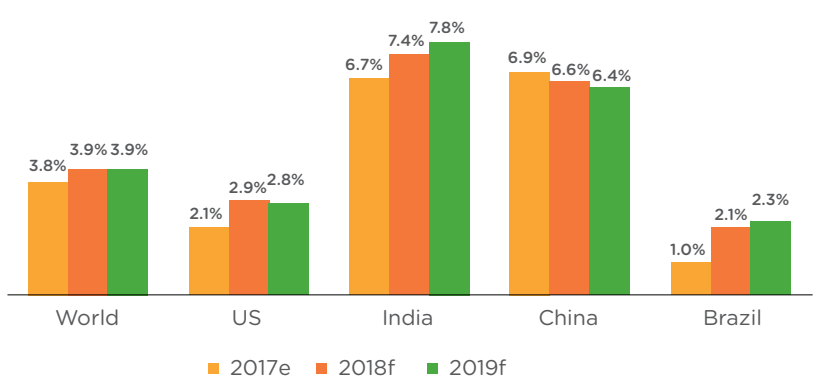
Having recorded a Gross Domestic Product (GDP) of $2.6 trillion for 2017, India became the world's sixth largest economy, according to the database of the International Monetary Fund's World Economic Outlook (WEO) released in April 2018. This is the first time India crossed the $2.5 trillion yardstick used to distinguish between the big economies and the rest of the world. IMF also estimated that the Indian economy would grow by 7.4% in 2018 and 7.8 per cent in 2019, which makes India the world's fastest-growing economy, the top ranking it briefly lost in 2017 to China (Refer Chart 2).

Chart 1: India's GDP Growth



Source: CSO Actuals and Estimates

Chart 2: India, the fastest growing economy in the world

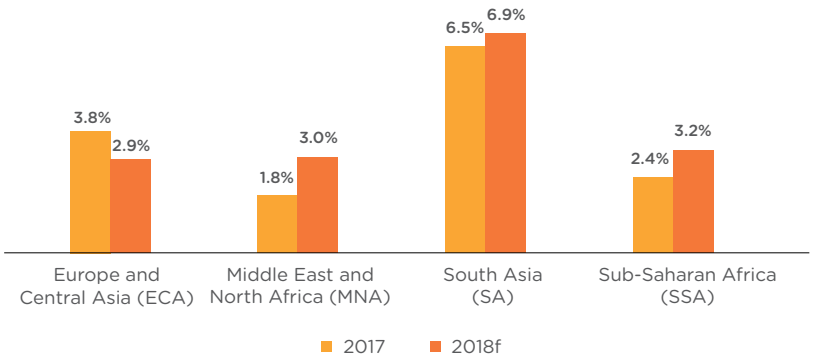


Source: IMF World Economic Outlook, April 2018

World Economy

The global economy too found its post-crisis footing in 2017, with most major developing economies being on an upswing. The World Bank has forecast that global economic growth will edge up to 3.1% in 2018 after a stronger-than-expected 2017, as the recovery in investment, manufacturing, and trade continues, and as commodity-exporting developing economies benefit from firming commodity prices.

Chart 3: Region-wise Real GDP Growth



Source: IMF World Economic Outlook, April 2018

In its January 2018 Global Economic Prospects, IMF has projected that growth in the Middle East and North Africa (MENA) region is expected to jump to 3% in 2018 from 1.8% in 2017 with reforms across the region expected to gain momentum and an ease in fiscal constraints as oil prices stay firm. Growth in the Sub-Saharan Africa region is anticipated to pick up to 3.2% in 2018 from 2.4% in 2017. Stronger growth in the region, it said, will depend on firming of commodity prices and implementation of reforms. The Europe and Central Asia region's growth, on the other hand, is anticipated to ease to 2.9% in 2018 from an estimated 3.8% in 2017. (Refer Chart 3)

Dabur has always believed strongly in the heritage and relevance of Ayurveda and has been involved in promoting this system of healthcare among its consumers

Indian FMCG Sector

Fast moving consumer goods (FMCG) is the 4th largest sector in the Indian economy. There are three main segments in the sector – Food and Beverages, Healthcare and Household and Personal Care. The FMCG sector has grown from $31.6 billion in 2011 to $49 billion in 2016, according to India Brand Equity Foundation (IBEF) report on the FMCG industry.

Growing incomes, favourable demographics, easier access and changing lifestyles are the key growth drivers for the consumer market. The FMCG industry is expected to reap the benefits of the government's renewed focus on agriculture, education, healthcare, infrastructure and employment in its Union Budget 2018-19. These initiatives are expected to increase the disposable income in the hands of the common man, especially in the rural areas, which will be beneficial for the sector.

The recent years have seen the emergence of a significant trend in the Indian consumer market: growing preference for herbal and Ayurvedic products. The herbal or natural wave has been gaining traction in India, driven by resurgent pride among the youth on Indian culture and Indian products. They have been showing greater willingness to embrace products that offer the tried-and-tested benefits of traditional Ayurveda, but presented in modern day and contemporary formats. This trend has been gaining traction across the categories with leading MNCs also joining the bandwagon.

Companies with traditional herbal positioning and strong

R&D are more likely to benefit disproportionately from this trend. As the leading player in the Ayurveda and natural health and personal care market, Dabur has been working towards making traditional Indian knowledge available in a form that appeals to the modern consumer. Our efforts have not only helped make Ayurveda relevant for the modern-day consumer but also made it convenient for them to use these formulations. Details of these initiatives are available in the following sections of this report.

Our Strategy: The Science of Ayurveda

Dabur has always believed strongly in the heritage and relevance of Ayurveda and has since inception been involved in promoting this system of healthcare among our consumers. This has enabled Dabur to be the country's foremost and only 'Science-based Ayurveda' expert. Details of this strategy have been presented in the Integrated Report section and following sections of this Annual Report.



Dabur Performance Overview

The overall business environment remained challenging due to the changes in regulatory landscape in India. The turmoil due to GST implementation, that was witnessed at the beginning of the year, abated in second half of the year. Consumer demand, which had been subdued, also started to show signs of improvement in second half of the year.

At Dabur, we have been pursuing a prudent growth strategy and have taken steps to effectively manage the emerging risks and challenges. We have been tapping the growth opportunities to deliver strong and sustainable long-term growth on the back of the power of our brands and the investments we make behind our brands, distribution network and supply chain. During the year, Dabur continued to focus on being the 'Science-based Ayurveda' specialist, and launched a range of new products leveraging the Ayurvedic heritage and cutting-edge science.

The year 2017-18 saw Dabur continue on its journey to strengthen its presence in the Ayurveda and natural health and personal care products market in India. Moving forward in this mission, Dabur launched Pudin Hara Antacid, a ready-to-use natural solution for acidity and digestion related issues. The composition is made up of a number of beneficial herbs which make Pudin Hara Antacid a unique herbal solution for gastro problems.

On the occasion of World Diabetes Day, Dabur joined hands with Ministry of Ayush in the fight against the growing menace of Diabetes in India with traditional Ayurveda. As part of its mission to transform the traditional knowledge of Ayurveda into a contemporary healthcare option, Dabur announced the launch of a breakthrough product Dabur GlycoDab Tablets (AYUSH 82). Dabur GlycoDab Tablets is backed by several clinical studies that mark the combination of traditional Ayurvedic knowledge with modern day science. A clinical study conducted with Madhumeha (Non-Insulin Dependent Diabetes Mellitus, NIDDM), demonstrated that Dabur GlycoDab Tablets help reduce fasting and post-prandial blood sugar levels along with a clinical improvement in diabetic subjects after 24 weeks of treatment. In line with its focus on Ayurvedic medicinal products Dabur launched 3 new products in its branded ethical portfolio:

- Agnisandeepam Churna, an Ayurvedic medicine for improving digestion. Introduced in a powder format, this product is enriched with anardana, amaltas, elaichi and kutki among other ingredients.
- Dadimavaleha, a digestive tonic with Anar juice as the main ingredient. It helps cure acidity besides improving digestion.
- Vasant Meha Ras, an Ayurvedic medicine for managing diabetes and its complications. It comes in a tablet format and is packed with Shilajit, Swarna Bhasma and Moti Bhasma, among other ingredients

Dabur Honitus Hot Sip, a ready-to-use Ayurvedic kadha for relief from cough and cold was also made available nationally and the product received a good response. In the Home and Personal Care vertical, Dabur Red Gel, India's first Ayurvedic Gel toothpaste was rolled out nationally.

Strengthening its presence in the Shampoo market, Dabur relaunched the Vatika Shampoo range with *Satt Poshan* (power of Seven Natural ingredients). Packed with seven natural ingredients, this range of Shampoos is a unique blend of nature and science, offering gentle cleansing and conditioning. Dabur also unveiled a new and improved Vatika Enriched Coconut Hair Oil packed with the power of seven Ayurvedic herbs that help rejuvenate scalp and reduce hair fall.

The year saw Dabur enter the Guinness World Record book twice with its consumer connect initiatives. The first entry was for the largest simultaneous Nasya Panchkarma Treatment session involving over 1,000 participants in Jaipur. Nasya is one among the five Panchakarma therapies in Ayurveda undertaken for purification of your body. The second successful Guinness Record was for holding the largest Oral Hygiene session with 1,822 school students in Gurgaon. Dabur also carried out several other activations and consumer connect initiatives at schools, public events, melas and haats to promote its products and enable consumers to have a direct experience of its brands.

The highlights of Dabur's performance during the fiscal 2017-18 on a consolidated basis are:

- Revenue from Operations of ₹ 7,748 crore in fiscal 2017-18 as compared to ₹ 7,701 crore in 2016-17. Like to like growth in sales adjusted for GST impact was 3.4%
- Operating Profit increased by 7.2% to ₹ 1,617 crore in 2017-18, up from ₹ 1,509 crore in 2016-17
- Profit After Tax (PAT) stood at ₹ 1,354 crore in 2017-18, up 6.1% from ₹ 1,277 crore in 2016-17
- Diluted Earnings Per Share (EPS) increased to ₹ 7.66 in 2017-18 from ₹ 7.21 in 2016-17

Strategic Business Units

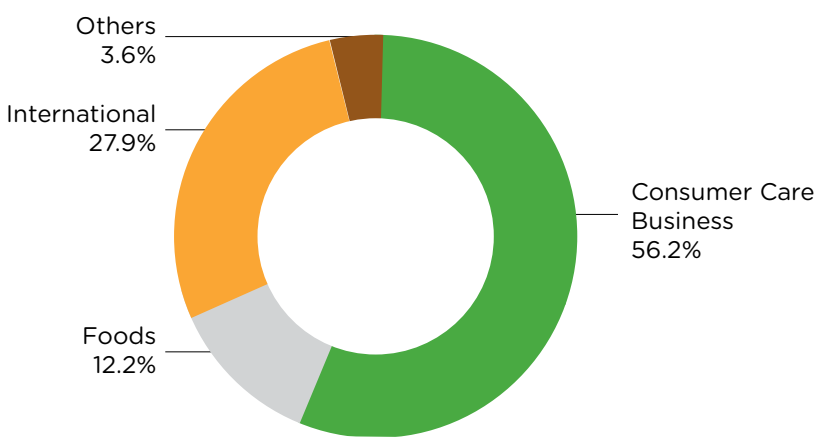
As the world's leading Ayurveda and Natural products maker, Dabur India Ltd today has a portfolio of nearly 400 trusted products and more than 1,000 SKUs.

Our business structure is divided into three Strategic Business Units (SBUs):

- **Consumer Care Business:** Includes Health Care (HC) and Home & Personal Care (HPC) business and accounts for 56.2% of Consolidated Sales
- **Foods Business:** Comprising Packaged Fruit Juices and Culinary Products, this segment accounts for 12.2% of Consolidated Sales
- **International Business:** A mix of Dabur's organic overseas business as well as the acquired entities of Hobi Group and Namaste Laboratories LLC, this segment accounts for 27.9% of Consolidated Sales

HC, HPC and Foods Business are together referred to as the India FMCG Business in this report. (Refer Chart 4)

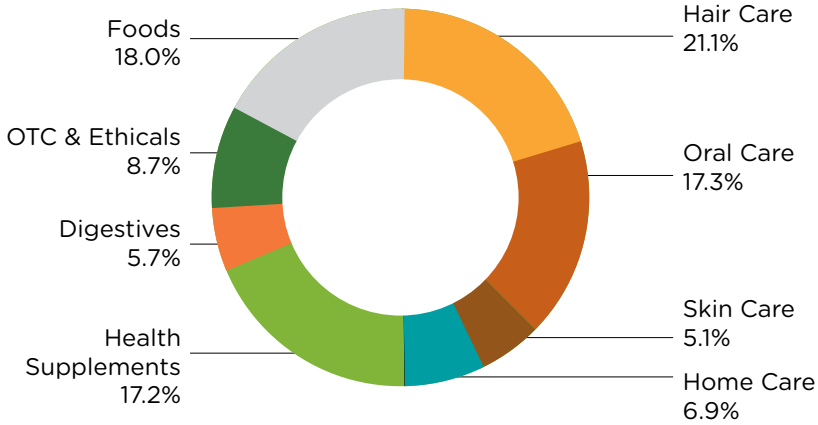
Chart 4: SBU-wise Sales Breakdown 2017-18



India FMCG Business

The India FMCG business includes the Consumer Care Business comprising key categories like Health Care (encompassing Health Supplements, Digestives, OTC and Ethicals), Home & Personal Care (comprising Hair Care, Oral Care, Skin Care and Home Care) and Foods. Segment wise breakdown of the India FMCG business is presented in Chart 5. The company has a wide distribution network, covering over 6.3 million retail outlets with a high penetration in both urban and rural markets. The India FMCG business, despite the strong headwinds in the form of pre-GST jitters reported 8.1% growth* during fiscal 2017-18.

Chart 5: Category-wise Sales Breakdown of India FMCG Business 2017-18



* Growth figures refer to GST adjusted like-to-like growth

Health Care

Ayurveda-based products have been gaining traction in India over the past few years on account of rising awareness about harmful effects of chemicals and allopathic medicines, coupled with increasing number of product innovations by companies. The pace of growth is expected to continue in years to come with a growing number of young people beginning to embrace this traditional medicine.

According to a TechSci Research report, "India Ayurvedic Products Market Forecast & Opportunities, 2011-2021", the Ayurvedic products market in India is projected to register a CAGR of 16% between 2016 and 2021. It says that the rising health concerns and awareness of side-effects of allopathy are some of the major factors driving consumer preference for Ayurvedic products in the country.

The Government has also been making concerted efforts towards encouraging and promoting usage of Ayurvedic products through education and national awareness programmes. Various initiatives like celebration of the National Ayurveda Day, seminars, conclaves and programmes for prevention and control of Diabetes and Non-Communicable Diseases has increased awareness about this system of medicine among people.

As the country's leading Science-based Ayurveda expert, Dabur has been at the forefront on carrying out collaborative research and modern technology to further establish the benefits of various traditional Ayurvedic formulations, products and ingredients. We have been constantly investing in not just updating and upgrading our Health Care portfolio, but also towards making it more contemporary and in sync with the ever-changing needs and aspirations of the modern-day consumer. All this is being done while keeping the core of Ayurveda intact. The Dabur Research & Development Centre (DRDC) has been undertaking, coordinating and promoting

research on scientific lines in Ayurvedic Sciences. This research work is executed by an able team of over 100 scientists and also through collaborative studies with various universities, hospitals, research institutes and government bodies.

Dabur's Health Care vertical today comprises Health Supplements, Digestives, Over-The-Counter (OTC) and Ayurvedic Ethical products. This vertical contributed 31.7% to the India FMCG sales in 2017-18.

Health Supplements

Dabur's Health Supplements portfolio has three key brands — Dabur Chyawanprash, Dabur Honey and Dabur Glucose. This category accounts for 17.2% of the India FMCG business. Dabur Chyawanprash, our flagship health supplement brand, is a time-tested Ayurvedic formulation of more than 40 Ayurvedic herbs that aid in boosting the immune system, thereby protecting the body from everyday infections like cough & cold etc. caused by bacteria, viruses, dust and weather change. As per the Nicholas Hall Year Book 2017, Dabur Chyawanprash is the second largest OTC brand in India after Vicks.

The year 2017-18 saw Dabur successfully extend the benefits of Chyawanprash beyond winters. In a departure from the past, Dabur's campaign strategy for Dabur Chyawanprash this year was driven through doctor advocacy to position it as an effective solution to boost one's immunity needs through changing weather cycles and to fight the ill-effects of pollution. We ran a series of campaigns — covering television, print media, digital and even on-ground seminars across states — with a leading Ayurvedic practitioner Dr Parmeshwar Arora to spread awareness about the benefits of Dabur Chyawanprash. This campaign, which was bolted on to the celebrity-led campaign during the peak winter season, helped the brand further establish its relevance and report strong double-digit growth along with market share gains during the year.

Dabur has been at the forefront on carrying out collaborative research to establish the benefits of traditional Ayurvedic formulations, products and ingredients

Dabur Chyawanprash, the other key brand in our Health Supplements portfolio, marked a turnaround during the year after facing intense competition from lower-priced brands for the past year or so. Our twin strategy of offering greater value to consumers with a better quality product on the one hand and establishing Dabur Honey as the weight management specialist on the other hand, helped revive the brand and report robust double-digit growth during the year. The brand also strengthened its presence in the e-commerce channel with good offtakes and improving brand salience. All this led to gain in market share in the branded honey category.

As a brand, Dabur Honey reaffirmed its position as a market leader by specifically talking about the need to focus on healthy living. Apart from offering other health benefits, Dabur Honey was positioned as the perfect natural ingredient for managing one's weight. To highlight this specific attribute, we rolled out a new campaign propagating the health benefits of Dabur Honey and helping consumers lead a healthy lifestyle. This campaign was based on the ancient Ayurvedic wisdom that consuming honey with lukewarm water in the morning helps fight obesity and manage weight.

Dabur Glucose, the third major brand in this category, had a slow start due to early rains in the first quarter. However, the brand picked up in later part of the year. Moving forward on our strategy to drive growth through flavoured variants, Dabur has expanded its portfolio with the introduction of Jal Jeera flavour ahead of the 2018 summer. Riding on such initiatives, the flavours portfolio in Dabur Glucose reported strong double-digit growth during the year.

Digestives

Digestive disorders are one of the most common problems faced by people today. Several researches have pointed out that almost seven out of ten people on an average are afflicted with digestive health issues. An unhealthy lifestyle, irregular eating patterns, poor

nutrition, food sensitivity are the major reasons for digestive disorders.

As a leading player in the natural and Ayurvedic digestive category with brands like Dabur Hajmola, Pudin Hara and Nature Care, Dabur has been working towards popularizing herbal remedies for treating and mitigating digestive disorders.

The Digestive category contributed 5.7% to Dabur's India FMCG Business in 2017-18. Hajmola is our flagship brand in this category. The brand, based on a centuries-old Ayurvedic formulation, reported strong double-digit growth during the year and gained market share particularly in Uttar Pradesh, which is the largest digestive tablets market in the country. The brand also expanded its distribution footprint in the hinterland.

With the flavoured variants of Hajmola gaining momentum, Dabur added a new variant Amrud (Guava) to its kitty. The new variant has received a good response from the market. Going forward, the company will continue to expand this range with addition of new variants and formats.

The Company undertook high-decibel consumer connect programmes around local melas like Kumbh Mela, Magh Mela and Durga Puja and used them as an opportunity to sample and promote the products while establishing the tasty digestive credentials of the brand. Dabur Hajmola set up *'Chatpata Zones'* at Durga Puja Pandals to promote Hajmola as a tasty post-meal digestive. Dabur also installed a 16-feet-high Dabur Hajmola bottle at the Puja Pandal in Kolkata. The '*Hajmola Chatpata Zone*' also featured a kid's zone and hosted a number of activities like quiz and games, making it the hot spot for visitors during the various melas.

The year saw Dabur Hajmola gain 17 places in the India Top 100 Most Trusted brands list, released by Economic Times Brand Equity, to be placed at the 68th position. This is amongst the biggest gains by any brand during the year. In the OTC category, Dabur Hajmola was placed in the fourth position.

Dabur Pudin Hara, another Ayurvedic remedy for digestion issues, also reported good growth during the year. The brand launched a new campaign with the tag line: *"Ayurved Hai, Khara Hai, Pudin Hara Hai"*. We took this message forward with a high decibel activation campaign in Uttar Pradesh at the Nauchandi Mela, where a 22-feet-high Dabur Pudin Hara bottle – making it the largest product replica ever – was installed. The bottle towered over the Mela ground and emerged as a big crowd-puller at the Nauchandi Mela. The company also promoted Pudina as a wonder herb at the Mela grounds through an experiential *'Pudin Hara Thandak Zone'* that was specially created to provide cooling effect to the masses in the peak summer months.

Moving forward in our mission to propagate the benefits of Ayurvedic herbs, Dabur extended the Pudin Hara range with the launch of Pudin Hara Antacid, a ready-to-use natural solution for gastro problems. The composition consisting of Godhuma, Shatavari, Mentha Oil, Pudina and other beneficial herbs makes Pudina Antacid a unique solution for gastro diseases.

Nature Care is the third largest brand in the digestive portfolio offering an Ayurvedic remedy for constipation.

OTC & Ayurvedic Ethicals

India has a rich history of traditional systems of medicine, out of which Ayurveda stands to be the most ancient, most widely accepted, practiced and flourished indigenous system of medicine. Ayurveda is witnessing a resurgence in India and around the globe. It advocates preventive healthcare methods of treatment; it is not only a system of medicine, but also a science of life. With strong government support and rising prevalence of lifestyle diseases among the population in India, the demand for Ayurvedic medicines has consistently gone up. The alternative medicines do not have any side effects and can be consumed daily for prevention and cure of various diseases.

Dabur's OTC and Ethicals portfolio accounts for 8.7% of the India FMCG Business and reported a steady performance during the year. Dabur's OTC portfolio today includes products in categories such as Cough & Cold, Digestion, Women's Health Care, Baby Care and Rejuvenation.

Cough & Cold

In the Cough & Cold category, Ayurvedic cough syrups are fast gaining popularity given the fact that they are effective, safe and free from any side effects.

Dabur operates in this category with its brand Dabur Honitus, which features an array of Ayurvedic products viz. Honitus cough syrup, Honitus Lozenges, a ready-to-use Ayurvedic kadha - Honitus Hot Sip and Honitus Madhuvani, an age-old traditional Ayurvedic Medicine for Cough and Cold.

Dabur Honitus Cough Syrup is a non-drowsy Ayurvedic medicine for cough that is fortified with Tulsi, Mulethi & Banapsha and other scientifically proven medicinal plants as recommended by Ayurveda. The formulation is clinically proven and provides fast relief against acute cough and throat irritation. The brand performed well during the year and gained market share in a category dominated by allopathic products.

Expanding our presence in this category, the company nationally launched Dabur Honitus Hot Sip, a powder to make Ayurvedic 'Kadha' for cough & cold, in a sachet format. Enriched with the goodness of 15 powerful unique Ayurvedic herbs such as Shunthi, Kantakari, Kulanjana & Tulsi, combined with honey, Honitus Hot Sip comes in a convenient ready-to-use format. The product has been a fast-seller on the e-commerce platforms and was listed as Amazon Choice for 3 months at a stretch.

Dabur Honitus Madhuvaani is an age-old traditional Ayurvedic Medicine for Cough and Cold which combines Sitopaladi churna with honey as recommended by Ayurveda. It is a premixed formulation which provides effective relief from sore throat, cough and cold. This brand too performed well.

Women's Health Care

The Women's Health Care range comprises Dashmularishta Asav, Ashokarishta Asav, Dabur Activ Blood Purifier and Dabur Woman Restorative Tonic. Dashmularishta and Ashokarishta Asavs were relaunched in a new packaging during the year and these health tonics were promoted through focused marketing and promotional activities. This led to strong double-digit growth in sales of the brands.

Baby Care

Dabur operates in the Baby Care market with Dabur Lal Tail, an Ayurvedic massage oil; Dabur Gripe Water and Dabur Janam Ghunti, which are traditional tonics for babies. The flagship Dabur Lal Tail is backed by clinical research conducted by pediatricians at leading institutions to prove that it helps strengthen the baby's bones and muscles. The brand is a market leader in the Ayurvedic baby massage oil category.

Despite intense competition in the segment, Dabur Lal Tail gained share in the baby massage oil market. A new television campaign was launched for Dabur Lal Tail, which talked about the benefits of five powerful Ayurvedic ingredients in the product. This campaign was well received as the brand reported strong growth, particularly through the e-commerce channel. The company is considering expanding the baby care range with the introduction of a host of new products.

Rejuvenators

The company's rejuvenator portfolio, which includes Shilajit and Shilajit Gold performed well, particularly on e-commerce platforms. The year saw the expansion of this range with the launch of Dabur Shilajit Double Gold, which is good for general health and helps increase strength, stamina, vigour and vitality.

Ayurvedic Ethicals

Ayurveda is at the core of Dabur. Synonymous with Dabur, Ayurveda as a Science of natural healing has stood the test of time. As one of the world's most ancient healing systems, Ayurveda believes in treating the disease symptoms by harmonizing the balance between mind, body and soul. Inspired from the nature's bountiful goodness, this Vedic science helps fight diseases by promoting good health and rejuvenating your innermost being.

Having deep faith in the effectiveness of Ayurveda, Dabur has always believed in offering products which bring alive the Science of Ayurveda in a contemporary form. In this division Dabur offers classical and proprietary Ayurvedic medicinal products for preventive and curative healthcare. Dabur offers the entire range of classical formulations prescribed in Ayurvedic texts such as Ras-Bhasmas, Asava-Arishta, Churnas and Avalehas. In addition the company has developed its proprietary formulations based on principles of Ayurveda, called the Branded Ethicals. Our leading branded ethical brands are Stresscom, Rheumatil, Swarna Guggulu, Hepano, Mensta and Madhurakshak. These are currently sold through the doctor advocacy platform and can be converted into OTX as they gain scale and critical mass.

Over the past year, Dabur has undertaken a host of initiatives aimed at popularizing its classical Ayurveda and ethical medicines portfolio. Moving forward on this mission, Dabur joined hands with the Ministry of Ayush to launch a breakthrough product Dabur GlycoDab Tablets (AYUSH 82) for effective management of Diabetes.

The product is backed by several clinical studies that marks the combination of traditional Ayurvedic knowledge with modern-day science. A clinical study conducted with Madhumeha (Non-Insulin Dependent Diabetes Mellitus, NIDDM), demonstrated that Dabur GlycoDab Tablets help reduce fasting and post-prandial blood sugar levels along with a clinical improvement in diabetic subjects after 24 weeks of treatment. The product was launched on the occasion of World Diabetes Day.

Dabur added three new products in its branded ethical portfolio:

- Agnisandeepam Churna, an Ayurvedic medicine for improving digestion. Introduced in a powder format, this product is enriched with Anardana, Amaltas, Elaichi and Kutki among other ingredients.
- Dadimavaleha, a digestive tonic with Anar juice as the main ingredient. It helps cure acidity besides improving digestion.
- Vasant Meha Ras, an Ayurvedic medicine for managing diabetes and its complications. It comes in a tablet format and is packed with Shilajit, Swarna Bhasma and Moti Bhasma, among other ingredients

Dabur conducted 620 Health camps across the country, where Ayurvedic practitioners treated close to 100,000 patients

In order to increase awareness about Ayurveda and its effectiveness in fighting Diabetes, Dabur also conducted special health camps for consumers. Overall 620 Health camps were organized across the country, where Ayurvedic practitioners treated close to 100,000 patients. In addition, 250 doctor meets were organized across the country to showcase the core principles of Ayurveda involved in processing and manufacturing Ayurvedic medicines and the use of scientific technology to produce the most effective and quality-assured Ayurvedic medicines.

Dabur has expanded its reach through 500 Dabur Ayurvedic Centres across India, which act as sales and advocacy centres. As part of the Doctor Advocacy programme, Project LEAD (Leveraging through Empowered Anchoring and Detailing), the company expanded its doctor reach to 39,000 doctors which include 14,000 allopathic doctors. The current detailing team of 176 medical reps is planned to be enhanced going forward with addition of another 100 medical reps and the doctor coverage is likely to increase to 50,000 in next fiscal.

In a bid to popularize Ayurveda and make it easily accessible, Dabur has piloted an Ayurveda call centre under the brand 'AskDabur'. A team of doctors have been placed at the call centre to advise people on health issues and prescribe Ayurvedic medicines. This initiative seeks to create an avenue for consumers to seek responses and doctors' advice for any health-related queries. This is a part of our strategy to popularize Ayurveda and make information on our products available through various communication channels.

Dabur also took India's oldest forms of medicine, Ayurveda to the record books by successfully holding the first-ever Guinness World Record attempt for the largest simultaneous Nasya Panchkarma Treatment session involving over 1,000 participants. This World Record feat, jointly attempted by Dabur India Ltd, NASYA organization and National Institute of Ayurveda (NIA), Jaipur, was organized along with the first Rashtriya Ayurveda Yuva Mahotsava being held in Jaipur.

Nasya treatment refers to an Ayurvedic therapy that includes instillation of herbal oils and medicines through the nasal route. It works specifically on disorders of ear, nose and throat. Nasya is one among the five Panchakarma therapies in Ayurveda undertaken for purification of your body. Nasya Panchakarma is especially useful in purification for diseases of parts above the base of the neck.

Home & Personal Care

Led by a widespread lifestyle shift, triggered mainly by environmental awareness, millennial trends and growing awareness about health and wellness, many of today's consumers are demanding natural or nature-based products in categories such as personal care, household care and cosmetics. A survey carried out by Euromonitor International reveals that over half of Indian consumers reported that 'natural or organic' features are known to influence their hair and skin care purchase decisions. About 71% of consumers surveyed said that they would pick up a face cream or lotion provided it claimed to be 'natural', while 38% said they would buy a shampoo or hair oil, if it was made with 'botanical' ingredients.

This points towards a growing across-the-board trend among Indian consumers for natural ingredients in personal care products and an affinity and innate belief in the goodness of ancient Indian wisdom. For over a century, Dabur has been offering consumers natural and Ayurveda-based personal care solutions. Dabur offers a range of products covering Hair Care, Oral Care, Skin Care & Salon and Home Care. This vertical contributed 50.4% to the India FMCG sales.

Hair Care

Dabur's Hair Care portfolio comprises hair oils and shampoos, and contributed to 21.1% of the India FMCG business.

Hair Oils

Dabur is amongst the oldest players in the hair oil market in India with a range of hair oils under brands like Dabur Amla, Vatika and Anmol. We have been working on the twin strategy of growing the user base by converting consumers of unbranded hair oils to branded products on the one hand, and increasing user occasions on the other. Dabur has recently expanded its product range too with the introduction of a range of new hair oils, all of which have been well received in the market.

Despite being a highly penetrated category, the hair oil business for Dabur reported good growth and market share gain. Besides being market leader in the perfumed oil segment, Dabur has also successfully built a footprint in the coconut and light coconut hair oil category where its brand Anmol has emerged as the fastest growing coconut oil brand.

Dabur has been working on the twin strategy of growing the hair oil user base by converting consumers of unbranded oils to branded products and increasing user occasions

Dabur's oldest and largest brand in the category Dabur Amla Hair Oil witnessed steady sales led by new advertising campaign featuring Kareena Kapoor Khan and aggressive activations in its core markets. A mega model hunt 'Dabur Amla Miss North India Princess' was conducted during the year. The pageant, amongst the biggest in North India, covered three states — Delhi-NCR, Uttar Pradesh and Punjab — offering young girls a platform to showcase their beauty and enter the world of mainstream modelling. The pageant received entries of 12,000 girls from colleges across the three states in North India.

The sub brands of Dabur Amla – Sarson Amla Hair Oil and Brahmi Amla Hair Oil – which are tapping the VFM segment, performed well and helped the brand expand its portfolio and reach.

During the year, Vatika Enriched Coconut Hair Oil was re-launched in a new avatar with the power of seven Ayurvedic herbs. The new Ayurvedic formulation is made up of 7 Ayurvedic herbs like Amla, Brahmi, Henna, Kapur, Lemon, Bahera & Harar blended with Coconut oil. It is processed by Tel Pak Vidhi, which helps in rejuvenating scalp, reduces hair fall and is clinically proven.

Dabur Almond Hair Oil performed well driven by the proposition of superior nutrition based on almond protein and Vitamin E.

Shampoos

The shampoo portfolio accounts for 13.6% of Dabur's Hair Care

business. As part of its plans to strengthen presence in the shampoo market, Dabur India revamped its shampoo portfolio with the launch of a new range of Vatika Shampoo with *Satt Poshan* (power of Seven Natural ingredients). Our unique formulations offer gentle cleansing and conditioning with improved sensorials. The brand witnessed a turn around and posted good growth post the relaunch.

Vatika shampoo also signed Bollywood actress Kareena Kapoor Khan as the new face of the brand. To make the brand more contemporary and in sync with the modern-day consumer, the new bottle pack features enhanced metallized graphics for a premium look. The sachet, along with a new premium look, also features Kareena Kapoor.

Oral Care

Dabur is leading player in the oral care market with a portfolio of highly differentiated products based on Ayurvedic and natural ingredients. Dabur today operates in the two oral care categories of Toothpastes (with brands like Dabur Babool, Dabur Red Paste, Dabur Meswak and Dabur Red Gel) and Toothpowder (with Dabur Lal Dant Manjan). The Oral Care business for Dabur has been one of the best performing categories, growing ahead of the industry and reporting strong market share gains. Oral Care now accounts for 17.3% of the India FMCG business.

Rise in awareness of oral hygiene has led to a considerable expansion of the toothpaste category in India in the recent years. With rural consumers shifting from non-dentifrice products and toothpowders to branded toothpastes, the market continues to expand. This category too, like most personal care categories in India, is witnessing the emergence of naturals and Ayurveda and consumers showing increasing willingness to spend on oral hygiene products with value-added benefits and natural propositions.

Oral Hygiene Camps were organised in over 3,500 schools across 7 states, benefiting 4 million kids

While oral care products such as toothpastes have some of the highest penetration rates within the personal care category in the country, there is still scope for growth, particularly for the Naturals category. According to a TechSci Research report, India is witnessing an increasing trend of consumers opting for herbal oral care products in the recent years. This is led by an affinity for nature based products among Indian population besides the therapeutic benefits offered by the Ayurvedic and herbal oral care products.

In the oral care market, Dabur is placed in a sweet spot with our unique range of natural and Ayurvedic formulations giving us a natural strategic advantage in a highly competitive market. The recent years have seen several players in this segment introduce natural and Ayurvedic variants of their toothpastes. However, Dabur continues to enjoy the consumers' trust because of its strong Ayurvedic heritage and credibility in this space.

The year saw Dabur nationally roll-out Dabur Red Gel, the country's first Ayurvedic Gel toothpaste. The product has received a favourable response from the market and has notched up good sales in first year of its launch.

Dabur has been organizing high-decibel consumer connect initiatives aimed at promoting oral hygiene among school going kids. Oral Hygiene Camps were organized in over 3,500 schools across seven states of Maharashtra, Bihar, Jharkhand, Madhya Pradesh, Delhi-NCR, Uttar Pradesh and Karnataka, to build awareness about oral hygiene and good oral health practices. Under this initiative, dentists conducted special camps in schools disseminating information on oral hygiene, oral care and taught the kids proper brushing techniques. Free dental check-ups were also organized in schools, which benefited close to 4 million kids.

Dabur sought to spread the message of Oral Health & Hygiene amongst pilgrims at the Magh Mela in Allahabad with an exclusive Dabur Red Paste *'Dant Snan Zone'* using a unique toothpaste dispenser. The first-of-its-kind toothpaste dispensers were installed around the mela venue for the pilgrims.

Riding on these initiatives, all the three brands — Dabur Red Paste, Dabur Babool and Dabur Meswak — reported strong gains in market shares. Our toothpowder brand, Dabur Lal Dant Manjan has been witnessing steady demand,

riding on sustained rural consumer activation targeting non-dentifrice users.

Skin Care & Salon

Dabur's Skin Care and Salon portfolio today includes facial bleaches under the Fem and OxyLife brands, hair removal creams under the Fem brand and rose-based mainstream skin care products under the Dabur Gulabari brand. This segment today accounts for 5.1% of the India FMCG Business.

The Skin and Beauty Care market in India is also witnessing the emergence of the Naturals trend with numerous natural skin care brands dotting the beauty landscape.

A joint study conducted recently by Assocham and research agency MRSS India pointed out that India's cosmetics and grooming industry market size is expected to rise manifold to $35 billion by 2035, with consumption being driven by teenagers. Besides, the herbal cosmetic industry is expected to grow at 12% p.a. in India, considering that Indian consumers tend to purchase natural and herbal cosmetic products, it said.

Dabur strengthened its presence in the skin care market with the launch of the premium Fem De-Tan Crème Bleach, which is specially formulated and enriched with the goodness of orange peel extracts to enhance beauty by removing tan. The company also launched its Fem Gold Crème Bleach in a new easy-to-use pack that took away the hassle of measuring and mixing of crème & activator from the bleaching process. The new easy-to-use pack offers consumers five single-use packs, with a pre-measured quantity of cream and activator in five separate sachets each, instead of a single tub and container earlier.

The company has now signed Bollywood star Kriti Sanon as the new brand ambassador for Fem and a new campaign featuring the actor would be aired in the summer of 2018.

Dabur's teenage skin care brand, Gulabari witnessed strong double-digit growth led by marketing and promotional initiatives for Gulabari rose water. The brand also saw uptick in rural and semi-urban market led by increased penetration and distribution enhancement initiatives.

Home Care

Increased awareness about health and hygiene as well as considerable increase in per capita disposable income has been driving growth for quality home care products in India. Given their busy lifestyles, long working hours and an increase in nuclear families and households, consumers are increasingly seeking products that offer convenience, along with additional benefits.

Dabur strengthened its presence in the skin care market with the launch of the premium Fem De-Tan Crème Bleach, enriched with the goodness of orange peel extracts

Dabur is a key player in the household care products market with brands like Odomos mosquito repellents, Odonil air fresheners and Sanifresh toilet cleaners. This portfolio continued to perform well and accounted for 6.9% of the India FMCG Business in 2017-18.

Dabur's mosquito repellent brand Odomos had a good year, riding on sustained activity around prevention from mosquito-borne diseases like Dengue and Chikungunya. Odomos, in fact, has emerged as the best in-home protection against deadly Dengue-causing mosquitoes.

According to a study conducted by a reputed NABL-accredited laboratory, Dabur Odomos offers significantly higher protection against the deadly mosquitoes as compared to liquid vapourisers and coils. The study revealed that mean total protection offered by Odomos cream against Dengue-causing Aedes Aegypti mosquito was significantly high (at 99.98%) as compared to liquid vapourisers (66.08%) and coils (64.16%) during the first 30 minutes of exposure. Dabur launched a consumer campaign around this study, which was well received.

Moving forward on its mission to fight the Dengue menace, Dabur Odomos also launched a mega school-level initiative, Zero Tolerance against Mosquito, in Uttar Pradesh. Under this initiative, Odomos sought to spread awareness about mosquito-borne diseases, besides educating school kids on preventing mosquito breeding and effective methods for prevention from mosquito bites. This activity was initiated in four cities

of Uttar Pradesh, covering nearly 85,000 students in 200 schools.

The toilet cleaner brand Sanifresh reported steady growth during the year. Dabur has been working towards spreading the message of sanitation in the hinterland with its brand Sanifresh and helping construct toilets in rural households as part of the government's Swachh Bharat Mission. The company has, till date, constructed nearly 3,000 household toilets and helped 27 villages achieve open defecation free status.

According to a study, Dabur Odomos offers significantly higher protection against mosquitoes as compared to liquid vapourisers and coils

Our air freshener brand Odonil performed well recording double digit growth during the year. The brand has successfully established itself as the market leader in air freshener category offering a variety of air care solutions. The year saw Dabur introduce the Odonil Zipper, a new modern format which is convenient to use in all living spaces. The company also released two new ads, with the tagline 'Fragrance so powerful, it makes your bathroom smell wonderful', to promote the brand's latest offering. The campaign used humour to make the communication standout and create a good brand recall, which was highly appreciated.

Foods

Dabur's Foods business largely comprises packaged fruit juices & beverages with culinary pastes forming a small part of the business. This business contributed 18.0% to the India FMCG Business. This business reported moderate growth during 2017-18 as the category witnessed increased competitive intensity and increase in number of players at the economy end of the market. Dabur is the pioneer in packaged fruit juice market in India and enjoys nearly 55% share of the category with a range of products under the brands Réal and Réal Activ. With the widest and healthiest product range in the industry, constant innovation and unwavering focus on quality, Dabur has maintained its lead despite the entry of new players offering lower-priced and discounted products. The company increased its media spends and focused on enhancing its distribution footprint and penetration.

During the festive season, Réal introduced an exclusive range of 13 specially crafted gift packs of Réal fruit beverages, offering consumers the option of gifting real health to their near and dear ones. The range has been eloquently designed to communicate the goodness of fruits and the concept of 'Festive Wishes of Good Health'. Special utility pack options were also part of the offering, keeping up with the theme of offering consumers new, healthy gifting options. These packs were well received by consumers. Gift packs of Real fruit juices are also available during other festive seasons such as Rakhi, Eid and Christmas.

As part of its theme of offering 'Health and Wellness' the division had launched Active Coconut Water couple of years ago. The brand saw strong growth this year supported by preference for natural beverages which offer nutrition in addition to quenching thirst. The Mausambi juice variant which was launched last year received a good response and gained saliency in the portfolio.

The year saw Dabur expand its Foods offering with the launch of India's first range of packaged fruit-based Mocktails in a ready-to-drink format under the Réal brand. The Réal Mocktails, specially crafted by professional mixologists, marks another first for Dabur and has been launched in two variants – Virgin Mary and Virgin Pina Colada.

Dabur has entered the fruit drinks market with the launch of a lower priced mango drink Réal Koolerz. The brand has been launched in 4 flavours – orange, apple, mixed fruit, mango and will be targeting the fruit drinks category which is estimated at more than ₹ 6,000 crore.

The business will continue to focus on core proposition of health and wellness and offer variants which combine taste with healthy nutrition. In addition, the brands will counter competition through aggressive marketing strategies, increase in distribution reach, innovation and stringent focus on quality.

Sales & Distribution

At Dabur, we have a robust distribution system that enables us to ensure timely delivery of our products across channels and geographies. Our GTM strategy has constantly evolved to keep pace with the changing market dynamics. We continue to add distribution strength in traditional trade & at the same time we are increasing our focus on Modern Trade, E-commerce and other alternate channels.

In 2017-18 our direct reach crossed 1 million retail outlets, making it one of the largest direct distribution networks in the FMCG space in India. Project Buniyaad, which was put in place one year ago, to ensure greater portfolio focus among our field force has given very good results. Under this initiative, the front-end sales team across rural markets was split into two categories – Home & Personal Care, Health Care & Foods. The focus was on improving sales across the portfolio and leveraging our wide product range to increase our presence in the retailer outlets in both urban and rural markets. Our presence in rural markets has significantly gone up on the back of Project Buniyaad. Dabur now reaches to 41,000 villages across India and has a network of almost 11,000 sub-stockists. The average number of brands sold in rural markets has gone up by almost 10% and availability and reach of smaller brands has been significantly enhanced. The super stockist-sub stockist network set up by Dabur in the rural areas has enabled better access and availability of our products in a scenario where the wholesale channel was under stress due to GST.

In urban markets we have further strengthened our presence by adding almost 200 sales people. During the year we have also provided PDAs to front end sales resources to enhance their sales and distribution efficiencies.

There have been a number of other initiatives in 2017-18. Foremost among them was the successful implementation of GST with the entire network of distributors and channel partners coming onto the GST platform without any disruption. Dabur was one of the first FMCG companies to generate retailer GST tax invoice on 1st July itself. An entire set of GST /E-Way Bill reports have been developed to help our channel partners in filing returns. The year also marked the implementation of an automated process of booking and settling breakages/ damages from the market. Retailers are being credited with the damage credit note instantly through our secondary software. Through this initiative, we are now capturing damages at a Retailer/SKU level where earlier there was no such visibility. The claim process time also has been reduced through this initiative.

Further, we have strengthened the rural ecosystem by developing a web based Rural Sales Portal. Through this initiative, the performance of Rural Sales Promoters (RSP) is being tracked at a micro level. Actionable reports/auto-mailers are being used to improve the performance of RSPs. It is our endeavor to continue to support our S&D network through Information technology in today's information age.

One of the big strengths of Dabur is the special emphasis we have on maintaining and developing our relationship with trade partners. To this effect meets for channel partners are organized across many markets in both urban and rural areas. This also gives an opportunity to seek feedback from our partners about Dabur and also inform them about the new developments taking place in the company including new product launches.

Alternate channels like Cash & Carry, Modern Trade and Institutions continued to perform strongly during the year and were used effectively to create impactful visibility around new product introductions and also for sampling of existing products. The company continued to maintain the strong momentum in the channel in the post GST scenario also and this was aided to a large extent by the GST benefit that was passed on to the consumers.

Anticipating the growing importance of Modern Trade, the company has been focusing on engaging more deeply with key retailers and designing strategies to leverage the opportunities the channel offers in terms of range, visibility and consumer connect. Modern Trade currently contributes around 12-14% of FMCG sales and has been the fastest growing major channel during 2017-18.

E Commerce as a channel has become more prominent this year with several new players joining the fray. Given the growing importance of the

channel and the opportunity it represents, we have come up with a comprehensive strategy to capture the opportunities and the channel saw very healthy growths last year. E Commerce has also given us a platform for engaging more closely with the consumers and by effectively utilizing the search functionality in the channel.

Dabur has extended its Project LEAD (Leveraging through Empowered Anchoring and Detailing) by enhancing the coverage of doctors, both Ayurvedic and Allopathic. Our special medical detailing team, armed with tablets, have been engaging with doctors and providing them detailed information about Dabur's Health Care range as also information on various ingredients and clinical study data about each product. This year, we expanded our reach further and now our Ayurvedic Doctor & Vaidya coverage stands at 25,000 and the Allopathic doctor reach is 14,000. The emphasis has started bearing results and Branded Ethicals continues to be the growth driver in the Ayurveda business. The company also has organized 250 doctor conferences & conducted close to 600 Health Camps to spread awareness about Ayurveda and to reach out to the public at large.

While we continue to make rapid strides in terms of enhancing the distribution footprint, Dabur has also deployed localized promotional strategies to reach out to our consumers in these markets. Consumer activations were conducted in many places in urban and rural and Dabur participated actively in key melas where the consumers could experience our products. This has helped in building a direct consumer connect and a strong base for future growth.

International Business

The International Business contributed 27.9% to our consolidated revenues during 2017-18. The business operates across Middle East, Africa, South Asia, USA and Turkey.

The business portfolio comprises a wide range of hair, skin and oral care products which cater to the local population as they have been created keeping in mind their tastes and preferences. The business follows a localized supply chain strategy whereby own manufacture facilities have been set up in each of our key markets such as UAE, Egypt, Nigeria, Turkey, Nepal, Bangladesh and Sri Lanka.

International Business recorded sales of ₹ 2,175 crore during fiscal 2017-18 as compared to ₹ 2,327 crore in Fiscal 2016-17. The business was impacted by economic slowdown in Middle East, geo political conflicts in North Africa and adverse currency movements in a few countries like Egypt, Nigeria and Turkey.

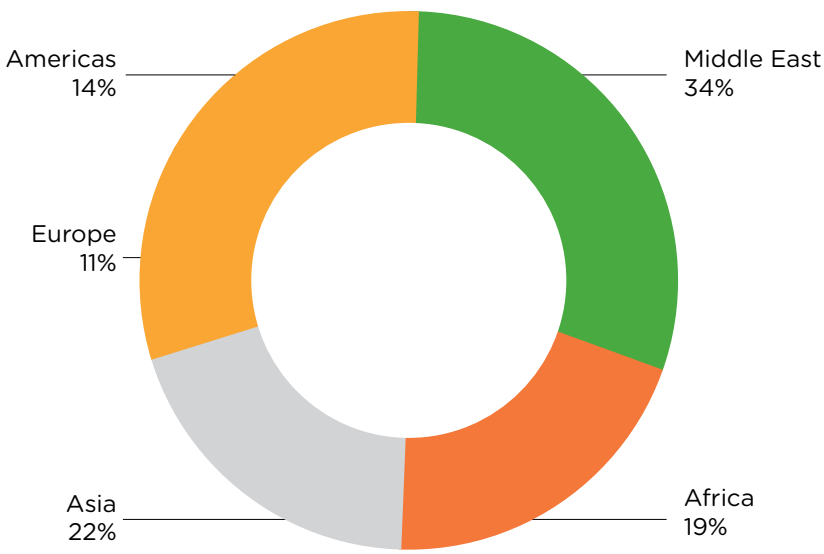
The region-wise Sales breakdown for FY2017-18 is presented in Chart 6.

An overview of performance of each of the regions during fiscal 2016-17 is presented below.

Middle East

Middle East is the largest region in our International Business comprising 34% of total sales. Our biggest markets in Middle East include KSA (Kingdom of Saudi Arabia), UAE, Kuwait and Oman. In this region, we operate in categories such as Hair Oils, Hair Creams, Shampoos,

Chart 6: International Sales Breakdown 2017-18



Hammam Zaith, Hair Gels and other hair care, oral care and skin care products. Amla and Vatika are the main brands in the Hair Care segment and Dabur and Meswak in the oral care segment.

The region remained under pressure during 2017-18 as low oil prices had an impact on oil producing economies with governments adopting austerity measures, curbing spending on major projects and reducing subsidies which eroded disposable incomes. However, the economies appeared to be stabilizing and sales started to recover towards end of the fiscal.

In spite of challenging macro-economic conditions and geopolitical turmoil, we continued to invest on our brands and improve our marketing mix. Due to pressure on wallets, the consumers were seeking more value in their purchases. This led to heightened consumer promotions across categories in our key markets. To counter this, our strategy has been to offer economical sizes which provide more value to the consumer and at the same time, we reinforced the superior benefits of our brands by providing strong media support in our marketing communications. In addition, we undertook a host of consumer activations such as sampling of Dabur Herbal Toothpaste and Dabur Amla Shampoo and other on-site activities.

Point-of-Sale activations were done to drive consumer offtake. In terms of brands, Vatika Shampoo which had been relaunched with a refurbished marketing mix in the preceding year has performed well during the fiscal. During the year Dabur Amla Shampoo was relaunched with an enhanced marketing mix and 360-degree campaign and the brand elicited a positive response. Fem Hair Removing Cream witnessed a restage during the year in an all new attractive packaging and new formulation with natural extracts. The initial response has been positive and we will be supporting this with a new communication.

In terms of market shares in Hair Oil category, Dabur Amla and Vatika continued to be market leaders in Saudi Arabia with a combined volume Market share of more than 60. In Hair Cream category, Dabur continued to command one third market share in both Saudi Arabia and UAE. We continued to perform well in the Oral Care category and our market share has increased to 4.7% in Saudi Arabia.

In terms of sales and distribution, during the year we undertook a major distribution restructuring in our biggest market - Saudi Arabia. As part of this a new distributor was appointed which has enhanced our direct reach reducing dependence on the wholesale channel. Though there was some disruption during the transition phase, there has been revival in growth rates in the later part of the year driven by good in-market execution. Going ahead, we expect to increase our direct coverage in Saudi Arabia as a result of the distribution restructuring. Sales in Saudi Arabia saw a revival post these initiatives and the market ended the year with growth of 14%. UAE business also saw an uptrend with the marketing and brand initiatives paying off and the economy witnessing some revival. Other markets such as Kuwait, Oman, Bahrain and Qatar also picked up in second half of the year.

In terms of new markets, we had entered Iran in the preceding year. During the year we expanded our presence in Shampoo, Hair Oil and Hair Mask categories under Vatika brand in this market. In addition, Dabur Amla Hair Oil and Dabur Herbal toothpastes were launched. The business will continue to expand its operations in Iran through expansion of product portfolio and distribution network.

Sub-Saharan Africa

Africa region contributed 19% to International business during the year. Key markets for the business in Africa are Egypt, Nigeria, South Africa and Kenya.

The two-pronged portfolio strategy based on the following has enhanced the growth curve for Africa:

i) Build the ethnic African hair care segment
ii) Supplement growth with Dabur portfolio from Middle East and Hobi Kozmetik from Turkey

Localization of manufacturing to counter currency fluctuations and ensure continuous supply into important Sub-Saharan Africa (SSA) markets has assumed priority. This has provided stable manufacturing supply for African hair care products under the brand ORS (Namaste brand) across the West Africa, East Africa and Southern Africa economic zones being anchored at Lagos, Nairobi and Johannesburg respectively.

During the year the company signed the agreement to acquire the Long & Lasting business based at South Africa by acquiring 100% shareholding of two companies viz. D&A Cosmetics Proprietary Limited and Atlanta Body & Health Products Proprietary

Limited which own and operate the Long & Lasting brand of hair care products. These were acquired for a total consideration of ZAR 42 million. The manufacturing facility acquired from CTL Contracting Pty Ltd in April 2017 is the latest addition to the manufacturing set-up within the region which has added captive manufacturing capacity for ORS products. The Company also has a plan to start manufacturing of oral care and skin care products locally which are being currently marketed through imports.

The above manufacturing capability enhancement along with the existing manufacturing facilities at Nigeria, RAK and Egypt, supply to all important markets within West, East and South African regions have been covered for critical product categories.

Besides manufacturing, sales and marketing synergies are being leveraged across the three hubs with focus on tapping potential opportunities with the addition of qualified manpower to the regional talent pool.

The Nigeria business consists of oral care, hair care and home care products. Portfolio expansion into toilet cleaner category, air care and low unit price packs have helped add more consumers. Market share in toothpaste category continues to be stable at ~6% despite the severe economic crunch. Investments in developing Hub & Spoke distribution arrangement and increased consumer engagements have helped the Nigeria business perform well and register 17% growth in constant currency terms.

Introduction of the Low Unit Price sachet pack of pre-measured, no-Lye Relaxer at a very affordable price point has helped ORS business entrench itself further amongst the aspirational, lower middle class segment across sub-Sahara African markets. ORS brand is fast gaining leadership position in many markets.

As stated above, we have recently acquired the brand "Long & Lasting" from D&A Cosmetics in South Africa. The acquisition has significantly increased the portfolio footprint in the fast-growing maintenance product range within the Hair Care segment. The two-brand model being adopted within the southern African wet hair care market will allow the business to gain further footprint in these markets.

Keeping in-sync with the emerging trends in the African Wet Hair Care centered on the "Stay Naturals" segment, Vatika Naturals has recently been introduced in South Africa with a range of relevant variants. Besides the above mentioned initiatives, the business aims to further broad base the product portfolio with addition of Hair Oils, Shampoo, Conditioners and toilet cleaners and oral care products.

Upscaling of local marketing initiatives have strengthened the consumer franchise through collaborative working with National/Regional Hair Associations, building the Key Opinion Leader program and driving consumer across markets like Nigeria, Ghana, Kenya, Tanzania, Uganda, DRC, Zambia and South Africa.

With these initiatives, the business is positioned to grow well and expand its footprint across markets in Africa.

Egypt

Egypt, the largest market in Africa contributes to 9% of the International business. The business comprises brands such as Dabur Amla, Vatika, Miswak, Fem, Vatika Gel and Dabur Herbal Toothpaste. Dabur is a leader in hair nourishment categories with 74% market share in Hair Oils, 53% in Hair Creams and 59% In Hammam Zaith. Vatika is the umbrella hair care brand in Egypt. Vatika Hair Gel has number 2 position in Egypt hair gels market. Other key products are Vatika Hair Creams and Hair Oils, Vatika Oil Replacement, Vatika Shampoos, Vatika Hammam Zaith and Dabur Herbal Toothpastes.

Dabur Egypt posted strong growth of 32% in constant currency terms. The country has seen high inflation due to free float of currency and took tough economic measures in accordance with IMF guidelines to reduce the subsidies on energy and food during 2017-18. This impacted the business profitability although sales continued to grow at a good pace. Dabur invested strongly behind its brands and introduced several new products in the portfolio.

A new communication for Miswak targeting young consumers and Vatika Hair Oil with celebrity endorsement was introduced during the year. Launch of new products like Dermoviva Face Wash, Amla Hammam Zaith, Amla for Kids, ORS as well as extensions of existing brands through launch of new relevant variants like Hair Fall Control Hammam Cream, Vatika Henna Burgundy, Vatika Hair Cream Argan were some of the key initiatives during the fiscal year.

South Asia

Pakistan

The economic and political environment remained challenging with volatile currency coupled with increase in regulatory duty. In spite of this the business reported strong constant currency growth of 22%. Currency devaluation and increase in duties adversely impacted the gross margins and net margins which were partly offset through price increase across the categories.

During the year, we relaunched Re 1 variants in Hazmazza Anardana and Pudina flavors to expand consumer base. The launch has been very well received by trade and consumers and off take is building progressively. Market share Hair Oil Category improved from 40% to 44% as the flagship brands Dabur Amla and Vatika grew in strong double digits. Vatika Shampoo also posted healthy growth driven by marketing initiatives. During the year, business made an entry into the oral care category with Dabur Red toothpaste in order to foster future business performance and expand its product portfolio.

Nepal

Dabur manufactures and markets a wide range of products in segments like foods, home care, personal care and consumer healthcare. The company offers products like Fruit Juices/Beverages, Chyawanprash, Glucose, Tooth Pastes, Hair Oils, Digestive Tablets, Honey etc. Real Fruit Juices is Dabur's flagship brand in Nepal and contributes over 60% to the company's turnover in Nepal. Despite various difficulties and challenges faced by the company due to uncertain economic and political situation and difficult business environment, the company was able to achieve good growth of 17% during FY17-18.

Bangladesh

Dabur manufactures and markets a wide range of consumer goods in Bangladesh with products like toothpastes, hair oils, shampoos, digestive tablets, honey, etc. Intense competitive environment and other regional complexities led to moderate growth of around 3% in FY 2017-18 although the tooth pastes, honey and shampoo portfolios performed well. Operating margins were impacted primarily due to high material inflation which is proposed to be offset through calibrated price increases.

The Company is adding more products in its portfolio and is optimistic about its business growth in the coming years.

Despite macroeconomic headwinds in key geographies, Dabur's Overseas Business reported strong growth in constant currency terms

Myanmar

The company's focus on building a base in Myanmar has resulted in good momentum for its personal care portfolio in this market. The business recorded double digit growth driven by products such as shampoos, toothpastes, skin care and mosquito repellants and is increasing its scale and visibility in Myanmar.

Europe (incl. Turkey)

The European region contributed to 11% of International sales. Turkey and UK are the two markets in this region.

Turkey business consists of wide range of personal care products such hair care, skin care, body care and baby care and is mainly under the brand Hobby which is part of Hobi Kozmetik. The portfolio also includes brands such as Fem and Vatika which have been launched from the Dabur portfolio in MENA region.

During fiscal 2017-18, there were quite a few macro-economic and geopolitical challenges such as: devaluation of Turkish Lira against USD and Euro resulting in increase of input costs and high inflation, tightening of market credit situation due to higher interest rates and Increase in geopolitical risks due to ongoing civil wars in neighboring countries.

In spite of this, the business recorded constant currency growth of 11% during the year. Our market share in Hair Gels stood at 39%. Hobby Body washes and liquid soaps also performed well. Hobby Hair Styling and liquid soaps range were re-launched during the year. Hobby Body washes were extended into premium 'Glamour Care' Range. A new

series of depilatory products were launched and new advertising campaigns for Hair Gels and Body wash led to increase in market share in these segments.

The UK Business recorded steady sales and growth in its Vatika and ORS range of hair care and body care products.

In the Overseas markets, Dabur continued to invest behind its brands while also improving the marketing mix

Americas

Dabur's major presence in USA is through Namaste Laboratories which caters to hair care needs of people of African origin in the US.

In addition to traditional products like relaxers, maintenance and styling products, Namaste has a substantial presence in the fast-growing New Naturals segment through its brand Curls Unleashed.

The relaxers and related maintenance categories continued witnessing a slow down as consumer preferences are shifting towards Natural look. Namaste's efforts to focus on its Naturals portfolio started to show results as the brand Curls Unleashed gained ground. The market share of Namaste's relaxer portfolio increased due to scaling up of innovative products like Zone Relaxer and Texturiser.

In the Naturals segment, Curls Unleashed brand expanded its distribution presence with additional listings in Walmart, one of the largest ethnic retailers in North America. Olive Oil, the core traditional brand of the company was re-launched which helped it gain share in the segment.

Dabur also caters to the ethnic Indian channels in the USA supplying the range of Dabur brands which are popular among the South Asian / Indian community. In Canada our brands have presence in mainstream retail chains, Loblaws, Walmart as well as in Ethnic retail chains like Fruiticana.

Dabur exports some private label oral care products to USA which include Toothpastes, Mouthwash and Denture Adhesives. This business posted double digit growth driven by local marketing and distribution led initiatives.

Retail Business - NewU

Dabur operates in the specialized beauty retail business with its wholly-owned subsidiary, H&B Stores Ltd. This is a chain of beauty retail stores under the brand 'NewU', offering a wide range of beauty care products covering cosmetics, fragrances, skin care, personal care and beauty and fashion accessories. NewU is today amongst the largest one-stop-shop for all beauty care needs with a range of domestic and exclusive international brands available at its stores.

At the end of fiscal 2017-18, NewU's retail footprint stood at 83 stores across 31 cities.

The company recorded sales of ₹ 114 crore during the year. The company improved its profitability with net profit of ₹ 3.1 crore for the year against a loss of ₹ 1.04 crore in fiscal 2016-17.

The year saw NewU enhance its portfolio of exclusive brands at its stores with the launch of various product range under the brand Jaquline USA such as Nail enamels, makeup remover, kajal, wet wipes etc. Jaquline USA features a range of make-up & beauty products, specially tailored for the modern Indian woman. Going forward, the company plans to expand the Jaquline USA range to cover a host of beauty and make-up categories.

This was followed by the launch of bath & body range and mini fragrances under NewU brand besides nail polish and other cosmetics which are already marketed under this brand.

Going forward, NewU will continue its efforts towards increasing the number of exclusive brands and private label products at its stores in addition to increasing the stores footprint across the country.

Operations

Dabur products touch millions of lives daily. Our products are tailored to meet the diverse needs and aspirations of our consumers across the globe. The Company puts a lot of emphasis on its manufacturing capability to ensure that our supply chain conforms to the highest standards of quality.

Domestic Manufacturing

In India, Dabur's manufacturing units are spread across 12 locations: Baddi (Himachal Pradesh), Pantnagar (Uttarakhand), Sahibabad (Uttar Pradesh), Tezpur (Assam), Jammu, Silvassa, Katni, Narendrapur, Pithampur, Nashik, Alwar and Newai (both in Rajasthan).

The year saw Dabur augment its juice making capacity in India, besides investing in enhancing capacity in its existing manufacturing facilities.

At Dabur, we are committed to protecting the environment by continuously reducing waste emissions into the air, land and water. Details of our initiatives on the Operations front have been provided in the Manufactured Capital portion of the Integrated Report.

Overseas Manufacturing

UAE

Naturelle LLC, located at Ras al Khaimah (RAK) is the manufacturing hub of Dabur International Ltd. During the year, the RAK plant's capacity was enhanced from 52,200 MT to 54,100 MT per annum with the upgradation of Hair Gel and Hot Oil Conditioner (Hamam Zaith) units. State of the art automation initiatives like the three end-of-line Robots and high-speed sachet-in-sachet machine were implemented.

Besides this several Kaizens, TPM and GMP initiatives were implemented to improve the manpower productivity and reduce operational costs. Also during this year, the factory obtained OSHAS 18001 & ISO 14001 (EMS) certifications for Health, Safety & Environment.

Turkey

The Hobi Kozmetik factory is located at Tekirdag, Turkey. The company continued to make investments for automation in the plant and added lines for manufacturing of Vatika range and hair styling products such as hair mousse and sprays.

Egypt

Dabur has a large manufacturing facility at Cairo, Egypt which caters to local market as well as central and East African region. During the year, the annual capacity of the plant at Cairo, Egypt was enhanced from 26,600 Tons to 27,400 Tons. New manufacturing line and a high-speed packing line were installed for Shampoos. The unit has been continuing to implement various production automation initiatives to reduce and optimize operational cost. The plant has also implemented various material cost reduction initiatives through value engineering and local vendor development.

Nigeria

African Consumer Care Ltd, is engaged in the business of manufacturing & marketing of oral care, home care and ethnic hair care Products. Its manufacturing capacity is 3.6 lakh cases in oral care category, 1.0 lakh cases in the skin & baby care category and 2.7 Lakh cases for hair care products. The Company is becoming a hub for exporting toothpaste and hair care products to East Africa, West Africa and Central African markets.

Nepal

Dabur Nepal manufactures a wide range of fruit juices and personal care products at its manufacturing facility at Birganj, Nepal. The product range includes Real Fruit Juices, Chyawanprash, Glucose, Lemoneez, Hajmola Candy,

At Dabur, we are committed to protecting the environment by continuously reducing waste emissions into the air, land and water

Hajmola, Red tooth paste, Herbal tooth paste, Red Gel tooth paste, Lal Dant Manjan, Amla hair oil, Special hair oil, Prostyle hair oil, Hair creams, Sanifresh etc.

During the year, the company enhanced its capacity for fruit juices and personal care products and focused on increasing productivity and operational efficiency.

Bangladesh

Dabur has a large manufacturing facility near Dhaka in Bangladesh which manufactures its entire range of hair care, skin care and health care products for the local market. The products manufactured there include Hair Oils (Amla, Vatika & Almond Hair Oils), Honey, Toothpastes, Shampoos, Hajmola, Odonil, Odofresh & Gulabari. With capacity of approximately 11 lakh cases per annum, the factory is catering to the local demand for our products in Bangladesh. Recently, the company has produced two new locally developed brands- Methi Amla Hair Oil and Hajmola Borhani – a local flavour of this digestive brand.

South Africa

Dabur South Africa Pty Ltd had acquired the manufacturing facility of CTL Contracting in April 2017. Company is engaged in the manufacturing of ethnic hair care products under the brand ORS. These products were earlier imported from U.S. and UAE and main purpose of manufacturing these locally is to make it more cost effective and to enhance our footprint in South African Market.

Human Resources

At the core of our success is our people. We do not view our employees as 'resources'; we consider them our most valuable assets, and have been working towards keeping them Engaged and Inspired. At Dabur, we have been constantly innovating to not just be an employee-friendly brand but also the preferred employer of choice. Details of our Human Capital and employee strategy has been presented in the Integrated Report section earlier.

As on March 31, 2018, Dabur's operations across the globe employed 7,144 people.

Financial Review

Financials for the year 2017-18 are not comparable with 2016-17 as they take into account GST which was implemented w.e.f. 1st July 2018.

During fiscal 2017-18, the Company recorded consolidated Revenue from Operations of ₹ 7,748.3 crore compared to ₹ 7,701.4 crore in fiscal 2016-17. On like to like GST adjusted basis, Revenue increased by 3.4% for the year. The Domestic FMCG business grew by 8.0% in the same period. Revenue from International business was impacted by geo political disturbances and currency devaluation in markets like Egypt, Turkey and Nigeria.

As a result of intense cross functional planning and re-structuring of IT systems over many months, GST implementation was done smoothly as on 1st July 2018 and Dabur was one of the first companies to go live on the very first day with GST based invoicing.

Material costs in fiscal 2017-18 were more or less stable at 49.6% of Revenue from operations. The Advertisement and Publicity Expenditure for the year stood at 7.8% as compared to 8.4% in the previous year mainly due to lower spends in the international business. Other expenses went down from 11.9% to 11.4% on account of cost efficiencies and network optimization.

The Company's Operating Profit grew by 7.2% to reach ₹ 1,617.4 crore. Consequently, the operating margins improved from 19.6% to 20.9% in FY2017-18. The Effective Tax Rate on a consolidated basis went down from 20.5% in fiscal 2016-17 to 19.8% in fiscal 2017-18. Profit After Tax (PAT) grew by 6.1% to reach ₹ 1,354.4 crore in fiscal 2017-18. Diluted EPS for FY2017-18 was at ₹ 7.66.

Chart 7 in the following page provides a summary of the consolidated income statement.

Chart 7: Consolidated Profit & Loss Statement 2017-18

DIL (Consolidated) P&L – in ₹ crore	FY 2017-18	FY 2016-17	Y-o-Y (%)
Net Sales	**7,680.3**	**7,680.1**	**0.0%**
Other Operating Income*	68.0	21.4	218.4%
Revenue from operations	**7,748.3**	**7,701.4**	**0.6%**
Material Cost	**3,846.4**	**3,843.2**	**0.1%**
% of Revenue from Operations	49.6%	49.9%	
Employee expense	792.8	789.6	0.4%
% of Revenue from Operations	10.2%	10.3%	
Advertisement and publicity	606.7	646.1	(6.1%)
% of Revenue from Operations	7.8%	8.4%	
Other Expenses	885.0	913.5	(3.1%)
% of Revenue from Operations	11.4%	11.9%	
Operating Profit	**1,617.4**	**1,508.9**	**7.2%**
% of Revenue from Operations	20.9%	19.6%	
Other Non-Operating Income	305.2	298.3	2.3%
EBITDA	**1,922.6**	**1,807.3**	**6.4%**
% of Revenue from Operations	24.8%	23.5%	
Finance Costs	53.0	54.0	(1.8%)
Depreciation & Amortization	162.2	142.9	13.5%
Profit Before Tax (PBT)	1,707.4	1,610.4	6.0%
Share of profit / (loss) of joint venture	0.2	0.3	(5.6%)
Exceptional item(s)	14.5	0.0	n.a.
Tax Expenses	335.4	330.3	1.5%
Minority Interest – Profit/ (Loss)	3.3	3.4	(0.7%)
PAT (After Minority Int)	**1,354.4**	**1,276.9**	**6.1%**
% of Revenue	17.5%	16.6%	

* Includes Area Based Benefit received in lieu of excise duty exemption

Chart 8: Working Capital (Consol.) 2017-18

As Days of Sales	Fiscal 2017-18	Fiscal 2016-17
Inventories	59	52
Receivables	33	31
Payables	66	62
Working Capital	26	21

Note: In this table, Working Capital = Inventories + Receivables - Payables

As shown in Chart 8, Working capital employed in the business increased from 21 days to 26 days during the year. There was an increase in Inventories from 52 days to 59 days. Trade Receivables went up from 31 days to 33 days and Trade Payables from 62 days to 66 days. ROIC and ROE went down slightly due to investments made in capital expenditure and accumulation of reserves.

Chart 9: ROIC & ROE Analysis

Ratio	Fiscal 2017-18	Fiscal 2016-17
ROIC	45.8%	47.1%
ROE	23.7%	26.3%

The business generated Net Cash flow from Operations of ₹ 1,163 crore in fiscal 2017-18. Capital Expenditure of ₹ 239.2 crore incurred during the year which includes the expenditure on domestic as well as overseas manufacturing facilities. The net cash available with the company as on 31st March 2018 was ₹ 3,176 crore and the total debt amounted to ₹ 936 crore. Chart 10 reflects the cash and debt position of the company.

Chart 10: Cash and Debt Position

In ₹ crore	Fiscal 2017-18	Fiscal 2016-17
Debt	936	976
Cash & Cash Equivalents	4,112	3,545
Net Cash	3,176	2,569

The company declared a special dividend of ₹ 5 per share to commemorate 25 years of its listing. This was in addition to the annual dividend of ₹ 2.5 per share taking the total dividend for the year to 750% of face value i.e.₹ 7.5 per share. Total payout during the year including dividend tax for the year was ₹ 1,593 crore.

Threats & Opportunities

Please refer to the Integrated Report section of this Annual Report.

Outlook

The FMCG industry in India faced stress at the beginning of the fiscal year due to the implementation of GST but recovered considerably in the later part of the year. That said, implementation of GST in India is a big positive for the FMCG sector as it has enabled a unified tax structure, easier movement of goods across the country, conversion from unorganized to organized sector and streamlining of tax structure across categories. While there are some near-term inflationary pressures and challenges due to the increase in prices of crude oil and other raw materials, overall consumer demand is resilient and the consumer industry is expected to grow at a good pace in the medium to long term.

Increasing preference for natural products, rising incomes and aspirations, low penetration of most of the categories and changing lifestyle will be the drivers for the FMCG sector. Your Company, with its brands, infrastructure, capabilities and management depth is well placed to leverage this opportunity. The Company has a strong product pipeline and has also been aggressively investing in various communication and distribution initiatives to create and efficiently service demand for our products.

International markets witnessed recovery after the slowdown on the back of low crude prices in the past few years. Adverse currency movements in some markets like Egypt, Nigeria and Turkey impacted our consolidated sales growth although these markets have grown well in local currency terms. The translation impact is likely to reduce in fiscal 2018-19 as the currency depreciation has come into the base. Outlook for African markets remains positive. SAARC region has been stable and performed well. The outlook for this region remains positive for the next fiscal.

Internal Control Systems and Their Adequacy

Please refer to the Director's Report.

Risks & Concerns

Please refer to the Integrated Report section of this Annual Report.

Strategy & Resource Allocation

Please refer to the Integrated Report section of this Annual Report.

Stakeholder Relationships

Dabur encourages and promotes robust two-way communication with its stakeholders. At Dabur, we believe in maintaining an open, honest and clear communication with our stakeholders. We have mapped our internal and external stakeholders in a structured way, and we carry out engagements with them on a regular and ongoing basis. Details of our Stakeholder Engagement initiatives have been provided in detail in the Integrated Report section of this report.

Report on Corporate Governance

Corporate Governance is the system of rules, practices and processes through which objectives of a corporate entity are set and pursued in the context of the social, regulatory and market environment. It essentially involves balancing the interests of various stakeholders, such as shareholders, Management, customers, suppliers, financiers, Government and the community. Fundamentals of Corporate Governance includes transparency, accountability and independence. Governance practices may vary but the principles are generic and universal, viz. constant improvement and sustainable value creation for all stakeholders. For ensuring sound Corporate Governance practices, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Global trends and some governance failures across the world drive the demand for a high quality of governance practices.

Dabur has a strong legacy of practising fair, transparent and ethical governance par excellence. Besides complying with the statutorily prescribed Corporate Governance practices, the Company has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business, globally benchmarked. Certain recommendation of the recent SEBI constituted Kotak Committee have also been adopted by the Company even before they are mandated. **During the FY 2017-18, the Company was awarded by the Institute of Company Secretaries of India (ICSI), a National award for excellence in Corporate Governance for 2017, certifying Dabur India Ltd., as one of the "Best Governed Companies" of India**. This is the second year in a row and fourth overall that Dabur has been awarded by ICSI for excellence in Corporate Governance.

This chapter on Corporate Governance, along with the chapters on Integrating Reporting and Management Discussion & Analysis and Additional Shareholders Information, reports, *inter-alia*, Dabur's compliance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 *(hereinafter referred to as 'Listing Regulations')* highlighting its additional initiatives in line with international best practices.

CORPORATE GOVERNANCE PHILOSOPHY

At Dabur, good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders interests by applying proper care, skill and diligence to business decisions.

The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long term shareholders value. It`s initiatives towards adhering to highest standards of governance include self governance, professionalization of the Board, fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance requirements of SEBI. Payoffs from strong governance practices have been in the sphere of valuations, stakeholders` confidence, market capitalization and high credit ratings in positive context apart from obtaining of awards from appropriate authorities for its brands, stocks, environmental protection, etc. These contributes to Dabur paying uninterrupted dividends to its shareholders.

BOARD OF DIRECTORS

Composition of the Board

As on March 31, 2018, Dabur's Board consists of 12 members. Besides the Chairman, a Non-Executive Promoter Director, the Board comprises of two Executive Directors, three Non-Executive Promoter Directors and six Non-Executive Independent Directors (including one Woman Director). The profile of Directors can be found at our website at www.dabur.com. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Women Director and not less than fifty per cent of the Board comprising of Independent Directors as laid down for a Board chaired by Non-Executive Promoter Director.

Classification of the Board:

Category	Number of Directors	% to total number of Directors
Executive Directors	2	17
Non-Executive Independent Directors (including Woman Director)	6	50
Other Non-Executive Directors	4	33
Total	12	100

Number of Board Meetings

Minimum four prescheduled Board meetings are held every

year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company. In case of any exigency/emergency, resolutions are also passed by circulation. During the financial year 2017-18 the Board of Directors met five times on- 01/05/2017, 04/08/2017, 31/10/2017, 31/01/2018 and 28/03/2018. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under the Companies Act, 2013, Regulation 17 of the Listing Regulations and Secretarial Standards.

Details of Directors Attendance, shareholding and other Directorships/ Committee memberships

Necessary quorum was present in all the Board meetings. Further, as mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited Companies (listed or unlisted) in which he/she is a Director. No Director of the Company serves as Independent Director in more than seven listed Companies and in case he/she is serving as a Whole-Time Director in any listed Company, does not hold the position of Independent Director in more than three listed Companies. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. None of the Directors of the Company are related inter-se, in terms of Section 2(77) of the Companies Act, 2013, including Rules thereunder. The Company has not issued any convertible instruments hence disclosure in this respect is not applicable. Relevant details of the Board of Directors as on March 31, 2018 are given below:

Name of the Director	Category#	Attendance Particulars			No. of other Directorships and Committee Memberships / Chairmanships held*			**Share holding in the Company (equity shares of Re.1/- each)
		Number of Board Meetings		Last AGM held on 26.07.2017	Other Directorships	Committee Memberships	Committee Chairman-ships	
		Held	Attended					
Dr. Anand C Burman	Chairman/ PD/ NED	5	5	Yes	7	0	0	6,60,000
Mr. Amit Burman	Vice Chairman/ PD / NED	5	5	Yes	4	3	0	0
Mr. Mohit Burman	PD/NED	5	4	Yes	3	2	0	0
Mr. Saket Burman	PD/NED	5	5	Yes	0	0	0	3,00,000
Mr. P D Narang	ED	5	5	Yes	3	2	1	34,00,589
Mr. Sunil Duggal	ED	5	5	Yes	1	1	0	48,63,525
Mr. P N Vijay	ID	5	5	Yes	2	1	1	0
Mr. R C Bhargava	ID	5	5	No	4	0	3	0
Dr. S Narayan	ID	5	5	Yes	7	1	5	0
Dr. Ajay Dua	ID	5	5	Yes	1	1	0	0
Mr. Sanjay Kumar Bhattacharyya	ID	5	5	No	7	3	3	0
Mrs. Falguni Sanjay Nayar	ID	5	4	No	6	4	1	0

PD – Promoter Director; NED – Non-Executive Director; ID – Non-Executive Independent Director; ED – Executive Director

*1. Excluding private limited Companies, foreign Companies and Companies under Section 8 of the Companies Act, 2013.

2. Only two Committees viz. Audit Committee and Stakeholders` Relationship Committee are considered.

Details of other Board Directorships are separately mentioned in Annexure 1 to this report.

Independent Directors

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company (other than Mrs. Falguni Sanjay Nayar) is for a term of 5 consecutive years from the date of Annual General Meeting (AGM) held on 22/07/2014 up to the conclusion of AGM to be held in the Calendar Year 2019. The tenure of Mrs. Falguni Sanjay Nayar, is from the commencement of her appointment as a Director of the Company i.e. 28/07/2014 up to the conclusion of AGM to be held in the Calendar Year 2019 or 27/07/2019, whichever is earlier.

Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company- www.dabur.com.

Separate Meeting of Independent Directors

Independent Directors of the Company met separately on March, 28, 2018 without the presence of Non-Independent Directors and members of Management. Mrs Falguni Sanjay Nayar could not make it convenient to attend the meeting. In accordance with the Listing Regulations, following matters were, *inter alia,* reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Program for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

The initiatives undertaken by the Company in this respect have been disclosed on the website of the Company at www.dabur.com and the web link thereto is http://www.dabur.com/img/assets/4-familiarization-programme-for-independent-Directors.pdf.

Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia,* the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

Evaluation of the Board and its Committees is based on various aspects of their functioning, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the meetings, processes followed at the meeting, Board`s focus, regulatory compliances and Corporate Governance, etc., are in place. Similarly, for evaluation of individual Director's performance, various parameters like Director`s profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc., are considered.

Further, the performance of Chairman, Executive Directors and Independent Directors are evaluated on certain additional parameters depending upon their roles and responsibilities. For the Chairman the criteria includes leadership, relationship with stakeholders etc., for the Executive Directors the criteria includes execution of business plans, risk Management, achievement of business targets, development of plans and policies aligned to the vision and mission of the Company, etc. Similarly, criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the Company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgement during meetings, etc.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for

the financial year 2017-18 by way of oral evaluation through personal interaction.

The Independent Directors had met separately on March, 28, 2018 without the presence of Non-Independent Directors and the Members of Management and discussed, *inter-alia*, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director`s performance.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it determines whether to extend or continue their term of appointment, whenever their respective term expires.

The Directors expressed their satisfaction with the evaluation process.

Information Supplied to the Board

The Board has complete access to all information with the Company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information. Since the year 2011-12, as a part of green initiative, the Company is holding and convening all its Board and Committee Meetings on I-pad, in paperless form. All agenda papers are uploaded in a web based programme for information, perusal and comments, etc. of the Board/ Committee members. Video conferencing facility is provided to facilitate Directors to participate in the meetings.

The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least 2 weeks in advance of the Board meetings (except for certain Unpublished Price Sensitive Information which is circulated at a shorter notice).

Post Meeting follow up system: The Company has an effective post Board Meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

The Board has established procedures to periodically review compliance report pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance, if any.

Succession Plan: The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

Roles and Responsibilities of Board Members

Dabur has laid down a clear policy defining the structure and role of Board members. The policy of the Company is to have a Non-Executive Chairman – presently Dr Anand C Burman, a Chief Executive Officer (CEO) – presently Mr Sunil Duggal, and an optimum combination of Executive and Non-Executive Promoter/ Independent Directors. The duties of Board members as a Director have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act, the last being Independent Directors specific. There is a clear demarcation of responsibility and authority amongst the Board Members.

- ***The Chairman***: His primary role is to provide leadership to the Board in achieving goals of the Company in accordance with the charter approved by the Board. He is responsible for transforming the Company into a world-class organization that is dedicated to the well-being of each and every household, not only within India but across the globe, apart from leaving a fortunate legacy to posterity. Also, as the Chairman of the Board he is responsible for all the Board matters. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, *inter alia,* includes:
    - Provide leadership to the Board & preside over all Board & General Meetings.
    - Achieve goals in accordance with Company`s overall vision.
    - Ensure that Board decisions are aligned with Company`s strategic policy.
    - Oversee and evaluate the overall performance of Board and its members.
    - Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
    - Monitor the core Management team.
- ***The CEO and Executive Directors*** are responsible for implementation of corporate strategy, brand equity planning, external contacts and other Management matters which are approved by the Board. They are also responsible for achieving the annual and long term

business plans. Their role, *inter alia*, includes:

- Crafting of vision and business strategies of the Company.
- Clear understanding and accomplishment of Board set goals.
- Responsible for overall performance of the Company in terms of revenues & profits and goodwill.
- Acts as a link between Board and Management.
- Ensure compliance with statutory provisions under multiple regulatory enactments.

- ***Non-Executive Directors (including Independent Directors)*** plays a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, *inter alia*, includes:
  - Impart balance to the Board by providing independent judgement.
  - Provide feedback on Company`s strategy and performance.
  - Provide effective feedback and recommendations for further improvements.

Board Membership Criteria

The Nomination and Remuneration Committee in consultation with Directors/ others determine the appropriate characteristics, skills and experience for the Board as a whole, as well as its individual members. The selection of Board members is based on recommendations of the Nomination and Remuneration Committee.

The skill profile of Independent Board Members is driven by the key performance indicators defined by the Board, broadly based on:

- Independent Corporate Governance
- Guiding strategy and enhancing shareholders' value
- Monitoring performance, Management development & compensation
- Control & compliance

The constitution of the Board is as follows:

A Promoter Non-Executive Chairman
Three Promoter Family Members
Two Executive Members
Six Non-Executive Independent Directors (including a Woman Director)

The matrix below highlights the skills and expertise required from individuals for the office of Directors of the Company.

Key Skill Area	Essential	Desirable
Strategy/ Business Leadership	2-3 years experience as a CEO, preferably of an MNC in India	FMCG experience
Corporate Strategy Consultant	Consultant/ Academician with experience in FMCG Industry and business strategy	Basic understanding of Finance
Sales and Marketing Experience	At least 10 years experience in sales and marketing	Experience with FMCG or other consumer products
	Good understanding of commercial processes	
	2-3 years as head of sales or marketing	
Corporate law	Expert knowledge of Corporate Law	Experience in trade/ consumer related laws
Finance	At least 5 years as a CFO or as head of a merchant banking operation	FMCG experience
Trade Policy & Economics	Expert Knowledge of Trade & Economic Policies	FMCG experience
Administration & Government Relations	Retired Bureaucrat	Basic understanding of Finance and Business
Ayurvedic Specialist	Ayurvedic doctor with a minimum of 20 years experience as a practitioner/researcher	Basic understanding of Finance and Business

Expertise for Directors could also be based on the Company's priority at a particular time viz:

- Knowledge of export markets that Dabur is focusing on,
- Expertise in commodity procurement.

Remuneration paid to Directors -

Details of remuneration paid to Directors for the financial year 2017-18 is as under:

(Amount in Rs)

Name of the Director	Sitting Fees	Salary & Perquisites	Performance linked incentive	Retiral Benefits	Commission	Total
Anand C Burman (Dr)	0	0	0	0	0	0
Amit Burman	0	0	0	0	0	0
Mohit Burman	0	0	0	0	0	0
Saket Burman	0	0	0	0	0	0
P D Narang	0	6,72,06,428	2,00,00,000	1,07,61,093	0	9,79,67,521
Sunil Duggal	0	6,91,97,290	2,00,00,000	1,01,70,483	0	9,93,67,773
P N Vijay	10,75,000	0	0	0	0	10,75,000
R C Bhargava	9,00,000	0	0	0	0	9,00,000
S Narayan (Dr)	9,65,000	0	0	0	0	9,65,000
Ajay Dua (Dr)	10,65,000	0	0	0	0	10,65,000
Sanjay Kr Bhattacharyya	9,65,000	0	0	0	0	9,65,000
Falguni Sanjay Nayar (Mrs)	4,00,000	0	0	0	0	4,00,000
Total	**53,70,000**	**13,64,03,718**	**4,00,00,000**	**2,09,31,576**	**0**	**20,27,05,294**

Performance linked incentives are payable to the Executive Directors as employees of the Company as per Company policy.

Mr P D Narang and Mr Sunil Duggal are holding the office of Whole Time Directors of the Company for a period of five years w.e.f. 1.4.2018 and 31.7.2015, respectively, based on approval of shareholders.

During the Financial Year 2017-18, the Company did not advance any loan to any of its Directors.

No stock options have been granted to Directors during the Financial Year. Also, during the Financial Year no stock options have been exercised by Mr P D Narang and Mr Sunil Duggal which were granted to them in earlier years.

Pursuant to the approval accorded by shareholders certain Directors are entitled to post separation fee on cessation of their employment and Directorship with the Company, as per their terms and conditions of appointment. The notice period for the two Executive Directors, namely Mr. P D Narang and Mr. Sunil Duggal, is of three months.

Fees and compensation, if any, paid to a Non-Executive Director, including Independent Director, is fixed by the Board of Directors and is approved by the shareholders at the General Body Meeting. Further, the Non-Executive Directors and Independent Directors are not entitled to any stock options.

Remuneration Policy

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

1. Non-Executive Directors (including Independent Directors)

The Company has no pecuniary relationship with Non-Executive Directors except sitting fees for attending meetings of the Board/Committees thereof.

2. Executive Directors

Remuneration of the Executive Directors consists of a fixed component and a variable performance incentive. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval.

In accordance with the relevant provisions of Companies Act, 2013 and the Listing Regulations, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Policy on appointment of Board Members.
2. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.
3. Framework for evaluation of the Board, its Committees and individual Board Members including Independent Directors.

The Remuneration Policy and Policy on appointment of

Board Members have been disclosed in the Director's Report which forms part of the Annual Report. The manner of annual evaluation of the Board, its Committees and individual Director have been disclosed elsewhere in this report.

COMMITTEES OF THE BOARD

Dabur has five Board Level Committees:

A) Audit Committee,
B) Nomination and Remuneration Committee,
C) Corporate Social Responsibility Committee,
D) Risk Management Committee, and
E) Stakeholders` Relationship Committee.

The composition of various Committees of the Board of Directors is available on the website of the Company at www.dabur.com and weblink for the same is http://www.dabur.com/img/assets/3-composition-of-various-committees.pdf

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company and need a closer review. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

A) AUDIT COMMITTEE

Composition and Meetings

As on March 31, 2018, the Audit Committee comprises of members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

During the financial year 2017-18, the Audit Committee met four times on 01/05/2017, 04/08/2017, 31/10/2017 and 31/01/2018. The time gap between any two meetings was less than one hundred and twenty days.

The details of attendance of members and composition is as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. P. N. Vijay	Independent Director	Chairman	4	4
Mr. R. C. Bhargava	Independent Director	Member	4	4
Dr. S. Narayan	Independent Director	Member	4	4
Dr. Ajay Dua	Independent Director	Member	4	4
Mr. S. K. Bhattacharyya	Independent Director	Member	4	4

The Director responsible for the finance function, the head of Internal Audit and the representative of the Statutory Auditors, Internal Auditors and Cost Auditors are permanent invitees to the Audit Committee meetings. Mr. A K Jain, Vice President (Finance) & Company Secretary, is Secretary to the Committee.

All members of the Audit Committee have accounting and financial Management expertise. The Chairman of the Audit Committee attended the AGM held on July, 26, 2017 to answer the shareholders` queries.

The role of Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment, terms of appointment/ reappointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees/remuneration.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Sub-Section (5) of Section 134 of the Companies Act, 2013.
   - Changes, if any, in accounting policies and practices and reasons for the same.
   - Major accounting entries involving estimates based on the exercise of judgement by the Management.
   - Significant adjustments made in the financial statements arising out of audit findings.
   - Compliance with listing and other legal requirements relating to financial statements.
   - Disclosure of any related party transactions.
   - Qualifications in the draft audit report.
5. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.

6. Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.
7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Reviewing/evaluating, with the Management, performance of Statutory and Internal Auditors, internal financial controls, risk Management system and adequacy of the internal control systems.
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
10. Discussion with Internal Auditors any significant findings and follow-ups there on.
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
13. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
14. To review the functioning of the Whistle- Blower mechanism.
15. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Review and monitor the Auditor's independence, performance and effectiveness of Audit process.
18. Approval or any subsequent Modification of transactions of the Company with related parties.
19. Scrutiny of inter- corporate loans and investments.
20. Valuation of undertakings or assets of the Company, wherever it is necessary.

Further, the Audit committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Dabur has systems and procedures in place to ensure that the Audit committee mandatorily reviews:

- Management Discussion and Analysis of financial conditions and results of operations.
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management.
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
- Internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) (whenever applicable).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) (whenever applicable).

Audit Committee Report for the year ended March 31, 2018

To the Board of Directors of Dabur India Limited,

The Committee comprises of five Independent Directors. The Management is responsible for the Company's internal financial controls and financial reporting process. The Independent Auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Indian Accounting Standards (Ind AS) and for issuing a report thereon. The Committee is responsible for overseeing the processes related to financial reporting and information dissemination.

In this regard, the Committee discussed with the Statutory Auditors the overall scope for their audit. The Management presented to the Committee the Company's financial statements and also represented that the Company's financial statements had been drawn in accordance with the Ind AS.

Based on its review and discussions conducted with the Management and the Independent Auditors, the Audit Committee believes that the Company's financial statements are presented in conformity with Ind AS in all material aspects.

The Committee has reviewed Statement of Contingent Liabilities, Management Discussion and Analysis, Financial Statements of subsidiary Companies, Investments made by Subsidiary Companies, Directors' Responsibility Statement, Financial Results and Draft Audit/ Limited Review Report thereon, Financial Statements and Draft Auditors' Report, approval (including modification, if any) and review of Related Party Transactions and scrutinized inter corporate loans and investments of the Company. The Committee also approved the Capex proposals during the Financial Year 2017-18. Complaints received under Whistle-Blower Policy/ Vigil Mechanism were also monitored by the Committee. The Committee affirms that in compliance with the Whistle-Blower Policy/ Vigil Mechanism no personnel had been denied access to the Audit Committee.

The Committee has appointed M/s PriceWaterhouse Coopers Private Limited as Internal Auditors of the Company for the period from 1st July, 2017 to 30th June, 2018 and discussed and approved their audit plan. It has also reappointed M/s Ramanath Iyer & Company, as Cost Auditors to audit the cost records maintained by the Company in respect of certain products for the financial year 2017-18 and approved their scope of work. Remuneration of Statutory Auditors for FY 16-17 was also approved.

In conclusion, the Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's responsibility statement.

Place: New Delhi
Date: May 1, 2018

P N Vijay
Chairman, Audit Committee

B) NOMINATION AND REMUNERATION COMMITTEE

Composition and Meetings

As on March 31, 2018 the Nomination and Remuneration Committee comprises of members as stated below. The composition of the Committee is in conformity with the Listing Regulations, with all Directors being Non-Executives and fifty per cent of them being Independent Directors. Chairman of the Committee is an Independent Director.

During the financial year 2017-18, the Nomination and Remuneration Committee met four times on 21/04/2017, 04/08/2017, 31/10/2017 and 31/01/2018.

The details of attendance of the members is as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. S. Narayan	Independent Director	Chairman	4	4
Mr. P. N. Vijay	Independent Director	Member	4	3
Dr. Anand C Burman	Promoter/ Non-Executive Director	Member	4	4
Mr. Amit Burman	Promoter/ Non-Executive Director	Member	4	3

Dr. S Narayan, Chairman of the Committee attended the AGM held on July 26, 2017.

Upon recommendation of Nomination and Remuneration Committee the Board of Directors has laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board members, including Independent Directors. On the basis of performance evaluation of Independent Directors, it is determined whether to extend or continue their term of appointment, whenever their respective term expires.

The performance evaluation process for the financial year 2017-18 has been completed.

The roles and responsibilities of the Committee covers the area as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any, besides other role and powers entrusted upon it by the Board of Directors from time to time. The roles and responsibilities of the Committee include the following:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. Formulate the criteria for evaluation of Director's and Board's performance and to carry out the evaluation of every Director's performance.
4. Devising a policy on Board diversity.
5. To engage the services of consultants and seek their help in the process of identifying suitable person for appointments to the Board.
6. To decide the remuneration of consultants engaged by the Committee.
7. Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Personnel (KMP) & other Employees, including ESOP, pension rights and any other compensation payment.
8. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and KMP of the quality required to run the Company successfully.
9. To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
10. To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
11. Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
12. Framing the Employees Share Purchase Scheme / Employees Stock Option Scheme and recommending the same to the Board/ shareholders

for their approval and implementing/administering the scheme approved by the shareholders.

13. Suggesting to Board/ shareholders changes in the ESPS/ ESOS.

14. Deciding the terms and conditions of ESPS and ESOS.

Nomination and Remuneration Committee Report for the year ended March 31, 2018

To the Board of Directors of Dabur India Limited,

The Nomination and Remuneration Committee comprises of two Independent Directors and two Non-Executive Promoter Directors. The main responsibility of the Committee is to incentivize and reward executive performance that will lead to long-term enhancement of shareholder performance. Further the Committee is also responsible for formulating policies as to remuneration, performance evaluation, Board diversity, etc. in line with Companies Act, 2013 and SEBI Listing Regulations.

During the year the Committee approved the grant of stock options to employees under the ESOP Scheme of the Company. The Committee also approved cancellation of certain ESOPs granted relevant to financial year 16-17. The Committee recommended to the Board appointment of Mr P D Narang as Whole Time Director of the Company for a period of 5 years w.e.f. 1.4.2018 and also reviewed and approved the revision in remuneration of Mr. P.D. Narang and Mr. Sunil Duggal, Executive Directors. Appointment of Senior Management Personnel – Mr Mohit Malhotra as CEO- India business was also recommended by the Committee to the Board. The Committee conducted the performance evaluation of Directors for the financial year 17-18.

Dr. S Narayan
Chairman
Nomination and
Remuneration Committee

Place: New Delhi
Date: May 1, 2018

C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition and Meetings

As on March 31, 2018, the Corporate Social Responsibility (CSR) Committee consists of members as stated below.

During the financial year 2017-18 the Committee met four times on 01/05/2017, 04/08/2017, 31/10/2017 and 29.01.2018. The details of attendance of members is given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. Ajay Dua	Independent Director	Chairman	4	4
Mr. P D Narang	Executive Director	Member	4	4
Mr. Sunil Duggal	Executive Director	Member	4	4
Mr. S K Bhattacharyya	Independent Director	Member	4	4

The role of CSR Committee is as under:-

(a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.

(b) Recommend the amount of expenditure to be incurred on the activities as above, and

(c) Monitor the CSR Policy of the Company from time to time.

The Company has formulated a CSR Policy in line with Schedule VII of the Companies Act, 2013.

CSR Policy of the Company

The CSR activities shall be focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities. The four key focus areas where special Community Development programmes would be run are:

1. Eradicating hunger, poverty and malnutrition;
2. Promoting health care including preventive health care;
3. Ensuring environmental sustainability;
4. Promotion of education

The formal CSR policy of the Company is available on the website of the Company www.dabur.com at the link http://www.dabur.com/img/upload-files/309-csr-policy.pdf

CSR Committee Report for the year ended March 31, 2018

To the Board of Directors of Dabur India Limited,

The CSR Committee comprises of two Independent Directors and two Executive Directors.

The main responsibility of the Committee is to formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company as specified in Companies Act, 2013, recommending the expenditure on CSR activities & monitoring the activities undertaken from time to time.

The Company has in place a CSR Policy formulated by the Committee and approved by the Board of Directors.

During the Financial Year 2017-18, the Committee approved the CSR activities and monitored the progress on CSR activities undertaken by the Company on quarterly basis. Further the Committee also reviewed the CSR activities undertaken by Jivanti Welfare and Charitable Trust (promoted by Dabur). Revision in CSR Policy of the Company was also approved for recommending to the Board. The Company has been able to spend the mandatory 2% of average net profits of immediately preceding 3 years on various CSR activities, the details of which are given in CSR Report approved by the Committee and attached to the Director's Report.

The Committee is sufficiently satisfied with the CSR compliances on the part of the Company.

Place: New Delhi
Date: May 1, 2018

Dr Ajay Dua
Chairman, CSR Committee

D) RISK MANAGEMENT COMMITTEE

Composition and Meetings

As on March 31, 2018 the Risk Management Committee consists of members as stated below.

The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company.

During the financial year 2017-18 the Committee met four times on 27/04/2017, 02/08/2017, 27/10/2017 and 29/01/2018. The detail of attendance of members is given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr Ajay Dua	Independent Director	Chairman	4	3
Mr. P N Vijay	Independent Director	Member	4	4
Mr. Amit Burman	Promoter/ Non- Executive Director	Member	4	2
Mr. Sunil Duggal	Executive Director	Member	4	4
Mr. P D Narang	Executive Director	Member	4	4
Mr. Lalit Malik	CFO & Joint Chief Risk Officer	Member & Joint Chief Risk Officer	4	4
Mr. A K Jain	VP (Finance) & Co. Secretary & Joint Chief Risk Officer	Member & Joint Chief Risk Officer	4	4

The role of the Committee is as under:-

1. Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis.
2. To update Risk Register on quarterly basis.
3. To review critical risks identified by Joint Chief Risk Officer(s) and Management Committee of the Company on quarterly basis.
4. To report key changes in critical risks to the Board on quarterly basis.
5. To report critical risks to Audit Committee in detail on yearly basis.
6. To perform such other functions as may be prescribed or deemed fit by the Board.

Risk Management Committee Report for the year ended March 31, 2018

To the Board of Directors of Dabur India Limited,

The Committee consists of two Independent Directors, two Executive Directors, one Promoter Non-Executive Director and two KMP's being Non- Board Members.

The primary responsibility of the Committee is to prepare the Risk Management Plan of the Company and to review and monitor the same on a regular basis.

During the Financial Year 2017-18 the Committee identified and assessed the risks faced by the Company and procedures to mitigate the same. The risks were assessed categorically under the broad heads of high, medium and low risks with high and medium risks sub categorized as critical and low risks as non-critical.

Dr Ajay Dua
Chairman,
Risk Management Committee

Place: New Delhi
Date: May 1, 2018

E) STAKEHOLDERS` RELATIONSHIP COMMITTEE

Composition and Meetings

As on March 31, 2018 the Stakeholders` Relationship Committee consists of members as stated below.

During the financial year 2017-18 the Committee met four times on 27/04/2017, 02/08/2017, 27/10/2017 and 29/01/2018. The details of attendance of members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. P N Vijay	Independent Director	Chairman	4	4
Mr. Amit Burman	Promoter/ Non-Executive Director	Member	4	2
Mr. P D Narang	Executive Director	Member	4	4
Dr. Ajay Dua	Independent Director	Member	4	3

Mr. A. K. Jain, Vice President (Finance) and Company Secretary is the Compliance Officer.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of declared dividend and other allied complaints.

The Committee performs the following functions:

- Transfer/ transmission of shares.
- Split up/ sub-division and consolidation of shares.
- Dematerialization/ rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
- To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

Investor Grievance Redressal

Details of complaints received and resolved by the Company during the financial year 2017-18 are given below:

Nature of Complaint	Pending as on 31.3.2017	Received during the FY 2017-18	Disposed of during the FY 2017-18	Pending as on 31.3.2018
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	3	3	NIL
Non-receipt of Dividend	NIL	1	1	NIL
Dematerialization /Rematerialization of shares	NIL	0	0	NIL
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	3	3	NIL
Total	NIL	7	7	NIL

In order to provide efficient services to investors, and for speedy redressal of the complaints, the Committee has delegated the power of approving transfer and transmission of shares and other matters like split up / sub-division and consolidation of shares, issue of new certificates on re-materialization, sub-division, consolidation and exchange, subject to a maximum of 10,000 shares per case and for dematerialization upto a maximum of 40,000 shares per case, jointly to any two of Mr. A K Jain, Vice President (Finance) and Company Secretary, Mr. Praveen Mudgal, Joint Company Secretary and Mrs. Sarita Agrawal, Sr. Manager (Secretarial).

Stakeholders` Relationship Committee Report for the year ended March 31, 2018

To the Board of Directors of Dabur India Limited,

The Stakeholders` Relationship Committee comprises of four members.

The main responsibility of the committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

The committee approved 1945 cases of transfer, 4 cases of transmission, 17 cases of re-materialization, 214 cases of dematerialization, 1 case of consolidation, 1 case of split, 4 cases of name deletion and 15 cases of issue of duplicate share certificates. The Committee has also constituted a sub-committee to facilitate the issuance of duplicate share certificates and transfer/ transmission/ consolidation/ sub- division/ remat of more than 10,000 shares per case/ demat of more than 40,000 shares per case, within the prescribed timelines. The committee also reviewed the status of investors' grievances on quarterly basis. The Company received complaints during the year all of which were redressed. As at the close of the financial year there were no complaints pending for redressal. During the year the Committee had also approved issuance of new share certificates to facilitate transfer of shares to the Investor Education and Protection Fund Authority (IEPFA) of the Central Government and in accordance with the applicable provisions 22,44,517 equity shares of the Company have been transferred to the IEPFA.

P N Vijay
Chairman
Stakeholders` Relationship Committee

Place: New Delhi
Date: May 1, 2018

SUBSIDIARY COMPANIES - MONITORING FRAMEWORK

The Company monitors performance of its subsidiary Companies, *inter-alia*, by the following means:

i) The Audit Committee reviews financial statements of the subsidiary Companies, along with investments made by them, on a quarterly basis.

ii) The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary Companies.

The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company- www.dabur.com. The weblink for the same is http://www.dabur.com/img/upload-files/44-policy-material-subsidiary.pdf

Dabur International Limited, a wholly owned subsidiary, incorporated outside India, is a material subsidiary of the Company. Further, Dabur India Ltd. does not have any unlisted material subsidiary, incorporated in India. [Under the Listing Regulations, a "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty per cent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year].

Dabur does not have a listed subsidiary.

MANAGEMENT

Integrated Reporting and Management Discussion & Analysis

The Annual Report has a detailed chapter on Integrated Reporting and Management Discussion & Analysis, which forms part of this report.

POLICIES, AFFIRMATIONS AND DISCLOSURES

Code of Conduct

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of Dabur. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company www.dabur.com. All Board members and Senior Management Personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is placed at the end of this report.

Related Party Transactions

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations.

The policy has been disclosed on the website of the Company at www.dabur.com. Web link for the same is http://www.dabur.com/img/upload-files/1135-policy-on-related-party-transactions.pdf

All Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which also forms part of the Policy. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and that such approval is in the interest of the Company and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

During the Financial Year 2017-18, there were no such Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the Board of Directors or the shareholders of the Company. Further, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

A confirmation as to compliance of Related Party Transactions as per Listing Regulations is also sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

Disclosures by Board Members & Senior Management

The Board Members and Senior Management Personnel make disclosures to the Board periodically regarding

- their dealings in the Company`s shares; and
- all material, financial and commercial and other transaction with the Company;

where they have personal interest, stating that the said dealings and transactions, if any, have no potential conflict with the interests of the Company at large.

Disclosure of accounting treatment in preparation of financial statements

The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standard (IND AS) as specified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provision of the Act. The Company has uniformly applied the Accounting Polices during the period presented. Kindly refer to note no. 2 of the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.

Details of non-compliance by the Company

Dabur has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations

The Company has complied with the requirements of Part C (Corporate Governance Report) of Sub-Paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

Disclosure on Commodity Price Risks or Foreign Exchange Risk and Hedging Activities

The Company has witnessed a major structural federal tax change in the current fiscal which has influenced the fundamentals of the trade dynamics in various items/ commodities. The Company has prudently sailed through the changed environment and swiftly transited into the new regime through a collaborative engagement with different stakeholders in the supply chain.

The Company is subject to market risk with respect to commodity price fluctuations in a wide range of materials which are drawn from the agriculture and petroleum value chains. The Company hedges exposure to commodity risks through a judicious mix of long term contracts in seasonal items and strategic buying initiatives in other commodities.The Company has a robust governance framework /mechanism in place to ensure that the Company is effectively safeguarded from the market volatility in terms of price and availability.

As regards foreign exchange risks, keeping in view the position of rupee in the market vis-a-vis foreign currency, the Company has been taking forward cover for foreign currency exports and imports from time to time and with reference to foreign currency borrowings, the loans are fully hedged at the time of inception itself as per the Forex policy framework of the Company.

Code for prevention of Insider-Trading Practices

The Company has in place a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of Dabur, and cautioning them of the consequences of violations. The Vice President (Finance) and Company Secretary has been appointed as the Compliance Officer.

Whistle-Blower Policy / Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices, Dabur has established a system through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees / business associates have direct access to the Chairman of the Audit Committee, and also to a three-member direct touch team established for this purpose. The Direct Touch team comprises of one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy. The Whistle-Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the Management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website www.dabur.com. Web link for the same is http://www.dabur.

com/img/upload-files/41-direct-touch-2014.pdf

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its report, affirmed that no personnel have been denied access to the Audit Committee.

Dividend Distribution Policy

To bring transparency in the matter of declaration of dividend and to protect the interests of investors, Dabur has in place a Dividend Policy since long. The Policy was revised in line with Regulation 43A of the Listing Regulations and the Companies Act, 2013 which has been displayed on the Company's website, www.dabur.com and is also available in the Director`s Report which forms part of the Annual Report.

CEO/ CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the CEO and CFO have certified to the Board of Directors of the Company in their meeting held on 1st May, 2018, with regard to the financial statements and other matters specified in the said regulation, for the financial year 2017-18.

Legal Compliance Reporting

The Board of Directors reviews in detail, on a quarterly basis, the report of compliance with respect to all laws and regulations applicable to the Company. The Company has developed a very comprehensive Legal Compliance System, which drills down from the CEO to the executive-level person (who is primarily responsible for compliance) within the Company. The process of compliance reporting is fully automated, using the e-nforce compliance tool. System-based alerts are generated until the user submits the monthly compliance report, with provision for escalation to the higher-ups in the hierarchy. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

SHAREHOLDERS

Re-Appointment of Director

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, Mr. Saket Burman (DIN 05208674), Director will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with provisions of the said Act.

His brief resume, the nature of his expertise in specific functional areas, names of Companies in which he hold Directorships, Committee Memberships/Chairmanships, his shareholding etc., is furnished in Annexure 1 of the notice of the ensuing AGM.

Your Directors recommend his re-appointment at the ensuing AGM.

His brief CV is as follows: Mr. Saket Burman has done his BBA in Marketing and Finance from the University of Wisconsin Madison. He has started up a number of Companies in different industries in the UAE. He also serves as a member or an adviser on a number of entrepreneurial and angel investing groups. He is currently living in Dubai, where he is also a Board Member of Dabur International Ltd. As on March 31, 2018, he is holding 3,00,000 equity shares of Re.1/- each in the Company.

None of the Directors of the Company are related inter-se, in terms of Section 2(77) of the Companies Act, 2013, including Rules thereunder.

MEANS OF COMMUNICATION WITH SHAREHOLDERS

Dabur recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Financial Results: The quarterly financial results are normally published in The Economic Times/ Hindustan Times / Navbharat Times/ Hindustan (Delhi NCR) newspapers. Details of publication of financial results for the year under review are given below:

Description	Date
Unaudited Financial Results for the quarter ended June 30, 2017	August 05, 2017
Unaudited Financial Results for the quarter/ half year ended September 30, 2017	November 01, 2017
Unaudited Financial Results for the quarter / nine months ended December 31, 2017	February 01, 2018
Audited Financial Results for the quarter/ financial year ended March 31, 2018	May 02, 2018 (Tentative)

The consolidated financial results are also sent electronically to all the shareholders possessing email ids. Shareholders who had not yet provided their email id`s to the Company / its Registrar, are requested to do the same at the earliest.

Annual Report: Physical copy of the abridged Annual Report for FY 2016-17, containing inter-alia, salient features of the audited Financial Statements, Director`s Report (including Management Discussion and Analysis and Corporate Governance Report) was sent to all shareholders who had not registered their email ids for the purpose of receiving documents/communication from the Company in electronic mode.

Full version of the Annual Report for FY 2016-17 containing inter-alia, audited Financial Statements, Directors Report (including Integrated Reporting and Management Discussion & Analysis, Corporate Governance Report) was sent via email to all shareholders who have provided their email ids and is also available at the Company`s website at www.dabur.com.

News Releases/ Presentations: Official press releases, presentations made to the media, analysts, institutional investors, etc. are displayed on the Company's website www.dabur.com

Website: The Company`s website www.dabur.com contains a separate Section 'Investor' for use of investors**.** The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to analysts are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website. Annual Report of subsidiary Companies are also posted on the website.

The `Investor` Section provides information on various topics related to transfer of shares, dematerialization, nomination, change of address, loss of share certificates, dividend, etc. The details of unclaimed dividends for dividends declared upto the financial year ended 31.03.2018 [upto FY 17-18 (Interim)] are also available in this Section, to help shareholders to claim the same. In addition various downloadable forms required to be executed by the shareholders have also been provided on the website.

On-line Annual Reports and Share price tools are also provided in `Investor` Section. Share price tools includes, inter alia, share graphs, historical share price data, share series and investment calculator.

Communication to shareholders on email: Documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

The Company proposes to send documents like shareholders meeting notice/ other notices, audited financial statements, Directors' report, auditor's report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company. Format of request letter is available in the `Investor` Section of the Company`s website www.dabur.com

NEAPS (NSE Electronic Application Processing System), BSE Listing centre and Metropolitan Stock Exchange (MSEI) Portal: NSE, BSE and MSEI have developed web based applications for corporates. All compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS/ BSE Listing centre/ MSEI portal.

SCORES (SEBI complaints redressal system): SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Exclusive email ID for investors: The Company has designated the email id investors@mail.dabur exclusively for investor servicing, and the same is prominently displayed on the Company`s website www.dabur.com.

Dedicated email ID for communication with Investor Education and Protection Fund (IEPF) Authority: The Company has a dedicated email id praveen.mudgal@mail.dabur for communication with the IEPF Authorities.

INVESTOR RELATIONS

Investor Relations (IR) at Dabur serves as a bridge for two way communication of information and insights between the Company and the investment community. On one hand, this seamless channel of communication enables the investment community to be aware of the Company's business activities, strategy and prospects and allows them to make an informed judgement about the Company. On the other hand, the Company receives invaluable inputs and feedback from the investor community which are given due consideration and factored into future plans and strategies.

The Company hosts calls or meetings with institutional investors on request. Post the quarterly results, a conference call and webcast is organized which provides a platform for the Management to answer questions and provide clarifications to investors and analysts. The Company hosts these calls on its own and not through brokerage houses so as to provide an equitable forum for dissemination of information. The Company continues to interact with all types of funds and investors in order to have a diversified shareholder base both in terms of geographical location and investment horizon.

In order to ensure accurate, transparent and timely information flow the IR department holds the following activities:

- Provides detailed updates on the Company's performance to all investors immediately after the release of quarterly results
- Post quarterly results, an Investor Conference call is held where all members of the financial community are invited to participate in the Q&A session with the Company's Management. The key highlights are discussed and investor/analyst queries are resolved in this forum. A Webcast and transcript of the same is provided on the Company's website
- The Company interacts with representatives of brokerage houses to brief them about the Company's operations and strategy
- One-on-One/Group meetings with investors to brief them about the Company's ongoing performance/ initiatives and respond to their queries and concerns
- The Company's executives participate in investor meetings including conferences in India and abroad, organized by leading institutional brokerage houses. During 2017-18, they attended conferences hosted by Deutsche Bank, Citi, Kotak, JP Morgan, CLSA, Morgan Stanley, Edelweiss, UBS, IIFL and CLSA among others.

All historical and latest information updates are promptly available on the Investor Relations page of the Company's website for reference. The website also provides real time updates on the stock price, comparative performance and shareholder returns.

GENERAL BODY MEETINGS

Details of the last three general body meetings held are given below:

Financial Year	Category	Location of the meeting	Date	Time
2014-2015	AGM	Air Force Auditorium, Subroto Park, New Delhi – 110010	July 21, 2015	11.00 AM
2015-2016	AGM	Same as above	July 19, 2016	11.00 AM
2016-2017	AGM	Same as above	July 26, 2017	11.00 AM

Special resolutions taken up in the last three AGMs and passed with requisite majority are mentioned hereunder:

- July 21, 2015: No special resolution was passed in the AGM.
- July 19, 2016: No special resolution was passed in the AGM.
- July 26, 2017: Re-appointment of Mr. P D Narang as Whole Time Director for a periof of 5 Year w.e.f. 01/04/2018 to 31/03/2023.

Postal Ballot

During the year under review, no resolution was passed through postal ballot.

Currently, no resolution is proposed to be passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2017-18. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the Compliance Officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

ADOPTION OF DISCRETIONARY REQUIREMENTS

1) Maintenance of the Chairman's Office

The Company maintains the office of Non-Executive Chairman and provides for reimbursement of expenses incurred in performance of his duties.

2) Shareholders Rights

Half yearly Financial Results are sent electronically to all shareholders possessing email ids, in the month of October/November every year. The same is also uploaded on the Company's website www.dabur.com

3) Modified opinion(s) in Audit Report

The auditors have expressed an unmodified opinion on the financial statements of the Company.

4) Separate posts of Chairman and CEO

Separate persons have been appointed by the Company to the post of Chairman and CEO.

5) Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.

ADDITIONAL SHAREHOLDERS INFORMATION

Company Registration Details

The Company is registered in New Delhi, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L24230DL1975PLC007908.

Annual General Meeting

Date: 26th July, 2018; Time: 11:00 AM; Venue: Air Force Auditorium, Subroto Park, New Delhi - 110010

Financial Calendar

Financial year: April 1 to March 31

For the financial year ended March 31, 2018, results were announced on:

- First Quarter - 4th August, 2017
- Half Yearly – 31st October, 2017
- Third Quarter - 31st January, 2018
- Fourth Quarter and Annual - 1st May, 2018

For the financial year ending March 31, 2019, results will be announced tentatively (subject to change) by:

- First Quarter – 31st July, 2018
- Half Yearly - 31st October, 2018
- Third Quarter – End of January, 2019
- Fourth Quarter and Annual – Start of May, 2019

Book Closure

The dates of Book Closure are from Friday, 6th July, 2018 to Friday, 13th July, 2018 both days inclusive.

Dividend Payment

Interim dividend of Rs.1.25 per equity share fully paid up was paid on November, 22, 2017 for the financial year 2017-18. Final Dividend of Rs.1.25/- per equity share fully paid up for the financial year 2017-18 and a special dividend of Rs.5/- per equity share (to mark the silver jubilee year of listing of Dabur India Limited`s shares in the financial year 1993-94) has been recommended by the Board of Directors to shareholders for their approval. If approved the dividend shall be paid from August 16, 2018 onwards.

Dates for Transfer of Unclaimed Dividend to Investors Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013, final dividend for the financial year 2009- 10 and interim dividend for the financial year 2010-11 which remained unpaid / unclaimed for a period of seven years from the date it was lying in the unpaid dividend account, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government.

The dividend for following years (see table below), which remains unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of dividends specified below are available on the website of the Company www.dabur.com. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, w.e.f. September 7, 2016, shareholders may claim their unclaimed amount as per the procedures/ guidelines issued by the Ministry of Corporate Affairs (MCA). For details, investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

Dividends declared in the past

Financial year	Type of dividend	Dividend rate %	Date of declaration	Due date for transfer to IEPF
2010-2011	Final	65	15/07/2011	20/08/2018
2011-2012	Interim	55	31/10/2011	06/12/2018
2011-2012	Final	75	17/07/2012	22/08/2019
2012-2013	Interim	65	26/10/2012	01/12/2019
2012-2013	Final	85	17/07/2013	22/08/2020
2013-2014	Interim	75	28/10/2013	03/12/2020
2013-2014	Final	100	22/07/2014	27/08/2021
2014-2015	Interim	125	15/09/2014	21/10/2021
2014-2015	Final	75	21/07/2015	27/08/2022
2015-2016	Interim	125	28/10/2015	03/12/2022
2015-2016	Final	100	19/07/2016	26/08/2023
2016-2017	Interim	125	26/10/2016	02/12/2023
2016-2017	Final	100	26/07/2017	30/08/2024
2017-2018	Interim	125	31/10/2018	05/12/2024

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights

on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

Consequent to the above, during the financial year 2017-18, 2244517 equity shares of the Company were transferred to the IEPFA. Relavant details of such shares is available on the website of the Company www.dabur.com.

Equity Shares lying with the Company in Suspense Account

As per the provisions of Regulation 39(4) of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly, unclaimed shares lying with the Company have been transferred and dematerialized in `Unclaimed Suspense Account` of the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said `Unclaimed Suspense Account` and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares.

Shareholders who have not yet claimed their shares are requested to immediately approach the Registrar & Transfer Agents of the Company by forwarding a request letter duly signed by all the joint holders furnishing their complete postal address along with PIN code, self-attested copies of PAN card & proof of address, and for delivery of shares in demat form - a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the unclaimed suspense account is given below:

Sl. No.	Particulars	No. of share-holders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1456	34,12,193
2	Aggregate number of shareholders along with shares added to the suspense account during the year	19	28,062
3	Number of shareholders along with shares held who approached the Company for transfer of shares from suspense account during the year	42*	1,26,010*
4	Number of shareholders along with shares held to whom shares were transferred from suspense account during the year	40	1,20,010
5	Number of shareholders along with shares held which were transferred from suspense account to Investor Education and Protection Fund Authority (IEPFA) during the year	508	15,80,726
6	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	927	17,39,519

* Two shareholders holding in aggregate 6,000 equity shares, had approached for transfer of shares from the suspense account. However, shares could not be transferred due to technical issue in their Demat accounts.

Listing

At present, the equity shares of the Company are listed at:

- **Bombay Stock Exchange Ltd. (BSE)**

  Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

- **National Stock Exchange of India Ltd. (NSE)**

  Address: Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051.

- **Metropolitan Stock Exchange of India Ltd. (MSEI)**

  Address: 4th Floor, Vibgyor Towers, Plot No. C-62, G-Block, Opposite Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098.

The annual listing fees for the financial year 2017-18 to BSE, NSE and MSEI has been paid.

Dabur's Stock Exchange codes –

ISIN No:	INE016A01026
BSE Stock Code:	500096
NSE & MSEI Code:	DABUR
Bloomberg Code:	DABUR IB
Reuters Code:	DABU.BO

Equity Evolution during the year

As at March 31, 2018 the paid-up equity share capital of the Company was Rs.1,76,15,20,510/- consisting of 1,76,15,20,510 equity shares of Re.1/- each. There was no change in the paid up capital of the Company during the year:

Stock Market Data

The table and chart A & B below give details of Stock Market data. Details of High, Low and Volume of Dabur's shares for 2017-18 at BSE and NSE:

Month	BOMBAY STOCK EXCHANGE LTD.			NATIONAL STOCK EXCHANGE OF INDIA LTD.		
	High (Rs.)	Low (Rs.)	Volume (No. of shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
April, 2017	295.95	277.25	13,18,277	295.95	277.20	1,94,00,276
May, 2017	288.50	265.05	45,41,100	288.50	265.00	6,28,70,110
June, 2017	295.00	277.80	31,46,503	295.00	277.50	3,29,09,600
July, 2017	313.10	292.00	23,17,095	313.60	291.40	2,83,19,873
Aug, 2017	323.20	297.00	13,37,244	323.00	296.50	2,39,44,078
Sep, 2017	318.45	299.25	9,77,437	318.50	298.70	2,13,66,361
Oct, 2017	334.80	306.25	11,61,057	334.60	306.00	2,04,41,585
Nov, 2017	360.45	325.00	34,54,892	360.85	329.70	2,91,97,922
Dec, 2017	358.40	325.00	18,49,422	357.70	325.00	1,89,03,546
Jan, 2018	368.00	346.95	24,68,938	368.60	346.45	2,56,85,607
Feb, 2018	359.25	324.15	44,05,710	358.85	323.65	2,41,05,942
Mar, 2018	335.10	312.45	51,90,716	334.90	311.95	5,35,51,303

Chart A: Dabur's Share Performance versus BSE Sensex

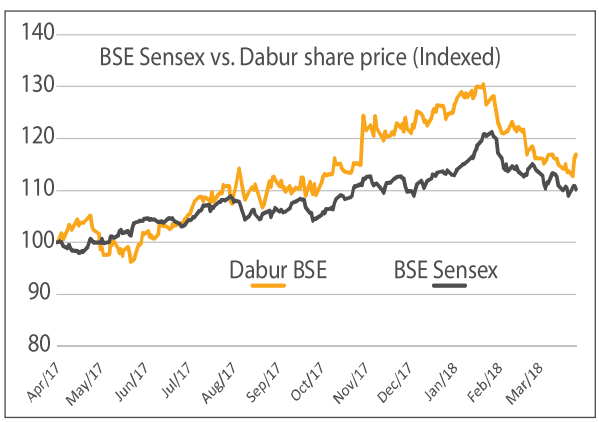
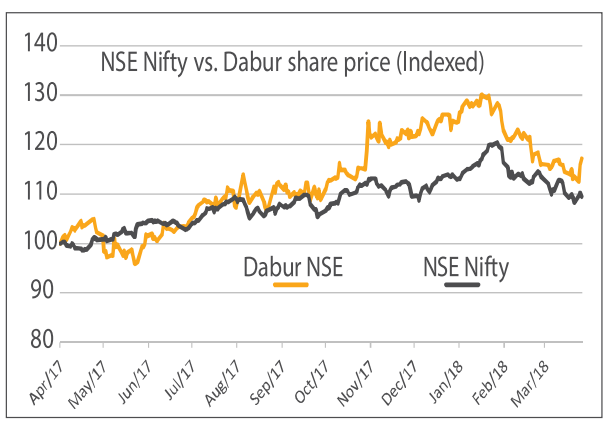


Chart B: Dabur's Share Performance versus Nifty



The charts have share prices and indices indexed to 100 as on the first working day of 2017-18.

Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2018 along with the top 10 shareholders of the Company is given below:

Shareholding pattern by size as on March 31, 2018

Number of equity shares held	Total number of share holders	% of share holders	Total number of shares	% of share holding
up to 5,000	1,22,302	96.84	3,59,53,608	2.04
5,001 – 10,000	2,804	2.22	1,75,94,098	1.00
10,001 and above	1,185	0.94	1,70,79,72,804	96.96
Total	**1,26,291**	**100**	**1,76,15,20,510**	**100**

Shareholding pattern by ownership as on March 31, 2018

Particulars	As on March 31, 2018				As on March 31, 2017			
	No. of share Holders	% of share Holders	No. of shares held	% of share Holding	No. of share Holders	% of share Holders	No. of shares held	% of share Holding
Promoter & Promoter Group	25	0.02	1,19,90,00,677	68.07	27	0.02	1,19,85,38,076	68.04
Foreign Portfolio Investors	522	0.41	30,32,45,081	17.21	515	0.37	35,18,89,787	19.98
Mutual Funds	23	0.02	7,61,70,528	4.32	70	0.05	2,01,31,894	1.14
Financial institutions/Banks	13	0.01	78,96,871	0.45	45	0.03	1,46,30,731	0.83
Insurance Companies	5	0.00	6,62,94,547	3.76	4	0.00	6,69,35,631	3.80
NRI's/OCB/Foreign Nationals	3,807	3.01	53,11,700	0.30	3,896	2.80	59,99,912	0.34
Individuals (including Trusts)	1,20,982	95.80	7,89,10,291	4.48	1,33,195	95.84	8,23,85,617	4.68
Bodies Corporates (including Clearing members, Alternate Investment Funds,NBFC,IEPF)	914	0.72	2,46,90,815	1.40	1,218	0.88	2,10,08,862	1.19
Total	**1,26,291**	**100**	**1,76,15,20,510**	**100**	**1,38,970**	**100**	**1,76,15,20,510**	**100**

Top ten shareholders as on March 31, 2018

Name	No. of shares held	% of shareholding
Chowdry Associates	21,79,41,800	12.37
VIC Enterprises Private Limited	21,77,34,000	12.36
Gyan Enterprises Private Limited	20,22,37,980	11.48
Puran Associates Private Limited	18,92,12,000	10.74
Ratna Commercial Enterprises Private Limited	15,71,94,429	8.92
Milky Investment and Trading Company	10,61,47,503	6.03
Life Insurance Corporation of India	5,78,86,769	3.29
Burmans Finvest Private Limited	5,30,12,986	3.01
MB Finmart Private Limited	2,65,26,492	1.51
Windy Investments Private Limited	2,65,06,492	1.50

Dematerialization of Shares and Liquidity

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Dabur has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2018, 99.69% shares of the Company were held in dematerialized form.

- The equity shares of the Company are frequently traded at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

Dematerialization of Shares - Process

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

a) Demat account should be opened with a Depository Participant (DP).

b) Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.

c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).

d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Karvy Computershare Pvt. Ltd.

e) RTA will process the DRF and confirm or reject the request to DP/ depositories.

f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

Outstanding GDRs/ADRs/Warrants/Options

The Company has 65,27,521 outstanding Employee Stock Options as on March 31, 2018 with vesting period from 1 to 2 years from the date of grant.

Details of Public Funding Obtained in the last three years

Dabur has not obtained any public funding in the last three years.

Registrar and Transfer Agent (RTA)

SEBI vide Regulation 7 of the Listing Regulations has mandated that where the total number of security holders of the Company exceeds one lac, the Company shall register with SEBI as a Category II Share Transfer Agent for all work related to share registry or appoint a Registrar to an issue and Share Transfer Agent registered with SEBI. Dabur had appointed MCS Limited as its RTA in 1994 for both segments, physical and electronic, much before this was mandated by SEBI. During the year 2007-08, the Company appointed Karvy Computershare Private Limited as its Registrar. As required under Regulation 7(3) of the Listing Regulations, the Company files, on half yearly basis, certificate issued by RTA and Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Karvy Computershare Private Limited

Details of the RTA are given below-

Karvy Computershare Private Limited	
305, New Delhi House, 27 Barakhamba Road, New Delhi- 110001 Phone No.: 011- 43681700 Fax No.: 011- 43681710 Website: www.karvy.com	Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Fax No.: 040-23001153, Phone No.: 040-67162222 Website - www.karvy.com

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA.

Stakeholders` Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/ transmissions etc. so approved by officers of the Company is placed at every Committee meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains, from a Company Secretary in practice, half yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

Reconciliation of Share Capital Audit

Aggarwal & Ahluwalia, an independent firm of practicing Chartered Accountants, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the

reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company`s shares are listed and is also placed before the Stakeholders` Relationship Committee of the Board.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards (SS) on various aspects of corporate law and practices. The Company has complied with the SS -1 on Board Meetings and SS - 2 on General Meetings.

Company's Registered Office Address:

8/3, Asaf Ali Road, New Delhi-110002; Ph: 011-23253488

PLANT LOCATIONS

Sahibabad	Plot No. 22, Site IV, Sahibabad Ghaziabad- 201 010 (Uttar Pradesh.) Tel: 0120- 3378400, 3378555
Baddi	Hajmola Unit 109, HPSIDC Industrial Area, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795- 393928 Fax : 01795-244090
	Chyawanprash Unit 220-221, HPSIDC Industrial Area, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393954
	Amla/Honey Unit Village Billanwali Lavana, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Shampoo Unit Village Billanwali Lavana, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Toothpaste Unit Village Billanwali Lavana, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Honitus/Nature Care Unit 109, HPSIDC Industrial Area, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795- 393928 Fax : 01795-244090
	Food Supplement Unit 221, HPSIDC Industrial Area, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393954
	Oral Care Unit 601, Malku Majra, Nalagarh Road, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel : 01795-276213
	Green Field Unit Village Manakpur, Tehsil Baddi, Distt Solan- - 174 101 (Himachal Pradesh) Tel : 01795- 398014
	Air Freshener Unit Village Billanwali Lavana, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Toothpowder Unit Village Billanwali Lavana, Baddi, Distt Solan 173 205 (Himachal Pradesh) Tel: 01795-393970
	Skin Care Unit Village Manakpur, Tehsil Baddi, Distt Solan- 174 101 (Himachal Pradesh) Tel : 09218455881 – 82
	Honey Unit Village Manakpur, Tehsil Baddi, Distt Solan- - 174 101 (Himachal Pradesh) Tel : 01795- 398014
Pantnagar	Plot No.4, Sector-2, Integrated Industrial Estate, Pantnagar, Distt. Udham Singh Nagar – 263 146 (Uttarakhand) Tel: 05944-398500
	Plot No. 16, Sector-2, Integrated Industrial Estate Pantnagar Distt. Udham Singh Nagar – 263 146 (Uttarakhand) Tel: 05944-398500
Jammu	Lane No.3, Phase II, SIDCO Indl. Complex Bari Brahmna, Jammu – 181 133 (J&K) Tel: 01923 - 220123, 221970, 222341 Fax: 01923 – 222354
Katni	10.4 Mile Stone, NH -7, Village Padua Katni– 483 442 (Madhya Pradesh) Tel : 09826121239, 09816026169
Alwar	SP-C- 162, Matsya Industrial Area, Alwar - 301 030 (Rajasthan) Tel: 0144 - 2881542 / 5132101 / 5132102 Fax : 0144 - 2881302

Pithampur	86-A, Kheda Industrial Area Sector-3, Pithampur Distt. - Dhar – 454 774 (Madhya Pradesh) Tel : 07292 - 400049 to 51 Fax : 07292 – 400112
Narendrapur	9, Netaji Subhash Chandra Bose Road P.O. - Narendrapur Kolkata - 700103 (West Bengal) Tel: 033- 2477 2324-26, 2477 2620, 2477 2738, 2477 2740 Fax : 033- 2477 2621
Silvassa	Survey No. 225/4/1, Village Saily Silvassa – 396240 Dadra & Nagar Haveli (Union Territory) Tel : 07574807744 , 07574807700
Newai	G 50-59, IID Centre, NH-12 Road No.1, Newai Distt. Tonk – 304020 (Rajasthan) Tel: 01438 -223342, 223783, 223892 Fax No. – 01438-223783
Nashik	D-55, MIDC, Ambad, Nashik – 422 010 (Maharashtra) Tel: 0253- 2383577 Fax : 0253- 2383146
Tezpur	I.G.C., Balipara Village Dhekidol, PO Ghoramari Distt. Sonitpur – 784 105 (Assam) Tel: 07086053033

ADDRESS FOR CORRESPONDENCE

For share transfer / dematerialisation of shares, payment of dividend and any other query relating to the shares	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Fax No. – 040-23001153 Phone No. – 040 - 67162222 Website - www.karvy.com
For queries of Analysts, FIIs, Institutions, Mutual Funds, Banks and others	Mrs Gagan Ahluwalia Dabur India Limited, Punjabi Bhawan, 10 Rouse Avenue, New Delhi – 110002 Tel: 011-42786000; Fax: 011-23222051
Chief Compliance Officer	Mr. A K Jain, V P (Finance) & Company Secretary, Dabur India Limited, Punjabi Bhawan, 10, Rouse Avenue, New Delhi – 110 002 Tel: 011 – 42786000 Fax: 011 – 2322 2051

CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

I declare that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2017-18.

Place: New Delhi
Date: May 1, 2018

Sunil Duggal
CEO, Dabur India Limited

ANNEXURE 1

DETAILS OF OTHER DIRECTORSHIPS HELD

Name of the Director	Status	Directorship	Committee Membership	Committee Chairmanship
Dr .Anand C Burman	CHAIRMAN/ PD/NED	Aviva Life Insurance Co. India Ltd.	NIL	NIL
		H & B Stores Ltd.		
		Althea Lifesciences Ltd.		
		Hero MotoCorp Ltd.		
		Dabur Research Foundation		
		Save and Prosper Limited		
		Ester Industries Ltd.		
Mr. Amit Burman	PD/NED	H & B Stores Ltd.	NIL	NIL
		Talbros Automative Components Ltd.	Audit Committee	
		Micromax Informatics Ltd.	Audit Committee	
		PVR Limited	Audit Committee	
Mr. Mohit Burman	PD/NED	Aviva Life Insurance Co. India Ltd	Audit Committee	NIL
		H & B Stores Ltd.	NIL	
		Universal Sompo General Insurance Co. Ltd.	Audit Committee	
Mr. Saket Burman	PD/NED	NIL	NIL	NIL
Mr. P D Narang	ED	H& B Stores Ltd.	Audit Committee	Share Issuance & Stakeholders Relationship Committee
		Aviva life Insurance Co. India Ltd.	Audit Committee	NIL
		Dabur Research Foundation	NIL	NIL
Mr. Sunil Duggal	ED	H& B Stores Ltd.	Share Issuance & Stakeholders Relationship Committee	NIL
Mr. P N Vijay	ID	Maharashtra Seamless Limited	Audit Committee	NIL
		H & B Stores Ltd.	NIL	Audit Committee
Mr. R C Bhargava	ID	IL&FS Ltd.	NIL	Audit Committee
		Intellect Commerce Limited	NIL	NIL
		Maruti Suzuki India Ltd.	NIL	Stakeholders Relationship Committee
		Thomson Press Ltd.	NIL	Audit Committee
Dr. S Narayan	ID	Apollo Tyres Ltd.	NIL	Audit Committee &Stakeholders Relationship Committee
		Seshasayee Paper and Board Ltd	Audit Committee	NIL
		IIFL Holdings Limited	NIL	NIL
		Artemis Medicare Services Limited	NIL	Audit Committee
		Artemis Global Life Sciences Limited	NIL	Stakeholder Relationship Committee & Audit Committee
		IIFL Wealth Finance Limited	NIL	NIL
		Andhra Pradesh Urban Infrastructure Asset Management Ltd.	NIL	NIL
Dr. Ajay Dua	ID	Kirloskar Pneumatic Company Limited	Audit Committee	NIL

Name of the Director	Status	Directorship	Committee Membership	Committee Chairmanship
Mr. Sanjay Kumar Bhattacharyya	**ID**	C&S Electric Limited	NIL	Audit Committee
		Persistent Systems Limited	Audit Committee	Stakeholders Relationship Committee
		Wanbury Limited	Audit Committee	Stakeholders Relationship Committee
		SBM Bank India Limited	NIL	NIL
		Onicra Credit Rating Agency of India Limited	NIL	NIL
		Numbers Analytics and Information Limited	NIL	NIL
		H & B Stores Ltd.	Audit Committee	NIL
Ms. Falguni Sanjay Nayar	**ID**	ACC Limited	NIL	NIL
		Tata Motors Limited	Audit Committee Stakeholders Relationship Committee	NIL
		Aviva Life Insurance Co. India ltd.	Audit Committee	NIL
		Kotak Securities Limited	Audit Committee	NIL
		Tata Technologies Limited	NIL	Audit Committee
		Endurance Technologies Limited	NIL	NIL

Directors' Report

To,

The Members,

Your Directors have pleasure in presenting the 43rd Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2018.

Financial Results

Financial results are presented in the table below:

(Rs. in crores)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations including other Income	**8053.52**	**7,999.79**	**5892.29**	**5,644.48**
Less Expenses:				
Cost of goods sold	3846.41	3,843.22	2919.46	2858.78
Employee benefits expenses	792.79	789.61	461.13	425.30
Finance cost	53.05	54.03	21.89	16.23
Depreciation and Amortization expenses	162.18	142.86	102.50	75.43
Other Expenses	1491.70	1,559.67	999.64	974.39
Total Expenses	**6346.13**	**6,389.39**	**4504.62**	**4,350.13**
Profit before share of profit from Joint Venture and exceptional items	**1707.39**	**1610.40**	**NA**	**NA**
share of profit of Joint Venture	0.24	0.25	NA	NA
Profit before exceptional items and tax	**1707.63**	**1,610.65**	**1387.67**	**1,294.35**
Exceptional items	14.54	0.00	14.54	0.00
Profit before tax	**1693.09**	**1,610.65**	**1373.13**	**1,294.35**
Tax expense	335.35	330.34	301.08	296.02
Net Profit for the year	**1357.74**	**1,280.31**	**1072.05**	**998.33**
Net profit attributable to				
Owners of the Holding Company	**1354.39**	**1276.94**	**NA**	**NA**
Non-Controlling interest	3.35	3.37	NA	NA

Dividend

The Company has paid an interim dividend of Rs.1.25 per share of Re.1/-each fully paid up (being 125%) on November, 22, 2017. We are pleased to recommend a dividend of Rs.6.25 per share of Re.1/- each fully paid up (being 625%) which includes final dividend of Rs.1.25 per share of Re.1/-each fully paid up (being 125%) for the financial year 2017-18 and a special dividend of Rs.5 per share of Re.1/- each fully paid up (being 500%) to mark the silver jubilee year of listing of Dabur India Limited`s share in the financial year 1993-94. The dividend recommended, if approved by the members, will be paid to members within the period stipulated by the Companies Act, 2013. The aggregate dividend for the year will amount to Rs.7.50 per share of Re.1/- each fully paid up (being 750%) as against Rs.2.25 per share of Re.1/- each fully paid up (being 225%), declared last year. The dividend payout ratio for the current year, inclusive of corporate tax on dividend distribution is at 148.53% (which includes 99.04% pertaining to special dividend).

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, Final dividend for the financial year 2009-10 amounting to Rs.39,72,246/- and interim dividend for the financial year 2010-11 amounting to Rs.30,89,625/- which remained unpaid/ unclaimed for a period of 7 years, from the date it was lying in the unpaid dividend account, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government. The due dates for transfer of unpaid dividend to IEPF for subsequent years is given in the Corporate Governance Report. The list of unpaid dividend declared up to the financial year 2016-17 (updated up to the date of 42nd AGM held on 26.07.2017) and for interim dividend declared during the financial year 2017-18 is available on Company`s website www.dabur.com. Shareholders are requested to check the said lists and if any dividend due to them remains unpaid in the said lists, can approach the Company for release of their unpaid dividend.

Financial Statements

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the abridged Annual Report containing salient features of the financial statements, including consolidated financial statements, for the financial year 2017-18, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis and Corporate Governance Report) is being sent to all shareholders who have not registered their email address(es) for the purpose of receiving documents/ communication from the Company in electronic mode. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2017-18, upon receipt of written request from you, as a member of the Company.

Full version of the Annual Report 2017-18 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including consolidated financial statements, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report) shall be sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual General Meeting (AGM). It is also available at the Company`s website at www.dabur.com.

Consolidated Financial Statements

In compliance with the applicable provisions of Companies Act, 2013 including the Accounting Standard Ind AS 110 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2017-18. Consolidated Turnover was Rs. 8,053.52 crores as against Rs.7999.79 crores in the previous year. Net Profit after Tax for the year stood at Rs. 1,354.39 crores as against Rs.1,276.94 crores in the previous year.

Operations and Business Performance

Kindly refer to Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report which forms part of this report.

Corporate Governance

Corporate Governance is the system of rules, practices and processes through which objectives of a corporate entity are set and pursued in the context of the social, regulatory and market environment. It essentially involves balancing the interests of various stakeholders, such as shareholders, Management, customers, suppliers, financiers, Government and the community. Fundamentals of Corporate Governance includes transparency, accountability and independence.

At Dabur good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders interests by applying proper care, skill and diligence to business decisions. Payoffs from strong governance practices have been in the sphere of valuations, stakeholders` confidence, market capitalization and high credit ratings in positive context apart from obtaining of awards from appropriate authorities for brands, stocks, environmental protection, etc. These contributes to Dabur paying uninterrupted dividends to its shareholders. **During the financial year 2017-18, the Company was awarded by the Institute of Company Secretaries of India (ICSI), a National award for excellence in Corporate Governance for 2017, certifying Dabur India Ltd., as one of the "Best Governed Companies" of India**. This is the second year in a row and fourth overall that Dabur has been awarded by ICSI for excellence in Corporate Governance.

A certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations is attached as `Annexure 1` and forms part of this report.

Business Responsibility Report

At Dabur, fulfilment of environmental, social and governance responsibility is an integral part of the way the Company conducts its business. A detailed information on the initiatives of the Company as enunciated in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011` is provided in the Business Responsibility Report, a copy of which will be available on the Company`s website www.dabur.com.

Business Responsibility Report as stipulated under Regulation 34 of the Listing Regulations is also available on the website of the Company at weblink http://dabur.com/in/en-us/investor/investor-information/business-responsibility-report-as-per-sebi-listing-regulations. Any Member interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office of the Company.

Credit Rating

During the year the Company has sustained its long term bank facility credit rating of AAA (stable) which has been reaffirmed by CRISIL. The highest credit rating of AAA awarded by CRISIL reflects the highest degree of safety regarding timely servicing of financial obligations. Further CRISIL has reaffirmed the rating of NCD programme of the Company as AAA (stable). The rating indicates highest degree of safety regarding timely servicing of financial obligation. The rated instrument carries lowest credit risk. The Company`s short term bank facility credit rated as A1+ by CRISIL, has been reaffirmed. The rating of A1+ for Commercial Paper has also been reaffirmed by CRISIL. This highest rating of A1+ indicates a very strong degree of safety with regard to timely payment of interest & principal. Such instrument carry lowest credit risk.

Further ICRA has reaffirmed the rating on NCD programme of the Company as AAA (stable). The rating indicates highest degree of safety regarding timely servicing of financial obligation. The rated instrument carries lowest credit risk and the outlook on the long term rating is stable.

Directors

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors

as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr Saket Burman (DIN: 05208674), Director will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment in accordance with provisions of the Companies Act, 2013.

His brief resume, the nature of expertise in specific functional areas, names of Companies in which he hold Directorships, Committee Memberships/Chairmanships, his shareholding in the Company etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

The Directors recommend his re-appointment at the ensuing AGM.

None of the Directors of the Company have resigned from the office of Director of the Company during the year.

The Company has received necessary declaration from all the Independent Directors confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. P D Narang, Whole Time Director
Mr. Sunil Duggal, Chief Executive officer and Whole Time Director
Mr. Lalit Malik, Chief Financial Officer
Mr. Ashok Kumar Jain, V P (Finance) and Company Secretary
Mr. Mohit Malhotra, Chief Executive officer- India Business (w.e.f. 1st May, 2018)

During the year, there was no change (appointment or cessation) in the office of KMP. However, after the close of financial year, the Board of Directors in their meeting held on 1st May, 2018 have designated Mr. Mohit Malhotra, Chief Executive officer- India Business, as KMP of the Company.

Policy on Directors' appointment and Policy on remuneration

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as `Annexure 2 & 3` respectively to this report.

Particulars of remuneration of Directors/ KMP/ Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as 'Annexure 4A` to this report. Further, in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules is attached as 'Annexure 4B' to this report.

Employees Stock Option Plan

During the year, 36,720 options in 3 tranches were granted to eligible employees of the Company in terms of Employees Stock Option Plan (Dabur ESOP 2000).

During the financial year 2017-18, there has been no change in the Employees Stock Option Plan (Dabur ESOP 2000) of the Company. Further, it is confirmed that the ESOP Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

The applicable disclosures as stipulated under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.dabur.com and weblink for the same is http://www.dabur.com/in/en-us/investor/investor-information/esops

Number of Meetings of the Board

During the Financial Year 2017-18, 5 (five) number of Board Meetings were held. For details thereof kindly refer to the Section `Board of Directors- Number of Board Meetings', in the Corporate Governance Report.

Performance Evaluation of the Board, its Committees and Individual Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia,* the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2017-18 in accordance with the framework. The details of evaluation process of the Board, its Committees and individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

Directors' Responsibility Statement

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

b) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That they had prepared the annual accounts on a going concern basis;

e) That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory Auditors and their Report

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration No. 001076N/ N500013) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 42nd Annual General Meeting held on 26th July, 2017 until the conclusion of 47th Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee of the Board. However, as per the Companies Amendment Act, 2017, the requirement of annual ratification has been omitted, which is yet to be notified. Accordingly, the ratification of their appointment shall be placed before the shareholders, in the ensuing Annual General Meeting, if so required.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated April 12, 2018 from the Auditors to the effect, *inter-alia*, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

Report of Statutory Auditors

M/s. Walker Chandiok & Co LLP, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2017-18, which forms part of the Annual Report 2017-18. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Reports that may call for any explanation from the Directors.

Cost Auditors and their Report

As per Section 148 of the Companies Act, 2013 read with Rules framed thereunder, M/s Ramanath Iyer & Company, Cost Accountants, (Firm`s Membership No. 000019) have been re-appointed as Cost Auditors for the financial year 2018-19 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing Annual General Meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the financial year 2016-17, issued by M/s Ramanath Iyer & Company, Cost Auditors, in respect of the various products prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs on 30/08/2017.

Secretarial Auditors and their Report

M/s Chandrasekaran Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2017-18 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as `Annexure 5` to this report.

There are no qualifications or observations or adverse remarks

or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2017-18 which call for any explanation from the Board of Directors.

M/s Chandrasekaran Associates, Company Secretaries have been re-appointed to conduct the secretarial audit of the Company for the financial year 2018-19. They have confirmed that they are eligible for the said appointment.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

Internal Financial Control System

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company`s policies and Standard Operating Procedures (SOP`s) and audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks from Pricewaterhouse Coopers Pvt. Ltd., the Internal Auditors and various transaction Auditors. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board.

To further strengthen the internal control process, the Company has developed a very comprehensive legal compliance system called `e-nforce`, which drills down from the CEO to the executive level person who is responsible for compliance. This process is fully automated and generate alerts for proper and timely compliance.

Adequacy of Internal Financial Controls with reference to the financial statements

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- All legal and statutory compliances are ensured on a monthly basis for all locations in India through a fully automated tool called "e-nforce". Non- compliance, if any, is seriously taken by the Management and corrective actions are taken immediately. Any regulatory amendment is updated periodically in the system.
- Approval of all transactions is ensured through a pre-approved Delegation of Authority (DOA) Schedule which is in-built into the SAP system. DOA is reviewed periodically by the Management and compliance of DOA is regularly checked and monitored by the auditors.
- The Company follows a robust 2-tier internal audit process:
    - Tier-1: Management/ Strategic/ Proprietary audits are conducted on regular basis throughout the year as per agreed audit plan.
    - Tier-2: Transaction audits are conducted regularly to ensure accuracy of financial reporting, safeguard and protection of all the assets. Stock audit is conducted on quarterly basis at all locations in India. Fixed Asset Verification is done on an annual basis including Ind AS-36 testing at all locations.
    - The audit reports for the above audits are compiled and submitted to Management Committee and Audit Committee for review and necessary action.
- The Company's Books of Accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/ effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a comprehensive Risk Management Framework.
- The Company has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.

- The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- The Company has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements vs. budgets in quarterly review meetings. Specialized issues like investments, property, FOREX are discussed in their respective internal committee meetings.
- Compliance of secretarial functions is ensured by way of Secretarial Audit.
- Compliance relating to cost records of the Company is ensured by way of Cost Audit.
- After close of the financial year the internal auditors have issued their report apprising the Company of certain gaps in design/ operating effectiveness of controls, for which the Management has agreed to take remedial action.

Development and implementation of Risk Management

Dabur has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. The Risk Management Committee of the Board is responsible for preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, identifying and reviewing critical risks on regular basis, updating the Risk Register on quarterly basis, reporting of key changes in critical risks to the Board on an ongoing basis, reporting of critical risks to Audit Committee in detail on yearly basis and such other functions as may be prescribed by the Board.

The Committee holds quarterly meetings to review the critical risks identified. The risks faced by the Company, their impact and their minimization procedures are assessed categorically under the broad heads of High, Medium and Low risks. The Risk Register of the Company is also audited by internal auditors of the Company.

Further the risks control systems are instituted to ensure that the risks in each business process are mitigated. The two Joint Chief Risk Officers (CROs) are responsible for the overall risk governance in the Company and reports directly to the Management Committee (MANCOM), which consists of various functional heads. The Board provides oversight and reviews the Risk Management Policy on a quarterly basis. The Board is responsible for framing, implementing and monitoring the risk Management plan of the Company. During the year, Pricewaterhouse Coopers Pvt. Ltd., Internal Auditors, have been engaged for preparing Risk & Control Matrices for various processes as a part of Internal financial control framework.

In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

Nature of business

There has been no change in the nature of business of the Company. However, updates regarding new projects undertaken by the Company and its subsidiary Companies are as under:

During fiscal 2017-18 the Company acquired the following assets/ brands:

1. Completion of acquisition of assets of CTL group of Companies by Dabur South Africa Pty Ltd. Through this acquisition Dabur acquired a facility for manufacturing hair care products in South Africa which has enabled it to have its dedicated local manufacturing operations for hair care products under the ORS brand.
2. Acquisition of 100% shareholding of D&A Cosmetics Proprietary Ltd and Atlanta Body and Health Products Proprietary Ltd. Through this acquisition the Company acquired the brand 'Long and Lasting' which operates in hair care market in South Africa. This is expected to enable the Company to consolidate its position in hair care market with 2 brand strategy and expand its footprint in the region.

Recognizing the fast growing e-commerce channel In India Dabur embarked upon an aggressive e-commerce strategy. As part of this strategy the Company signed an agreement with the leading e-tailer Amazon to showcase its Ayurvedic range on their health and wellness Section in India. Dabur and Amazon have jointly set up an online marketplace exclusively for Ayurveda where all Ayurvedic products will be sold. This exclusive online Ayurveda store houses all Ayurveda brands and products available in the country and offers consumers an insight into the various Ayurvedic medicines available for treating a variety of ailments. This exclusive Ayurveda e-marketplace has been hosted by Amazon India and the content developed by Dabur India.

Dabur has also formed an alliance with Amazon to expand its reach in The US, Canada and Mexico markets under the e-retailer's Global Selling Program. Under this collaboration, Amazon will take around 30 products from Dabur's popular range such as, Vatika hair oil, Meswak toothpaste, Red toothpaste and Chyawanprash, to millions of overseas loyal Amazon customers, besides help strengthen and expand the brand's reach and take Ayurveda to global audiences. Along with this, Dabur will also offer an exclusive range of products specially created for Amazon's global customers.

During the year the Company piloted a unique project called 'AskDabur' which entails setting up call centers to address queries regarding common healthcare problems and recommend products from our healthcare portfolio. The call center is manned by a team of Ayurvedic doctors who provide advice and guide the patients to nearby stores for buying the products. This project would help establish Dabur's leadership in Ayurveda and also create new market opportunities for its wide range of products.

Further updates regarding operational performance and projects undertaken by the subsidiary Companies can be referred in the report on highlights of performance of subsidiaries presented elsewhere in this report.

Subsidiaries

After the close of financial year w.e.f. 5.4.2018 two Companies incorporated and having operations in the Republic of South Africa, namely i) D and A Cosmetics Proprietary Limited and ii) Atlanta Body & Health Products Proprietary Limited, have become our step down wholly owned subsidiary Companies. These two Companies were acquired by our existing step down wholly owned subsidiary Dermoviva Skin Essentials Inc.

During the year, Dabur Tunisie, a step down wholly owned subsidiary Company was decided to be dissolved and its liquidation is under process which is expected to be completed by March, 2019.

Pursuant to Section 129 (3) of the Companies Act, 2013 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries.

Further, a separate statement containing the salient features of the financial statements of subsidiaries of the Company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements.

In terms of provisions of Section 136 of the Companies Act, 2013, separate audited accounts of the subsidiary Companies shall be available on website of the Company at www.dabur.com. The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same.

These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

Report on the highlights of performance of Subsidiaries, Associates and Joint Venture Companies and their contribution to the overall performance of the Company.

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on highlights of performance of subsidiaries, associates and Joint Venture Companies and their contribution to the overall performance of the Company is attached as `Annexure 6` to this report.

Information with respect to financial position of the above entities can be referred in form AOC-1 which has been disclosed in the Consolidated Financial Statements.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as `Annexure 7` to this report.

Environmental, Health and Safety (EHS) Review

Details with respect to Environmental, Health and Safety (EHS) review are attached as `Annexure 8` to this report.

Details of policy developed and implemented on Corporate Social Responsibilities (CSR) initiatives

The Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013. As per the policy the CSR activities are focused not just around the plants and offices of the Company, but also in other geographies based on the needs of the communities. The four focus areas where special Community Development programmes are run are:

1. Eradicating hunger, poverty and malnutrition.
2. Promoting Health care including preventive health care.
3. Ensuring environmental sustainability.
4. Promotion of Education.

The annual report on CSR activities is furnished in `Annexure 9` which is attached to this report. Apart from this the Company also releases a detailed Business Responsibility Report which shall be available on its website www.dabur.com.

Change in Capital Structure and Listing of Shares

The paid up share capital of the Company as on 31st March, 2018 is Rs.1,76,15,20,510/- divided into 1,76,15,20,510 equity shares of Re.1/- each. The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE) and Metropolitan Stock Exchange of India Limited (MSEI). The shares are actively traded on NSE and BSE and have not been suspended from trading. During the year under review no shares were allotted and admitted for trading in NSE, BSE and MSEI.

Extract of Annual Return

The extract of Annual Return as on March 31, 2018 in the

prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as `Annexure 10` to this Report.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Particulars of loans, guarantees and investments under Section 186 of the Act as at the end of the Financial Year 2017-18 are provided in the standalone financial statements (refer Note No. 47).

Contracts or arrangements with related parties under Section 188(1) of the Companies Act, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2.

However, you may refer to Related Party transactions in Note No.54 of the Standalone Financial Statements.

Disclosure on Audit Committee

The Audit Committee as on March 31, 2018 comprises of the following Independent Directors:

Mr P.N Vijay (Chairman), Mr. R.C. Bhargava, Dr S. Narayan, Dr Ajay Dua and Mr S.K. Bhattacharyya as members. For more details kindly refer to the Section `Committees of the Board - Audit Committee', in the Corporate Governance Report, which forms part of this Report.

All recommendations of Audit Committee were accepted by the Board of Directors.

Disclosure on Public Deposits

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

Disclosure on Vigil Mechanism

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy. Further information on the subject can be referred to in Section `Policies, Affirmations and Disclosures ` - Whistle-Blower Policy / Vigil Mechanism of the Corporate Governance Report.

Dividend Distribution Policy

To bring transparency in the matter of declaration of dividend and protect the interests of investors, Dabur had in place a Dividend Policy since long. The Policy was revised in accordance with Regulation 43A of the Listing Regulations and the Companies Act, 2013 and has been displayed on the Company's website at www.dabur.com. The Policy is attached as `Annexure 11` to this report.

Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

At Dabur, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Dabur, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Dabur. The Direct Touch (Whistle-Blower & Protection Policy) policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: 1
- No. of complaints disposed of: 1

Significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and Company`s operations in future

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company`s operations in future.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Industrial Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

Acknowledgements

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board

DR. ANAND C BURMAN
Chairman
DIN: 00056216

Place: New Delhi
Date: May 1, 2018

Annexure 1

Independent Auditor's Certificate on Corporate Governance

To,
The Members of Dabur India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 July, 2017.

2. We have examined the compliance of conditions of Corporate Governance by Dabur India Limited ('the Company') for the year ended on 31 March, 2018, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable generally accepted auditing standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended 31 March, 2018.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531

Place: New Delhi
Date: May 1, 2018

Annexure 2

Policy on Appointment of Board Members

Constitution & Size

Members

- Chairman
- Promoter Family nominee(s)
- Executive Members
- Independent Members

Profile

- Board should ideally comprise of 12 members
- 50% of members should be independent
- The Chairman should be elected by the Board and should be Non-Executive
- Not more than 4 nominees from the Promoter's family including Chairman

The skill profile of Independent Board Members will be driven by the key tasks defined by the Board for them

- Independent Corporate Governance
- Guiding strategy and Enhancing Shareholders Value
- Monitoring Performance, Management Development & Compensation
- Control & Compliance

Skill profile of Board members (multiple skills could be combined in one individual)

Key Skill Area/ Qualification	Essential/ positive Attributes	Desirable Attributes
1. Strategy/ Business Leadership	• 2-3 years experience as a CEO, preferably of an MNC in India	FMCG experience
2. Corporate Strategy Consultant	• Consultant/Academician with experience in FMCG Industry and business strategy	Basic understanding of Finance
3. Sales and Marketing experience	• At least 10 years experience in sales and marketing • Good understanding of commercial processes • 2-3 years as head of sales or marketing	Experience with FMCG or other consumer products
4. Corporate Law	• Expert knowledge of Corporate Law	Experience in trade/ consumer related laws
5. Finance	• At least 5 years as a CEO or as head of a merchant banking operation	FMCG experience
6. Trade Policy & Economics	• Expert knowledge of Trade & Economic Policies	FMCG experience
7. Administration & Government Relations	• Retired Bureaucrat	Basic understanding of Finance & Business
8. Ayurvedic specialist (till Ayurvedic specialities Business is part of FMCG business)	• Ayurvedic doctor with a minimum of 20 years experience as a practitioner/ researcher	Basic understanding of finance and business

Other Directors could be based on Company's priority at a particular time:

- Knowledge of export markets that Dabur is focusing on
- Commodity procurement expert

Board Diversity

- There should not be concentration of Board members based on a particular skill profile.
- Board member should be selected preferably from all the key skill areas defined earlier.
- Gender diversity: Board should have atleast one Women Director.

Criteria for Determining Independence of a Director

1. Should be a person of integrity and possesses relevant expertise and experience;
2. Should be a person other than a Managing Director or Whole Time Director or Nominee Director;
3. Should neither be nor have been a Promoter of the Company or its holding, subsidiary or Associate Company;
4. Should not be related to Promoters or Directors in the Company, its holding, subsidiary or Associate Company;

5. Apart from receiving sitting fees, should have or had no pecuniary relationship with the Company, its holding, subsidiary or Associate Company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

6. None of his/her relatives should have or had any pecuniary relationship or transaction with the Company, its holding, subsidiary or Associate Company, or their Promoters, or Directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

7. Neither himself nor any of his relatives -

   – holds or has held the position of a Key Managerial Personnel or is or has been an employee of the Company or its holding, subsidiary or Associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

   – is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of

      • a firm of statutory auditors or secretarial auditors or Cost Auditors of the Company or its holding, subsidiary or Associate Company; or

      • any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or Associate Company amounting to ten percent or more of the gross turnover of such firm;

   – holds together with his relatives two percent or more of the total voting power of the Company;

   – is a Chief Executive or Director, by whatever name called of any Non-Profit Organization that receives twenty-five percent or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or Associate Company or that holds two percent or more of the total voting power of the Company;

   – is a material supplier, service provider, or customer or a lessor or lessee of the Company;

8. Should not be less than 21 years of age;

9. Shall possess such other qualifications as may be prescribed.

10. Shall not serve as Independent Director in

   – more than 7 listed Companies;

   – more than 3 listed Companies (if serving as a Whole Time Director in any listed Company).

Annexure 3

Remuneration Policy

1. Objective :

We design our remuneration policy to attract, motivate and retain the Directors, KMP and other employees who are the drivers of organization success and helps us to run the Company successfully and to retain our industry competitiveness. Pay mix is designed to reflect the performance and is aligned to the long term interest of the shareholders.

2. Policy :

Remuneration Design and Mix

a) Total Fixed Pay: Enable us to attract, retain and develop the talent we need to succeed

1. Is competitive with leading Companies where we recruit for talent.
2. Reinforces roles and accountabilities.
3. Is flexible and supportive of our organization's growth.
4. Is responsive to specific market pressures in terms of getting key talent from the market.
5. Provides salary Management guidelines so that decisions are made with confidence, integrity and speed.

b) Short term Incentive Plans (one year): Create a process to effectively reward people for their contributions to the success of the Company in the short term

1. Utilizes Company, business unit/ department and individual- based metrics based on the principle of line of sight and impact.
2. Is supported by clear, frequent communication and simple tools to administer.

c) Long term Incentive Plans in form of performance based ESOP: Enable us to attract and retain key talent and create a process to effectively reward key talent for their contributions to the long term success of the Company

1. A significant portion of the key talent compensation delivered through restricted ESOP Plans with retention expectations in place to ensure alignment of the executive interest with those of shareholders.
2. Utilizes Company and business unit/ department based metrics which are necessary for long term business sustenance and shareholder wealth creation.
3. Utilizes measures that are clear, strategically focused, and easily supported by our systems.
4. Provides suitable rewards to the performer, consistent with our strategy, and reinforce our culture.
5. Helps to make our pay competitive with leading Companies where we recruit for talent.

d) Benefits: Provide programs that meet people's needs and are cost effective and utilize Innovative programs that make us distinctive as an organization

1. Be competitive with Companies of our size and where we compete for talent.
2. Provide benefits that are truly meaningful to people, supported by highly effective communication and easy administrative support.
3. Provide benefits, services, or events that will make us distinctive in the marketplace and consistent with our culture and values.
4. Provide benefits that are cost effective from both an individual and a Company perspective.

e) Recognition: Utilize effective practices that are supported by innovative programs that reinforce our desired culture and make us a special place to work

1. Reinforces individual and team`s behavior that makes us more competitive, efficient, and important to our customers.
2. To create more employee touch points and recognition on formal and informal basis.
3. Utilize a variety of programs, events and activities that keep the process exciting.

f) Annual Performance Linked Enhancement that recognizes the performance of the resource keeping in view the achievement of organizational goals and departmental goals.

g) Remuneration to Independent Directors:

1. Sitting Fee as approved by the Board.
2. Travel Cost and other out of pocket expenses for attending the Board & Committee Meetings.
3. No Stock options.

Tools for an effective Remuneration Policy implementation:

1. Remuneration Benchmark studies
2. Compilation of Live data while recruiting talent
3. Talent attrition studies
4. Benchmarking with Best Industry Practices
5. Participation in various forums

Annexure 4A

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.N.	Particulars			
(i)	The Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer	238: 1
		b	Mr. P D Narang, Whole Time Director	238: 1
(ii)	The percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Mr. Sunil Duggal, Chief Executive Officer	8%
		b	Mr. P D Narang, Whole Time Director	8%
		c	Mr. Lalit Malik, Chief Financial Officer	6.7%
		d	Mr. Ashok Kumar Jain, VP (Finance) & Company Secretary	6.4%
(iii)	The percentage increase in the median remuneration of employees in the financial year.			8.20%
(iv)	The number of permanent employees on the rolls of the Company.			4738
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		The average percentile increase in the managerial remuneration has been 7.4% while for others it is about 9.2%. This is based on Remuneration policy of the Company that rewards people differentially based on their contribution and also ensures that external market competitiveness and internal relativities are taken care of.	
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

NOTES:

1. Shares allotted under *ESOP* Scheme of the Company have not been included in the above.
2. The Non- Executive Independent Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The Non- Executive (Non- Independent) Directors of the Company do not receive any remuneration from the Company. The ratio of remuneration and percentage increase in remuneration of these Directors is therefore not considered for the above.

Annexure 4B

Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2018

Sl. No. Name, Designation/Nature of Duties, Qualifications Exp.(in Yrs.), Remuneration, Date of Appointment, Age (in Yrs.), Particulars of Last employment

1.Achar Sudhir, Executive Vice President - R & D (HPC & Foods) & CQA, M.Sc., Ph.D.,31, Rs.1,39,96,834, 07/05/2012, 54, Head - Product Development (Personal Care), ITC Limited; 2. Chutani Krishan Kumar, Executive Director - Consumer Care Business, B.Com.,M.B.E.,25, Rs.1,47,98,737, 01/03/1997, 48, Account Manager, Trikaya Grey Advertising; 3. Duggal Sunil, Chief Executive Officer, B.E.(H), P.G.D.M., 37, Rs.9,93,67,773, 20/05/1995, 61, All India Sales Operations Manager, Pepsi Foods Limited; 4. Gupta Arun, Vice President - Corporate Affairs, B.Com.(H), C.A.,I.C.W.A., 32, Rs.1,32,70,793, 01/07/2007, 56, Chief Financial Officer, Dabur Pharma Limited; 5. Jain Ashok Kumar, Vice President - Finance and Company Secretary, B.Com., C.A., C.S. LLB, 31, Rs.1,28,88,873, 17/08/1999, 55, Assistant Vice President - Finance ,Dabur Finance Limited; 6. Khan Adi Shahrukh, Executive Director – Operations, B.E., 32, Rs. 2,47,23,246, 13/04/2005, 55, Planning & Logistics Head, Tiffany Foods Limited; 7. Krishnan V, Executive Director - Human Resources, B.Sc.- Engg, M.B.A., 32, Rs.1,48,84,403, 22/04/2004, 54, Director - Corporate HR, Whirlpool of India Limited; 8. Malik Lalit, Chief Financial Officer, B. Com., L.L. B, C.P. A., C.A. ,C.S., A.I.C.W.A., 29, Rs.1,84,28,008, 19/11/2012, 51, Vice President - Finance & Accounts, Moser Baer India Limited; 9. Narang P.D., Group Director - Corporate Affairs, B.Com.,F.C.A.,M.I.I.A.,F.C.S., A.I.C.W.A., 42, Rs.9,79,67,521, 01/07/1983, 64, Management Accountant, Dabur (Dr S K Burman) Pvt. Limited, 10. Sharma Adarsh, Executive Vice President – Sales, B.Com., M.B.A, 32, Rs.1,32,30,888, 16/09/1991, 55, Assistant Sales Manager, UniPepsi Bottlers Limited.

Notes

1. Gross remuneration shown above is subject to tax and comprises salary including arrears, allowances, rent, medical reimbursements, leave travel benefits, leave encashment, provident fund, superannuation fund & gratuity under LIC scheme in terms of actual expenditure incurred by the Company and commission.
2. All appointments are contractual in nature.
3. None of the employees mentioned above are related to any Director of the Company, except Mr. P D Narang and Mr. Sunil Duggal who are themselves Directors of the Company.
4. None of the employees mentioned above was in receipt of remuneration which in the aggregate is in excess of that drawn by the Whole-Time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

Annexure 5

Secretarial Audit Report for the Financial Year ended March 31, 2018

The Members
Dabur India Limited
8/3, Asaf Ali Road
New Delhi – 110002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dabur India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Dabur India Limited ("the Company") for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/ industry are:

  1. Forest Conservation Act, 1980.
  2. Insecticides Act, 1968.
  3. Biological Diversity Act, 2002.
  4. Drug & Cosmetics Act, 1940.
  5. Food Safety and Standards Act, 2006, rules and regulations made thereunder.
  6. National Green Tribunal Act, 2010.

We have also examined compliance with the applicable Clauses / Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance(and at a Shorter Notice for which necessary approvals

obtained), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Partner
Membership No. A16302
Certificate of Practice No. 5673

Date: April 27, 2018
Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure-A to the Secretarial Audit Report

The Members
Dabur India Limited
8/3, Asaf Ali Road
New Delhi - 110002

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Rupesh Agarwal
Partner
Membership No. A16302
Certificate of Practice No. 5673

Date: April 27, 2018
Place: New Delhi

Annexure 6

Report on the highlights of performance of Subsidiaries, Associates and Joint Venture Companies and their contribution to the overall performance of the Company is as under:

1. H & B Stores Ltd., India (subsidiary)

The Company operates its specialised beauty retail business under the brand 'NewU'. These stores offer a wide range of international, domestic as well as private brands of beauty care, fragrance and personal care products and are located in premium high footfall malls and markets. Newu's store footprints are pan India with 83 stores in 31 cities. While most of the stores are Company operated, Company also has franchised stores operated by entrepreneurs while the products are supplied by the Company. Company also operates online through its own portal www.newu.in and various other e-commerce websites. Company has continued focus on its own private labels and some exclusive international labels, which have good opportunity for growth in India.

2. Dermoviva Skin Essentials Inc., USA (subsidiary)

Dermoviva operates in the hair care market for ethnic African population through Namaste Laboratories LLC. During the year it had acquired two Companies – i) D and A Cosmetics Proprietary Limited (carrying on the business of development, manufacturing and sale of personal care products, hair care and creams) and ii) Atlanta Body & Health Products Proprietary Limited (engaged in the business of sale of personal care products, hair care and creams). Both Companies are located in South Africa. D&A Cosmetics owns and operates the brand 'Long & Lasting' in South African market with a wide range of hair care products. The acquisition was completed after the close of FY 2017-18 on 05.04.2018.

3. Namaste Laboratories LLC, USA (subsidiary)

The Company is engaged in the business of manufacture, marketing and distribution of hair and other personal care products.

The overall performance of North American business remained muted mainly due to the decline in sales of existing core categories and the consumer preferences moving to natural based categories. This "New Naturals" category is growing by 30% year on year as per IRI data and the Company is putting greater focus and investments on its brands in this segment. Namaste has launched a number of brands in the Naturals Category viz. Olive Oil New Naturals, Monoi Oil, Black Olive Oil and Hues (Hair Colour) and is now focusing on building these as drivers of growth. Namaste has also refreshed its entire range of Olive Oil brand products in FY'17-18.

Overall performance of the International Region (Europe, Middle East and Sub Saharan Africa) was encouraging. Sub Saharan region posted growth of 22% during the year backed by efforts to localize manufacturing and strengthen distribution in key markets like Nigeria, South Africa and Kenya. Approximately 40% of sourcing is now from Dabur's in-house plants and balance 60% from USA third party manufacturers. The plan is to increase in-house sourcing to more than 50% by the end of FY 18-19. This initiative will further enhance the profitability of the International Region, strongly leveraging on local supply chain in Nigeria, UAE, South Africa and Egypt.

4. Urban Lab International LLC, USA (subsidiary)

The Company is engaged in the business of the manufacture, marketing and distribution of hair and other personal care products. Urban Labs is based at South Africa. Its performance has been driven by good growth in ORS hair relaxers & sheen spray. Key reasons for this momentum were structural change in distribution model from Master Distributor to Direct, (including selling directly to Retails / modern trade), manufacturing of relaxer kit & sheen spray locally in South Africa at cheaper cost, strengthening of the local team and increasing footprint and penetration of our brands.

5. Hair Rejuvenation & Revitalization Nigeria Ltd., Nigeria (subsidiary)

The principal business activity is to engage in the business of the manufacture, marketing and distribution of hair and other personal care products in West Africa.

. The Company's product portfolio is based upon ORS hair care products including relaxers, styling and nourishment products. The Company has recently launched "Crème on Crème Relaxer" will be a focus brand going forward. The business performed well during the year.

6. Healing Hair Lab International LLC, USA (subsidiary)

The entity is a non-operating Company.

7. Dabur (UK) Ltd., (subsidiary)

The main activity of the Company is making investments in step down subsidiaries.

8. Dabur International Ltd., (subsidiary)

The principal business activity of the Company is distribution of FMCG products in the Middle East region. The Company's portfolio includes a wide range of consumer products in hair care, oral care and skin care categories. These are marketed under brands such as Dabur, Amla, Vatika, Meswak, Fem, Dermoviva etc. The Company had been facing economic and geo-political challenges in this region due to economic downturn in GCC markets and political upheaval in North African countries. During FY 2017-18, sales in GCC markets reported a pick up with Saudi Arabia growing by 14% and UAE by 6%. While the business saw a turn around in GCC, North African countries such as Syria, Lybia, Algeria and Morocco continued to under-perform due to geo-political pressures. The Company focused on improving its distribution in the GCC markets and making calibrated investments behind its portfolio. These strategies along with cost saving measures helped in reviving the business and maintaining profitability despite the challenges.

9. Naturelle LLC, UAE (subsidiary)

Located at Ras al Khaimah (RAK) this is the manufacturing hub of Dabur International Ltd. RAK plant's capacity was enhanced from 52,200 MT to 54100 MT per annum with the upgradation of Hair Gel and Hot Oil Conditioner (Hamam Zaith) units. State of the art automation initiatives like the three End of line Robots and High speed sachet-in-sachet machine were implemented.

Besides this several Kaizens, TPM and GMP initiatives were implemented to improve the manpower productivity and reduce operational costs. Also during this year the factory obtained *OSHAS 18001 & ISO 14001 (EMS)* certifications for Health, Safety & Environment.

10. Dabur Egypt Ltd., Egypt (subsidiary)

The Company is engaged in the manufacturing and marketing of FMCG goods in hair care, skin care and oral care categories. It is a market leader in hair care categories with 74% market share in hair oils, 53% in hair creams and 59% in Hammam Zaith. Vatika is the umbrella hair care brand in Egypt. Vatika Hair Gel has number 2 position in Egypt hair gels market. Other key products are Vatika Hair Creams and Hair Oils, Vatika Oil Replacement, Vatika Shampoos, Vatika Hammam Zaith and Dabur Herbal Toothpastes.

During the year, the annual capacity of the plant at Cairo, Egypt was enhanced from 26,600 Tons to 27,400 Tons. New manufacturing line and a high speed packing line were installed for Shampoos. The unit has been continuing to implement various production automation initiatives to reduce and optimize operational cost. The plant has also implemented various material cost reduction initiatives through value engineering and local vendor development.

Egypt has been politically stable through 2017-18. However, high inflation in the country and sharp currency devaluation impacted the business profitability although sales continued to grow at a good pace. Strong investment behind brands, introduction of several new products, growth of digital media, extensions of existing brands through launch of new relevant variants were some of the key initiatives taken during the year. Company`s business grew 32% in constant currency terms during FY 17-18.

11. African Consumer Care Ltd., Nigeria (subsidiary)

The Company is engaged in the business of manufacturing and marketing of toothpastes, soaps, toilet cleaners etc., trading business of mosquito repellent cream and in the contract manufacturing of hair care products for a fellow subsidiary - Hair Rejuvenation and Revitalization Nigeria Limited. Its manufacturing capacity is 3.6 lakh cases in oral care category, 1.0 lakh cases in the skin & baby care Category and 2.7 Lakh cases for hair care products. The Company is becoming a hub for exporting toothpaste and hair care products to East Africa, West Africa and Central African markets.

12. Dabur Nepal Pvt. Ltd., Nepal (subsidiary)

The Company, one of the largest FMCG Companies in Nepal, manufactures & markets wide range of Consumer goods under segments like foods, home care and personal care and consumer health. The Company offers products like Fruit Juices/Beverages, Chyawanprash, Glucose, Tooth Paste, Hair Oils, Digestive Tablets, Honey, etc. Food Segment with Real Fruit Juices as the flagship brand has seen rapid growth and has occupied major share in turnover of the Company of around 68%.The Company has continued as a 'Flag Bearer' of Dabur group in Nepal.

Despite various difficulties and challenges faced by the Company due to uncertain economic and political situation, seasonal complexities and difficult business environment, the Company was able to maintain progressive growth. This is clearly reflected in terms of growth in sales of 17% during the year taking the total turnover to NPR 1059 crore.

The Company is optimistic about its business growth in the years to come.

13. Asian Consumer Care Pakistan Pvt. Ltd., Pakistan (subsidiary)

In FY 2017-18 the business posted a robust 21% growth in Sales despite challenging market conditions. Volumes picked up and market share improved in Hair Oil Category by 4% taking it upto 44% through its flagship brands Dabur Amla and Vatika, which grew by 18% and 27% respectively. Vatika Shampoo also posted healthy sales growth of 21%.

During the year business made an entry into the oral care category with Dabur Red toothpaste in order to foster future business performance and expand its base.

The economic and political environment remained challenging with volatile currency coupled with double fold increase in regulatory duty which adversely impacted the gross margins and net margins. These were partly offset through price increase across the categories.

14. Dabur Pakistan (Pvt.) Limited, Pakistan (subsidiary)

This subsidiary comprises the Digestives business in Pakistan. During FY 2017-18 the business made significant progress in its endeavours to gain the lost ground in the Digestive Category due to trade mark litigation. Business posted strong 30% growth in sales, driven entirely through volumes. The Company outperformed the new entrants through successful media campaign during Pakistan Super league and expanded distribution reach to recruit more consumers. During the year, Re 1 variants in Hazmazza Anardana and Pudina flavors were re-launched to expand consumer base. The launch has been very well received by trade and consumers and off take is building progressively.

15. Asian Consumer Care Pvt. Ltd., Bangladesh (subsidiary)

The Company manufactures and markets a wide range of consumer goods in Bangladesh under segments like Foods, Home Care, Personal Care and Consumer Health with products like Toothpastes, Hair Oils, Shampoos, Digestive Tablets, Honey, etc. The Tooth Pastes, Honey and Shampoo portfolios have seen rapid growth during FY 2017-18. The Company launched two localized products viz. Methi Amla Hair Oil & Hajmola Borhani. These products incorporate ingredients and flavours which are in line with local consumer preferences.

Despite intense competitive environment and other regional complexities, the Company's revenue grew by around 3% in FY 2017-18. Operating margins were impacted primarily due to high material inflation and that is proposed to be offset though calibrated price increases.

The Company is adding more products in its portfolio and is optimistic about its business growth in the coming years.

16. Hobi Kozmetik İmalat Sanayi ve Ticaret Anonim Sirketi, Turkey (subsidiary)

Hobi Kozmetik is a market leader in hair gels in Turkey and one of the major players in liquid soap, economy shampoo and wet wipes categories. Its product list includes more than 200 personal care and cosmetics products. It also exports to 45+ countries. It owns a deeply rooted brand heritage and holds 40% of hair gel market of Turkey and is recognized as a leading producer in cosmetics sector in its geography.

Sales registered growth of 11% on constant currency basis despite Turkey's tough political situation during the year. The Company continued to make automation investments in factory to increase efficiency. On the other hand, after crisis in Middle East, Hobi started Vatika production for Qatar in Turkey. It has re launched Fresh care series and made ATL investments for body wash category, which helped it to increase its market share. It has also re launched its hair styling products with new packaging designs and additional variants for hair sprays, hair mousse, hair gel and wax categories. Sharp currency devaluation also impacted the profit margins during the year.

17. Ra Pazarlama Limited Şirketi, Turkey (subsidiary)

The Company markets the products that are produced by Hobi Kozmetik. It has expertise in distribution and handles all sales/distribution for Hobi products.

18. Dabur Lanka Pvt. Ltd., Sri Lanka (subsidiary)

The Company has set-up a state of art Tetra Pak manufacturing facility at Yakadagala Estate, Kotadeniyawa, Sri Lanka. Its principal activity is to manufacture fruit based beverages utilizing imported fruit concentrates/ pulp and purees for export. These are processed and packed in Tetra cartons for export to India and other countries. The Company has an allowance to sell up to 10% of the volume of the output to the local Sri Lanka market. During FY 2017-18 the Company manufactured 11.05 lac cases of 1 lt. and 1.69 lac cases of 200 ml recording turnover of LKR 8.44 crore.

19. **Dabur Consumer Care Pvt. Ltd., Sri Lanka (subsidiary)**
Principal activities of the Company include importing and distributing all type of consumer care products such as health care, home care, hair care and personal care in the local Sri Lankan market like Honey, Odonil Blocks, Hair Oils - Amla, Almond and Vatika, and Vatika Shampoos. The business recorded turnover of LKR 4.93 crores during the year.

20. **Dabur Tunisie, Tunisia (subsidiary)**
The Company is being dissolved and liquidation is under process.

21. **Dabur Pars, Iran (subsidiary)**
The principle business activity of the Company is distribution of FMCG products in Iran. The Company achieved IRR 16.2 billion sale in its first full year of operation. During FY 2017-18, 4 new distributors were appointed in Iran, geographically covering more than 50% of Iran. Dabur Amla Hair Oil & Dabur Herbal Toothpaste range was launched in Iran. Dabur Miswak, Fem Hair Removing Creams & Vatika Hair Gels are registered with the appropriate authorities and will be launched in FY 2018-19.

22. **Dabur South Africa (Pty) Ltd., (subsidiary)**
This new Company incorporated in South Africa had bought over the assets of CTL Contracting Pty Ltd as a going concern. The Company has started its manufacturing as a third party contractor for ORS brand SKU's to a fellow subsidiary - Urban Laboratories International LLC and also other private and local brands like Bio Sense (Hair care), Signature (Personal Care), BOB Martin (Pet Care) etc. Total 266000 cases were manufactured during the year. Total Sales was ZAR. 22.52 million.

23. **Forum 1 Aviation Pvt. Ltd., India (Joint Venture)**
The Company primarily operates in the aviation sector. It is working with existing fleet of two aircrafts viz. Hawker 800XP (VT-FAF) & Hawker 850XP (VT-KNB).

Contribution of Subsidiaries, Associates and Joint Venture Companies to the overall performance of the Company:

The subsidiary Companies contributed to 27.6% of the consolidated revenue from operations of Dabur India Limited. Through these subsidiaries the Company accesses its overseas markets in North America, Europe, Gulf, Africa and Asia. The overseas business witnessed some headwinds during the year on account of economic and geo-political challenges in some of its key markets. Adverse currency fluctuations also impacted the business in markets like Egypt and Turkey. However the business saw stabilization in second half of the year as the economies started to see some revival and currencies became stable. The Company continued to invest in its overseas business and acquired two small Companies in South Africa for enhancing its local supply chain and distribution footprint. By increasing the localization of manufacturing and supply chain, the business is reducing costs and increasing its efficiency and flexibility to access the local markets. Some of these markets are in investment phase therefore the profit margins are not yet at par with Company average. Therefore profit contribution from subsidiaries is little lower than sales contribution. However this will improve with scale of business going up and the brands getting more established in these markets.

Annexure 7

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of energy:

i) The steps taken or impact on conservation of energy:-

For Dabur India Limited conservation of energy is a prime focus area and hence various steps were taken at its manufacturing units to create a sustainable future through reduction of energy footprint. Some of the key initiatives are as follows:

- Reduction of fossil fuel consumption by converting liquid fuel using boilers to Briquette Boilers.
- Installation of new APFC (Automatic Power Factor Control) Panel for energy conservation.
- Carried out KAIZEN implementation to run 100T Chiller unit without compressor.
- Draft Automation in TFH (Thermic Fluid Heater) to lower down the ID/FD Fan speed when system got unloaded.
- Installation of VFD (Variable Frequency Drive) in Pulverizers and other equipments across manufacturing units.
- New technology of horizontal pulvenizers implemented.
- Optimization of water recirculation in plants.
- Wet Scrubber being run automatically with loaded boiler

An investment over Rs.5 crore has been done for energy conservation across all manufacturing locations. These measures have also led to power saving, reduced maintenance time and cost, consistency in quality and improved productivity.

ii) The steps taken by the Company for utilizing alternate sources of energy:-

- Exploration of harnessing renewable energy sources - conducted feasibility study of installing more than 2MW solar panels at multiple manufacturing sites.

iii) The capital investment on energy conservation equipments:-

- An amount of Rs. 5.73 crore was incurred towards capital investment on energy conservation equipment's during the financial year 2017-18.

B. Technology Absorption:

i) The efforts made towards technology absorption

1. New technology that has been rolled out in 17-18 is in-mold labelling for small, transparent PET bottles in few of Dabur's products. Very small SKUs are now coming pre-labelled to manufacturing units, thus eliminating the label application operation in plants. Dabur intend to move away from regular PSL (Pressure Sentitive Lables) to in-mold label thus eliminating the adhesive and liner. This technology is coupled with a bottle orientation unit and coding station to inspect the bottles by camera and orient appropriately for batch-coding. This results in shorter and faster operation at the unit leading to quality improvement of packaging. This orientation unit was specifically developed for this kind of operation without which automatic sorting of bottles on line would have not been possible.

2. Online laser coding on corrugated wrap around trays in juices has been implemented in 2017-18. This technology replaces current practice of screen printing on wrap around tray. It also aids in lowering inventory and helps flexibility in operations.

3. One more area of new technology is the use of counter pressure retort process for packing coconut water. Further, Dabur is molding bottles for same in IBM process instead of traditional EBM process and open pan technology.

4. Developed and implemented local shrink films with additive to render the shrink film to become biodegradable after 18 months. The same has passed tests done by an external Govt-approved laboratory in Mumbai. These shrink films have now been commercially implemented.

5. The Company has also decided to procure one high speed, high-end technology toothpaste filling machine having a value in excess of Rs.10 Cr.

The unique feature of this machine is that, with smart technology, it will be able to monitor its own performance and generate its own spares list and interact with its global manufacturer on the list of urgent spares required.

Such technology shall mostly be imported and hence would require augmentation of skill sets in the manufacturing units where these will be set up.

ii) Benefits derived like product improvement, cost reduction, product development, import substitution

- Mold labelling for small bottles- Has resulted in reduced manpower, faster operation, improved efficiency and improved packaging quality.
- Online laser coding on corrugated wrap - has resulted in substantial financial savings. It also aids in lowering inventory and helps flexibility in operations.
- Use of counter pressure retort process Increases productivity as more number of bottles can be processed at a time.
- Biodegradable shrink films will add to environment friendly initiatives of the Company.
- Procurement high speed high end technology toothpaste filling machine – will not only enable very efficient throughout and highly accurate fill quantity per tube, but also reduce change over times with improved product and packaging quality.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

The details of technology imported	: Nil
The year of import	: Not Applicable
Whether the technology been fully absorbed	: Not Applicable
If not fully absorbed, areas where absorption has not taken place and the reasons thereof	: Not Applicable

iv) The expenditure incurred on Research and Development:

- An expenditure of Rs.38.02 crores was incurred towards Research and Development during the financial year 2017-18.

C. Foreign Exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the Financial Year 2017-18: Rs.202.65 crores.

The Foreign Exchange outgo in terms of actual outflows during the Financial Year 2017-18: Rs.80.39 crores.

Annexure 8

Environmental, Health and Safety (EHS) Review

The year 2017-18 was a significant year for Dabur India Limited. This year, Dabur not only registered under the new Environment Regulation viz. Central Ground water board regulation 2016, Solid waste Management Rule 2016; Plastic waste Management rule 2016; E-waste Management Rule 2016; Biomedical Waste Rule 2016 & Online ground water monitoring system etc, but also ensured for their 100% implementation across all Dabur manufacturing units.

In FMCG sector Dabur is at a leading position to drive ground water regulations and Plastic waste regulations and is setting an example to the other competitors. Dabur is closely working with MoEF&CC, CPCB, CGWA, FICCI & CII to make it successful. Pilot projects have been initiated with the help of different NGO's to set an example for other Companies to meet EPR (Extended Produced Responsibility) for PWM Rule 2016.

Dabur`s new and largest factory in Tezpur city of Assam, adheres to all the rules of the environment, health and safety to ensure its 100% implementation. In this factory a large effluent treatment plant has been installed, which can treat and recycle up to 600,000 liters of waste-water daily. World-class safety equipment's have been installed in the factory from day one. This will ensure that no damage to any man & material during work is caused and this is one of the top priorities.

A brief on Environmental, Health and Safety (EHS) initiatives of the Company is as under:

Environment

This year also Dabur has ensured to follow the 3-R (Reduce, Reuse & Recycle) rules across all the manufacturing units. Ground water is one of major source for Dabur and the Company is committed for its significant reduction by installing water efficient technology in process with best effluent treatment system like Reverse Osmosis plants to utilize back treated water into system. Due to segregation of all Trade and Domestic effluents through independent treatment systems and by installing/up gradation of ETP/SwTP & UF/RO recycling plants, Dabur successfully achieved 500 Lt/MT reduction in fresh Raw Water consumption, with 700 Lt/MT reduction in effluent generation, increased 600 Lt./MT treated effluent through reuse/recycle; reduced Hazardous waste generation by 0.18 KG/MT; reduction in energy consumption by 5 KWH/MT, reduction in Green-House Gas emissions by 0.03 kg/MT; reduction in SOx by 0.39 kg/MT; reduced Ozone depleting Substances (ODS) by 0.001 kg/MT and 10 MT of e-waste disposal to the approved e-waste recyclers during the FY 2017-18. (*All values are on per MT of Production)

Dabur Joins 'We-Care' & 'EPR-Connect': Towards a Sustainable Future' Projects:

Sustainability is a part of the Dabur DNA. It is at the heart of operations and also embedded in its products. Every action at Dabur is a step towards a sustainable future. This project is one such step forward in this direction.

As a Responsible Corporate Citizen, Dabur has always been recognized for its commitment towards sustainability and ecological responsibility. Being sustainable is all about maintaining a perfect equilibrium between Environment, Economy and the Society. "At Dabur, our endeavor has always been to maintain the perfect harmony between nature and mankind while we go about our business of delivering the best nature-based solutions for the everyday health and personal care needs of our consumers. Taking forward our commitment towards the environment, Dabur has committed to implement the new Plastic Waste Management (PWM) Rules 2016, which requires producers to work out the modalities for an effective waste collection system, for collecting back the plastic waste generated due to their products, based on the Extended Producers Responsibility (EPR) principle,"

Moving forward on its commitment towards a Greener Planet for future generations, Dabur being - India's largest Science-based Ayurveda major, has decided to form a consortium with other responsible organizations to collect and help recycle plastic waste materials for the Energy Plant of East Delhi Municipal Corporation, Ghazipur, Delhi. This is also part of India's first mega Environment Protection initiative called 'WE CARE: Waste Efficient Collection & Recycling'.

The consortium has been formed to strengthen the collection, segregation and processing/recycling of Multi-Layered Plastic (MLP) waste. This joint initiative is being implemented by Indian Pollution Control Association (IPCA), a Delhi-based NGO duly guided and supported by Central Pollution Control Board (CPCB). Under India's 1st EPR consortium, Dabur is part of processing the first batch of collected waste of MLPs at the Waste-to-Energy Plant of East Delhi Municipal Corporation, Ghazipur, Delhi.

Further, Dabur has decided to form a consortium with other responsible organizations to collect and help Multilayer Plastic (MLP) Waste Collection and sending for co-processing as RDF (Refuse-Derived Fuel) in cement kilns for a Pilot Project

in Gujarat state covering 11 major cities. This is also part of Gujarat first mega Environment Protection initiative called **'EPR Connect: Towards a Sustainable Future**".

Under Gujarat 1st Extended Producers Responsibility (EPR) consortium, Dabur is part of processing the first batch of collected waste of MLPs for recycling from 11 cities (Ahmedabad, Sanand, Chattral, Changodar, Mehsana, Kadi, Kalol, Hathijan, Gandhinagar, Rakanpur and Santej) in Gujarat State. This joint initiative is being implemented by NEPRA Resource Management Private Limited, a waste Management Company, based in Ahmedabad duly guided and supported by Gujarat Pollution Control Board (GPCB), MOH Ahmedabad Municipal Corporation and Gujarat URBAN Development Department.

Both these projects are our first step towards Plastic Waste Management under the Extended Producer Responsibility (EPR) framework, and this will soon be extended to more major cities of India in coming days.

Dabur is committed to implementing best technology, Management programs through a combination of energy, water conservation, minimize air emissions, rainwater harvesting and solid waste recycling. All units are complying zero liquid discharge system, minimized usage of petroleum products by modifying its boilers into bio-fuels boilers along with drastic reduction in air emissions. Dabur is a Product Carbon Foot Print (PCF) Certified Company from TUV NORD for its 3 products - Chyawanprash, Honey and Real Juices.

Health and Safety

During FY 2017-18, Dabur ensured to achieve and maintained Fire-Safety Standards (TAC-NBC/FM/UL). All its units are equipped with best fire/smoke detection technology to get the information in-time in case of any fire-incident. It has installed Inert Gas Flooding System in critical electrical panels to prevent from Electric Fire. New Safety PPE's have been introduced viz. Breathing Apparatus, Automatic Fire Nozzles, Mobile Scaffold Tower with Stairway for safe height work, foam trolley, flammable chemicals storage cans, fire cabinets for lab storage etc. Continuous monitoring of all electric panels have been started to know electric power cables health with the help of Thermal Imaging Sensor. Early Streamer Emission - ESE System have been installed at multiple manufacturing units as per IS 15652. Fire Alarm & detection system (UL/FM global std. approved) have been installed with a cost of Approx. Rs. 5 Crores. Independent fire-proof storage facility have been constructed at all Dabur units to keep all flammable chemicals as per Class A petroleum storage guidelines.

Under Safety indicators Dabur reduced incidents by 20% in First Aid cases i.e. 75% in RWC-MTC cases i.e. 67% in LTA Cases i.e. 19% in AIR (All injury rate) & 56% in FR (Frequency Rate). Observed daily 2369 number of Safety behavioral observations which were closed; 1010 number of Safety Committee points were observed and closed to make the work place safe. Dabur continuously conduct third party Fire Safety Audits: As a step towards safe work place out of 2869 number of findings 2386 have already been closed and 473 are under implementation with total 87% compliance rate.

Total 1329 Safety Training programs on Safety Awareness were conducted with 30248 Man-hours @ 0.56 safety training (Hours/employee) in FY 2017-18. All identified gaps were filled during conduct of Hazard Operability Study (HAZOP) for critical operational process. Re-assess All manufacturing units and, warehouses were re-assessed as per NBC-TAC-Factory Act 1948 Fire-Safety guidelines. Gaps were identified, projects were taken to close all gaps with cost of approx. Rs.5 Crores in FY 17-18.

Occupational health system was maintained and monitored at all locations as per Factory Act, 1948 guidelines employee's medical fitness & vaccination via external agency was ensured to meet the GMP requirement.

Dabur continued ISO9000:15000, ISO 14000:15000 & OHSAS certificates this year also. This year Dabur was awarded Greentech Safety Award under Gold category.

Annexure 9

Report on CSR activities for the period April, 2017 - March, 2018

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	**Our CSR Vision** Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation. **Our CSR Mission** 1. Ensuring socio-economic development of the community through different participatory and need- based initiatives in the best interest of the poor and deprived Sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves. 2. Ensuring environmental sustainability through ecological conservation and regeneration, protection & re-growth of endangered plant species, and promoting biodiversity. **Projects or programmes proposed to be undertaken** • **Eradicating hunger, poverty and malnutrition:** o Sanitation Drive to prove easy access to toilet and sanitation facilities in rural households and schools as also to the urban poor. o Supplementing nutrition needs of poor and needy through joint initiatives and programmes with local NGOs. • **Health Care and Preventive Health Care programmes** o Programme to provide nourishment to kids from underprivileged Sections of the society. o Promotion of health awareness & immunity building initiatives. o Healthcare awareness programme across rural and urban India to create awareness on Malaria, Dengue, Cancer, HIV-AIDS and any chronic disease. o Oral hygiene and dental health camps in schools to build awareness about the need for good oral care techniques and hygiene for overall health and well-being o Health care camps across the country to give the urban and rural poor access to safe and reliable healthcare. o Supporting health and wellness of people through Wellness Centre, offering treatment as well as advice and medicines. o Addressing Health Care needs of Poor & Needy through joint initiatives and programmes with local NGOs and ASHA workers. • **Ensuring Environment Sustainability** o Environment sustainability programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers, providing Bee-Keeping training o Tree Plantation Drive across villages/area near our manufacturing units and business locations o Promotion of Solar Energy o Water Conservation projects • **Promotion of Education through School Support Programme, Non-Formal Education Centres Remedial classes** • **Programmes for Employment Enhancing Vocational Skills Development and Women Empowerment** **Web link of CSR Policy of Company: http://www.dabur.com/AboutDabur-CSR-Policy**
2	The Composition of CSR Committee	CSR Committee consists of Dr. Ajay Dua (Chairman) & Mr. Sanjay Kumar Bhattacharyya, Independent Directors and Mr. P.D. Narang & Mr. Sunil Duggal, Executive Directors.
3	Average net profit of the Company for last three financial years	Net profit for last three financial years: FY 2016-17 : Rs. 1,255.26 cr.; FY 2015-16 : Rs.1,203.45 cr.; FY 2014-15: Rs. 982.60 cr. Average net profit: Rs. 1,147.10 cr.
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 22.94 cr.
5	Detail of CSR spent during the financial year	**(a) Total amount to be spent for the financial year** Rs. 22.94 cr. Total amount spent during the financial year 2017-18 Rs. 23.74 cr. **(b) Amount unspent, if any** N.A. **(c) Manner in which the amount spent during the financial year is detailed below**

(Rs. in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)
S. No.	Activity No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
	1. Eradicating Hunger, Poverty & Malnutrition; Promoting Sanitation							
1	**1A**	Sanitation Drive to provide easy access to toilets and sanitation facilities in rural households	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Uttar Pradesh, Uttarakhand, Himachal Pradesh	120	Direct Expenditure	135	Sundesh
2	**1B (i)**	Construction & Repair work of school toilets	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Uttar Pradesh; Uttarakhand, Himachal Pradesh	34	Direct Expenditure	34	Sundesh
3	**1B (ii)**	Construction & Repair work of school toilets	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Rajasthan	30	Direct Expenditure	0	Jivanti Trust
4	**1B (iii)**	Construction & Repair work of school toilets	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Assam	25	Direct Expenditure	0	Jivanti Trust
5	**1C**	Impact Assessment & Evaluation of Sanitation Project	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Uttar Pradesh	0	Direct Expenditure	5	Direct
6	**1D**	Programmes to meet nutrition needs of poor & needy	Eradicating Hunger, Poverty & Malnutrition	1) Other 2) Across India	750	Direct Expenditure	788	Direct
	2. Promoting Healthcare including Preventive Healthcare							
7	**2A**	Dil Se Dua programme to fight malnutrition among street children and also involve the general public in this drive	Promoting Healthcare including Preventive Healthcare	1) Other 2) Delhi-NCR, Punjab, Uttar Pradesh	50	Direct Expenditure	57	Direct
8	**2B**	Immune India awareness programme about the need of immunity in school going children	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Delhi-NCR, Uttar Pradesh, Bihar, Maharashtra, Madhya Pradesh	100	Direct Expenditure	3	Direct
9	**2C**	Dengue Fighter initiative to generate awareness about mosquitoes and prevention from mosquito borne diseases	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Delhi-NCR, Uttar Pradesh, Karnataka, Maharashtra, Tamil Nadu	100	Direct Expenditure	7	Direct
10	**2D**	Health Camps to provide easy access to reliable healthcare for poor & needy	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Across India	60	Direct Expenditure	77	Direct
11	**2E**	Oral hygiene awareness Camps in schools	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Uttar Pradesh, Madhya Pradesh, Maharashtra	100	Direct Expenditure	192	Direct
12	**2F**	Wellness Centre to treat people	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Delhi	30	Direct Expenditure	27	Direct
13	**2G**	Programmes for addressing health care needs of poor & needy	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Across India	225	Direct Expenditure	398	Direct
14	**2H**	Programmes for Diabetes Prevention & Management	Promoting Healthcare including Preventive Healthcare	1.) Other 2.) Uttar Pradesh	100	Direct Expenditure	35	Jivanti Trust
	3. Ensuring Environment Sustainability							
15	**3A (i)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Chhattisgarh	200	Direct Expenditure	200	Jivanti Trust (Covenant Centre for Development - CCD)

(Rs. in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)
S. No.	Activity No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
16	**3A (ii)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Andhra Pradesh		Direct Expenditure		Jivanti Trust (Kovel Foundation)
17	**3A (iii)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Uttar Pradesh		Direct Expenditure		Jivanti Trust (Asha Gramodhyog)
18	**3A (iv)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Orissa		Direct Expenditure		Jivanti Trust (Baitarani Initiative - BI)
19	**3A (v)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Jammu & Kashmir, Assam		Direct Expenditure		Jivanti Trust (Pragya)
20	**3A (vi)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Ratnagiri, Maharashtra		Direct Expenditure		Jivanti Trust (Indian Society for Agribusiness Professionals - ISAP)
21	**3A (vii)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Gujarat		Direct Expenditure		Jivanti Trust (Shri Umiya Majur Kamdar Sahkari Mandli Ltd.)
22	**3A (viii)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Delhi		Direct Expenditure		Jivanti Trust (Delhi University -South Campus)
23	**3A (ix)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Uttarakhand		Direct Expenditure		Jivanti Trust (Alakananda Ghaati Shilipi Federation - AAGAAS)
24	**3A (x)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Karnataka		Direct Expenditure		Jivanti Trust (Foundation for Revitalisation)
25	**3A (xi)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Uttarakhand		Direct Expenditure		Jivanti Trust (Human India)
26	**3A (xii)**	Programmes to protect endangered species of herbs & plants, enhancing livelihood of farmers	Ensuring Environment Sustainability	1.) Other 2.) Uttarakhand		Direct Expenditure		Jivanti Trust (Forest Research Institute - FRI)

(Rs. in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)
S. No.	Activity No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
27	**3B (i)**	Vocational Training to women and villagers on bee-keeping	Ensuring Environment Sustainability	1.) Other 2.) Bihar, Uttar Pradesh		Direct Expenditure		Jivanti Trust (Jeevika Project, Govt. of Bihar)
28	**3B (ii)**	Vocational Training to women and villagers on bee-keeping	Ensuring Environment Sustainability	1.) Other 2.) Bihar, Uttar Pradesh		Direct Expenditure		Jivanti Trust (Vaishali Shanti Samaj Kalyan Sansthan)
29	**3C**	Developing & supplying seeds and seedlings to local farmers free of cost to enhance their livelihood and also protect endangered species	Ensuring Environment Sustainability	1.) Other 2.) Uttarakhand	90	Direct Expenditure	98	Direct
30	**3D**	Tree Plantation Drive	Ensuring Environment Sustainability	1.) Local 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	8	Direct Expenditure	8	Sundesh
31	**3E**	Promotion of Solar Energy	Ensuring Environment Sustainability	1.) Other 2.) Uttar Pradesh	22	Direct Expenditure	22	Sundesh
32	**3F**	Development of pond & tree plantation	Ensuring Environment Sustainability	1.) Local 2.) Rajasthan	50	Direct Expenditure	35	Jivanti Trust
33	**3G**	Consumer Waste Initiative for Multi-layer plastic (MLP) waste disposal	Ensuring Environment Sustainability	1.) Other 2.) Uttar Pradesh, Gujrat	0	Direct Expenditure	7	Direct
	4. Promoting Education including Special Education							
34	**4A**	Programmes for promoting education through NFEs, Remedial classes and school support	Promoting Education including Special Education	1.) Local 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	34	Direct Expenditure	34	Sundesh
35	**4B**	School Support Programmes like renovation work, sanitation facilities, benches & desks, potable water facility, educational aids such as libraries learning paintings etc.	Promoting Education including Special Education	1.) Local 2.) Rajasthan	30	Direct Expenditure	20	Jivanti Trust
36	**4C**	School Support Programmes like renovation work, sanitation facilities, benches & desks, potable water facility, educational aids such as libraries learning paintings etc.	Promoting Education including Special Education	1.) Local 2.) Assam	15	Direct Expenditure	15	Jivanti Trust
	5. Providing Employment Generating Vocational Skills and Women Empowerment							
37	**5A**	Vocational Training to women and villagers	Providing Employment Generating Vocational Skills and livelihood enhancement projects	1.) Local 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	38	Direct Expenditure	38	Sundesh

(Rs. in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)
S. No.	Activity No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
38	**5B**	Vocational Training to women and villagers	Providing Employment Generating Vocational Skills and livelihood enhancement projects	1.) Local 2.) Assam	10	Direct Expenditure	10	Jivanti Trust
39	**5C**	Programmes for Adult Literacy Centres and promoting & managing Self Help Groups for women	Promoting Gender Equality; Women Empowerment	1.) Local 2.) Uttar Pradesh, Uttarakhand, Himachal Pradesh	14	Direct Expenditure	14	Sundesh
	6. Incidental Expenses							
40	**6A**	Incidental & administrative expenses for running these programmes	Incidental Expenses	1.) Local 2.) Uttar Pradesh	115	Overhead	115	Direct
		TOTAL			**2,350**		**2,374**	

6 In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board report: Not Applicable

7 We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with Company's CSR objectives (i.e. CSR Vision and CSR Mission) and CSR Policy of the Company.

(Dr. Ajay Dua)
Chairman - CSR Committee

(Sunil Duggal)
CEO

Annexure 10

FORM MGT 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014

I REGISTRATION & OTHER DETAILS:

i	CIN	**L24230DL1975PLC007908**
ii	Registration Date	16th September, 1975
iii	Name of the Company	DABUR INDIA LIMITED
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	8/3, Asaf Ali Road, New Delhi- 110002; Tel: +91-11-23253488
vi	Whether listed Company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serinlingampally Mandal, Hyderabad – 500 032. Tel: +91-40-67162222, Fax No.: +91-40-23001153 Website - www.karvy.com, Toll free No. - 1800-345-4001

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Real Fruit Juices	10304	16%
2	Amla Hair Oil	20236	10.7%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE Section OF COMPANIES ACT, 2013
1	African Consumer Care Ltd. Plot B,Olympic Street, Off Alakoso Avenue, Amuwo-Odofin industrial Area Festac Town, Lagos - Nigeria	NA	Subsidiary	100%	2(87)(ii)
2	Asian Consumer Care Pakistan (Pvt.) Limited D-25, Block 5, Clifton, Karachi, Pakistan	NA	Subsidiary	99.99%	2(87)(ii)
3	Asian Consumer Care Private Limited Baratia Sutipara, 172 & 173, Kalampura, Dhamrai, Dhaka	NA	Subsidiary	76%	2(87)(ii)
4	Dabur (UK) Limited Trident Chambers P.O. Box 146, Road Town, Tortola, British Virgin Islands	NA	Subsidiary	100%	2(87)(ii)
5	Dabur Consumer Care Pvt. Ltd. Level 14, West Tower, World Trade Centre, Echelon Square, Colombo - 1, Sri Lanka	NA	Subsidiary	100%	2(87)(ii)
6	Dabur Egypt Limited 10th of Ramadan, A6 Industrial Area 39 Egypt	NA	Subsidiary	100%	2(87)(ii)
7	Dabur International Limited 12-14,Finch Road, Douglas Isle of Man IM1 2 TT	NA	Subsidiary	100%	2(87)(ii)

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE Section OF COMPANIES ACT, 2013
8	Dabur Lanka (Pvt) Limited Level 14, West Tower, World Trade Centre, Echelon Square, Colombo - 1, Sri Lanka	NA	Subsidiary	100%	2(87)(ii)
9	Dabur Nepal Pvt. Ltd. Rampur Tokani, Bara, Nepal	NA	Subsidiary	97.50%	2(87)(ii)
10	Dabur Pakistan Private Limited Plot No. D-25, Block 5, Clifton, Karachi, Pakistan	NA	Subsidiary	100%	2(87)(ii)
11	Dabur PARS No. 22, Apt. 1, East Sazman Ab Ave., Sadeghieh, Tehran - Iran - 1454753884	NA	Subsidiary	100%	2(87)(ii)
12	Dabur South Africa (PTY) Ltd. 620 Kudu Street, Constantia Kloof Office Estate, Allensnek, Gauteng 1735	NA	Subsidiary	100%	2(87)(ii)
13	Dabur Tunisie Lot No. 606 ZI- Enfidha, Sousse, Tunisia	NA	Subsidiary	100%	2(87)(ii)
14	Dermoviva Skin Essentials INC Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	NA	Subsidiary	100%	2(87)(ii)
15	Forum 1 Aviation Private Limited 505, G+5 Building, Indira Gandhi Airport, Opp. Domestic Airport Arrival Terminal - 1,New Delhi - 110037	U62200DL2004PTC131655	Joint Venture	20%	2(6)
16	H & B Stores Ltd. 8/3, Asaf Ali Road, New Delhi -110002, India	U74120DL2007PLC163361	Subsidiary	100%	2(87)(ii)
17	Hair Rejuvenation & Revitalization Nigeria Ltd. Plot B, Olympic Street, Off Alokaso Avenue Odofin Industrial Area, Festac Town, Lagos	NA	Subsidiary	100%	2(87)(ii)
18	Healing Hair Laboratories International LLC Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808	NA	Subsidiary	100%	2(87)(ii)
19	Hobi Kozmetik Imalat Sanayi Ve Ticaret Anonim Sirketi Saray Mah. Site Yolu Sk. N:5/4 Anel İş Merkezi K:2/6 34768 Ümraniye – İstanbul	NA	Subsidiary	100%	2(87)(ii)
20	Namaste Laboratories LLC 311 S. Wacker Drive, Suite 4300, Chicago, IL 60606	NA	Subsidiary	100%	2(87)(ii)
21	Naturelle LLC Emirates Link Road,AL Jazeera, AL Hamra Industrial Area, P O Box - 6399, Ras Al Khaimah, UAE	NA	Subsidiary	100%	2(87)(ii)
22	Ra Pazarlama Limited Sirketi Saray Mah. Site Yolu Sk. N:5/4 Anel İş Merkezi K:2/6-B 34768 Ümraniye – İstanbul	NA	Subsidiary	100%	2(87)(ii)
23	Urban Laboratories International LLC Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE-19808	NA	Subsidiary	100%	2(87)(ii)

IV SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	21,26,997	0	21,26,997	0.12	21,26,995	0	21,26,995	0.12	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0.00	0
c) Bodies Corporates	1,19,60,66,079	0	1,19,60,66,079	67.90	1,19,65,28,682	0	1,19,65,28,682	67.93	0.03
d) Bank/FI	0	0	0	0	0	0	0	0.00	0
e) Any other	0	0	0	0	0	0	0	0.00	0
SUB TOTAL:(A) (1)	1,19,81,93,076	0	1,19,81,93,076	68.02	1,19,86,55,677	0	1,19,86,55,677	68.05	0.03
2. Foreign									0
a) NRI- Individuals	3,45,000	0	3,45,000	0.02	3,45,000	0	3,45,000	0.02	0
b) Other Individuals	0	0	0	0	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0	0	0	0	0.00	0
d) Banks/FI	0	0	0	0	0	0	0	0.00	0
e) Any other	0	0	0	0	0	0	0	0.00	0
SUB TOTAL:(A) (2)	3,45,000	0	3,45,000	0.02	3,45,000	0	3,45,000	0.02	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1,19,85,38,076**	**0**	**1,19,85,38,076**	**68.04**	**1,19,90,00,677**	**0**	**1,19,90,00,677**	**68.07**	**0.03**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	2,01,30,894	1,000	2,01,31,894	1.14	7,61,70,528	0	7,61,70,528	4.32	3.18
b) Banks/FI	1,46,18,731	12,000	1,46,30,731	0.83	78,96,871	0	78,96,871	0.45	(0.38)
C) Central govt	0	0	0	0	0	0	0	0.00	0
d) State Govt.	0	0	0	0	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	6,69,35,631	0	6,69,35,631	3.80	6,62,94,547	0	6,62,94,547	3.76	(0.04)
g) FIIs /FPI	35,18,89,787	0	35,18,89,787	19.98	30,32,45,081	0	30,32,45,081	17.21	(2.76)
h) Alternate Investment Fund	0	0	0	0.00	2,23,302	0	2,23,302	0.01	0.01
i) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0
j) Others (specify)	0	0	0	0	0	0	0	0.00	0
SUB TOTAL:(B)(1)	45,35,75,043	13,000	45,35,88,043	25.75	45,38,30,329	0	45,38,30,329	25.76	0.01
2. Non Institutions									
a) Bodies corporates									
i) Indian	1,86,71,344	53,000	1,87,24,344	1.06	2,03,44,141	40,159	2,03,84,300	1.16	0.09
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	5,79,72,558	51,06,862	6,30,79,420	3.58	5,59,50,527	44,12,892	6,03,63,419	3.43	(0.15)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,88,04,143	0	1,88,04,143	1.07	1,76,56,873	0	1,76,56,873	1.00	(0.07)
c) Others (specify)									
Clearing Members	22,84,518	0	22,84,518	0.13	18,38,696	0	18,38,696	0.10	(0.03)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non Resident Indians	45,09,360	14,04,534	59,13,894	0.34	42,17,041	10,10,659	52,27,700	0.30	(0.04)
Overseas Corporate Bodies	78,000	6,000	84,000	0.00	78,000	6,000	84,000	0.00	0
Trusts	5,04,072	0	5,04,072	0.03	8,89,999	0	8,89,999	0.05	0.02
IEPF	0	0	0	0.00	22,44,517	0	22,44,517	0.13	0.13
SUB TOTAL:(B)(2)	10,28,23,995	65,70,396	10,93,94,391	6.21	10,32,19,794	54,69,710	10,86,89,504	6.17	(0.04)
Total Public Shareholding (B)= (B)(1)+(B)(2)	**55,63,99,038**	**65,83,396**	**56,29,82,434**	**31.96**	**55,70,50,123**	**54,69,710**	**56,25,19,833**	**31.93**	(0.03)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**1,75,49,37,114**	**65,83,396**	**1,76,15,20,510**	**100.00**	**1,75,60,50,800**	**54,69,710**	**1,76,15,20,510**	**100.00**	**0**

(ii) SHAREHOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
Individuals/ Hindu Undivided Family								
1	Anand Chand Burman	6,60,000	0.04	0	6,60,000	0.04	0	0
2	Pradip Burman	3,64,000	0.02	0	3,64,000	0.02	0	0
3	Gauri Tandon	6,77,997	0.04	0	6,77,995	0.04	0	0
4	Asha Burman	1,54,000	0.01	0	1,54,000	0.01	0	0
5	Indira Burman	1,00,000	0.01	0	1,00,000	0.01	0	0
6	Shivani Burman	30,000	0.00	0	30,000	0.00	0	0
7	Amit Burman (HUF)	30,000	0.00	0	30,000	0.00	0	0
8	Pradip Burman (HUF)	30,000	0.00	0	30,000	0.00	0	0
9	Ashok Chand Burman (HUF)	30,000	0.00	0	30,000	0.00	0	0
10	Chetan Burman	30,000	0.00	0	30,000	0.00	0	0
11	Vivek Chand Burman	15,000	0.00	0	15,000	0.00	0	0
12	Eishana Burman	6,000	0.00	0	6,000	0.00	0	0
	Sub-total	**21,26,997**	**0.12**	**0.00**	**21,26,995**	**0.12**	**0**	**0**
Body Corporates								
13	Chowdry Associates (owned by Mr. Saket Burman)	21,79,41,800	12.37	0	21,79,41,800	12.37	0	0
14	VIC Enterprises Private Limited (owned by Mr V C Burman)	21,77,34,000	12.36	0	21,77,34,000	12.36	0	0
15	Gyan Enterprises Private Limited (owned by Mr. Amit Burman)	20,22,37,980	11.48	0	20,22,37,980	11.48	0	0
16	Puran Associates Private Limited (owned by Dr. Anand C Burman)	18,92,12,000	10.74	0	18,92,12,000	10.74	0	0
17	Ratna Commercial Enterprise Private Limited (owned by Mr. Pradip Burman Family Trust)	15,67,31,826	8.90	0	15,71,94,429	8.92	0	0.03
18	Milky Investment and Trading Company (owned by Dr Anand C Burman)	10,61,47,503	6.03	0	10,61,47,503	6.03	0	0
19	Burmans Finvest Private Limited (owned by Mrs Monica Burman)	5,30,12,986	3.01	0	5,30,12,986	3.01	0	0
20	M B Finmart Pvt. Ltd. (owned by Mr Mohit Burman)	2,65,26,492	1.51	0	2,65,26,492	1.51	0	0
21	Windy Investments Private Limited (owned by Mr Gaurav Burman)	2,65,06,492	1.50	0	2,65,06,492	1.50	0	0
22	Sahiwal Investment and Trading Company	15,000	0.00	0	15,000	0.00	0	0
	Sub-total	**1,19,60,66,079**	**67.90**	**0.00**	**1,19,65,28,682**	**67.93**	**0**	**0.03**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
Non Resident Individuals								
23	Saket Burman	3,00,000	0.02	0	3,00,000	0.02	0	0
24	Monica Burman	15,000	0.00	0	15,000	0.00	0	0
25	Minnie Burman	30,000	0.00	0	30,000	0.00	0	0
	Sub-Total	**3,45,000**	**0.02**	**0.00**	**3,45,000**	**0.02**	**0**	**0**
	Total	**1,19,85,38,076**	**68.04**	**0.00**	**1,19,90,00,677**	**68.07**	**0**	**0.03**

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company*
	At the beginning of the year	**1,19,85,38,076**	**68.04**	**1,19,85,38,076**	**68.04**
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc)				
1	**Increase (Purchase of shares)** Ratna Commercial Enterprises Private Limited				
	30.03.2017 (Purchase of share)	62,603	0.00	1,19,86,00,679	68.04
	16.05.2017 (Purchase of share)	1,00,000	0.01	1,19,87,00,679	68.05
	23.08.2017 (Purchase of share)	1,00,000	0.01	1,19,88,00,679	68.05
	06.02.2018 (Purchase of share)	50,000	0.00	1,19,88,50,679	68.06
	16.03.2018 (Purchase of share)	50,000	0.00	1,19,89,00,679	68.06
	19.03.2018 (Purchase of share)	21,744	0.00	1,19,89,22,423	68.06
	20.03.2018 (Purchase of share)	30,800	0.00	1,19,89,53,223	68.06
	22.03.2018 (Purchase of share)	10,000	0.00	1,19,89,63,223	68.06
	23.03.2018 (Purchase of share)	37,456	0.00	1,19,90,00,679	68.07
2	**Decrease (Sale of shares) Ms. Gauri Tandon**				
	20.10.2017 (Sale of shares)	2	0.00	1,19,90,00,677	68.07
	At the end of the year	**1,19,90,00,677**	**68.07**	**1,19,90,00,677**	**68.07**

*Based on the paid up share capital of the Company as on 31.3.2018.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	6,21,22,559	3.53	6,21,22,559	3.53
	Bought during the year	1,27,76,942	0.73	7,48,99,501	4.25
	Sold during the year	1,70,12,732	0.97	5,78,86,769	3.29
	At the end of the year	-	-	5,78,86,769	3.29
2	FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC LEADERS FUND				
	At the beginning of the year	2,18,22,618	1.24	2,18,22,618	1.24
	Bought during the year	0	0.00	2,18,22,618	1.24
	Sold during the year	0	0.00	2,18,22,618	1.24
	At the end of the year	-	-	2,18,22,618	1.24
3	MATHEWS PACIFIC TIGER FUND				
	At the beginning of the year	2,11,17,482	1.20	2,11,17,482	1.20
	Bought during the year	0	0.00	2,11,17,482	1.20
	Sold during the year	0	0.00	2,11,17,482	1.20
	At the end of the year	-	-	2,11,17,482	1.20
4	ARISAIG INDIA FUND LIMITED				
	At the beginning of the year	1,65,02,408	0.94	1,65,02,408	0.94
	Bought during the year	2,87,172	0.02	1,67,89,580	0.95
	Sold during the year	0	0.00	1,67,89,580	0.95
	At the end of the year	-	-	1,67,89,580	0.95
5	MATHEWS INDIA FUND				
	At the beginning of the year	86,38,483	0.49	86,38,483	0.49
	Bought during the year	26,13,693	0.15	1,12,52,176	0.64
	Sold during the year	0	0.00	1,12,52,176	0.64
	At the end of the year	-	-	1,12,52,176	0.64
6	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS				
	At the beginning of the year	91,54,215	0.52	91,54,215	0.52
	Bought during the year	99,10,346	0.56	1,90,64,561	1.08
	Sold during the year	98,92,639	0.56	91,71,922	0.52
	At the end of the year	-	-	91,71,922	0.52
7	FIRST STATE ASIAN EQUITY PLUS FUND				
	At the beginning of the year	81,97,318	0.47	81,97,318	0.47
	Bought during the year	0	0.00	81,97,318	0.47
	Sold during the year	0	0.00	81,97,318	0.47
	At the end of the year	-	-	81,97,318	0.47
8	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND				
	At the beginning of the year	64,62,755	0.37	64,62,755	0.37
	Bought during the year	7,50,393	0.04	72,13,148	0.41
	Sold during the year	0	0.00	72,13,148	0.41
	At the end of the year	-	-	72,13,148	0.41
9	KOTAK FUNDS - INDIA MIDCAP FUND				
	At the beginning of the year	-	0.00	-	0.00
	Bought during the year	71,62,129	0.41	7,162,129	0.41
	Sold during the year	0	0.00	7,162,129	0.41
	At the end of the year			7,162,129	0.41

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No of shares	% of total shares of the Company
10	**ARISAIG GLOBAL EMERGING MARKETS CONSUMER FUND (SINGAPORE) PTE. LTD.**				
	At the beginning of the year	60,36,700	0.34	81,22,715	0.46
	Bought during the year	7,17,706	0.04	67,54,406	0.38
	Sold during the year	0	0.00	67,54,406	0.38
	At the end of the year			67,54,406	0.38

(v) **Shareholding of Directors & Key Managerial Personnel**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No of shares	% of total shares of the Company
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)				
1.	**Mr. P D Narang (Director & KMP)**				
	At the beginning of the year	35,05,273	0.20	35,05,273	0.20
	12/06/2017 (Sale of Shares)	5,000	0.00	35,00,273	0.20
	13/06/2017 (Sale of Shares)	45,000	0.00	34,55,273	0.20
	16/06/2017 (Sale of Shares)	4,684	0.00	34,50,589	0.20
	29/06/2017 (Sale of Shares)	45,000	0.00	34,05,589	0.19
	30/06/2017 (Sale of Shares)	5,000	0.00	34,00,589	0.19
	At the end of the year	-	-	34,00,589	0.19
2.	**Mr. Sunil Duggal (Director & KMP)**				
	At the beginning of the year	45,28,680	0.26	45,28,680	0.26
	09/08/2017 (Purchase of Shares)	60,000	0.00	45,88,680	0.26
	10/08/2017 (Purchase of Shares)	54,845	0.00	46,43,525	0.26
	23/08/2017 (Purchase of Shares)	30,000	0.00	46,63,525	0.26
	At the end of the year*			46,63,525	0.26
	*2,00,000 shares under pledge have been excluded here				
3	**Dr. Anand Chand Burman (Director)**				
	At the beginning of the year	6,60,000	0.04	6,60,000	0.04
	No change during the year	Nil	Nil	Nil	Nil
	At the end of the year			6,60,000	0.04
4	**Mr. Saket Burman (Director)**				
	At the beginning of the year	3,00,000	0.02	3,00,000	0.02
	No change during the year	Nil	Nil	Nil	Nil
	At the end of the year			3,00,000	0.02
	None of the other Directors holds shares in the Company				
5	**Mr. Ashok Kumar Jain -VP Fin. & Company Secretary - (KMP)**				
	At the beginning of the year	2,54,467	0.01	2,54,467	0.01
	10/05/2017 (Sale of shares)	2,000	0.00	2,52,467	0.01
	30/05/2017 (Sale of shares)	2,500	0.00	2,49,967	0.01
	01/06/2017 (Sale of Shares)	4,000	0.00	2,45,967	0.01
	29/06/2017 (Sale of Shares)	1,000	0.00	2,44,967	0.01
	30/06/2017 (Sale of Shares)	3,000	0.00	2,41,967	0.01

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the Company	No of shares	% of total shares of the Company
	At the end of the year			2,41,967	0.01
6	**Mr. Lalit Malik - Chief Financial Officer (KMP)**				
	At the beginning of the year	41,000	0.00	41,000	0.00
	No change during the year	Nil	Nil	Nil	Nil
	At the end of the year			41,000	0.00

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	209.07	73.97	6.12	289.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.75	-	-	0.75
Total (i+ii+iii)	**209.82**	**73.97**	**6.12**	**289.91**
Change in Indebtedness during the financial year				
Additions	1.37	5.16	0	6.53
Reduction	1.81	2.09	0.44	4.34
Net Change	**-0.44**	**3.07**	**-0.44**	**2.19**
Indebtedness at the end of the financial year				
i) Principal Amount	208.60	76.89	5.68	291.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.78	0.15	-	0.93
Total (i+ii+iii)	**209.38**	**77.04**	**5.68**	**292.10**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(Rs. in Crores)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
1	Gross salary	Mr. P.D. Narang (Whole-Time Director)	Mr. Sunil Duggal (Whole-Time Director) designated as CEO	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax. 1961.	7.90	8.02	15.92
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.50	0.47	0.97
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	No. of Stock options	487,500	487,500	975,000
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others (specify)	0	0	0
5	Others, please specify	0	0	0
	Total (A) (1+3+4+5)	**8.40**	**8.49**	**16.89**
Ceiling as per the Act		**10% of the net profits as per Section 198 of the Companies Act, 2013.**		**135.70**

B. REMUNERATION TO OTHER DIRECTORS:

(Rs. in Crores)

Sl. No	Particulars of Remuneration	Name of the Directors						Total Amount
1	Independent Directors	Mr. P.N. Vijay	Dr. S. Narayan	Mr. R C Bhargava	Dr. Ajay Dua	Mr. Sanjay K Bhattacharyya	Ms. Falguni S Nayar	
	(a) Fee for attending Board / Committee meetings	0.11	0.10	0.09	0.11	0.10	0.04	0.54
	(b) Commission				None			
	(c) Others, please specify				None			
	Total (1)	**0.11**	**0.10**	**0.09**	**0.11**	**0.10**	**0.04**	**0.54**
2	Other Non Executive Directors							
	(a) Fee for attending board/committee meetings				None			
	(b) Commission				None			
	(c) Others, please specify.				None			
	Total (2)				**None**			
	Total (B)=(1+2)	**0.11**	**0.10**	**0.09**	**0.11**	**0.10**	**0.04**	**0.54**
	Total Managerial Remuneration*(A+B)							**17.43**
	Overall Ceiling as per the Act.	**11% of the net profits as per Section 198 of the Companies Act, 2013**						**149.27**

*Total remuneration to Managing Director, Whole-Time Directors and other Directors (Being the total of A and B).

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Crores)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	not applicable (CEO is a WTD)	1.21	1.78	2.99
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NA	0.04	0.00	0.04
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NA			
2	No. of Stock Options	NA	38,500	50,000	88,500
3	Sweat Equity	NA	0	0	0
4	Commission	NA	0	0	0
	- as % of profit	NA	0	0	0
	- others, specify	NA	0	0	0
5	Others, please specify	NA	0	0	0
	Total (1+3+4+5)	**NA**	**1.25**	**1.78**	**3.03**

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			NONE		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NONE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NONE		
Compounding					

Annexure 11

Dividend Distribution Policy

1. INTRODUCTION

The Company has in place a Dividend Policy since long. After incorporation of Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations') the existing Dividend policy has been revised and framed according to the Listing Regulations and the Companies Act, 2013.

The Company aims at rewarding its shareholders by sharing a part of its profits after retaining sufficient funds for the growth of the Company. The Company has been able to pursue its aim over years and has been able to maintain fairness, consistency and sustainability while distributing profits to its shareholders. This policy has been framed with an objective to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, this Policy lays down various guidelines, factors and parameters to be considered by the Board of Directors of the Company while recommending/ declaring Dividend from time to time.

2. PURPOSE AND REGULATORY FRAMEWORK

As per regulation 43A of the Listing Regulations, which requires top five hundred listed Companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website. Accordingly, the Company has revised its existing Dividend Policy in line with the requirements of Listing Regulations and the Companies Act, 2013.

3. POLICY

A) Declaration of dividend only out of profits

Dividend shall be declared or paid only out of -

i) Current Year's profit
   a) After providing for depreciation in accordance with law,
   b) After transferring to the reserves of the Company such percentage of profits as may be considered appropriate or as may be prescribed, or

ii) The Profits for any previous financial year or years
   a) after providing for depreciation in accordance with law, and
   b) remaining undistributed, or

iii) out of i) & ii) both

B) Set off of Losses and depreciation of previous years

Before declaring any dividend, the carried over previous losses and depreciation not provided in previous year or years must be set off against the profits of the Company for the current year.

C) Declaration of Dividend out of reserves

Board of Directors should avoid the practice of Declaration of Dividend out of Reserves.

D) Amount of Dividend

Board of Directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% of Dabur India Ltd`s standalone profit after tax OR 40% of Dabur India Ltd`s consolidated profit after tax, subject to

- Company's need for Capital for its growth plan
- Positive Cash Flow

(* To be reviewed every 2 to 3 years, if need be)

E) Timing

1. Interim Dividend
   - Board of Directors to declare,
   - Based on review of profits earned during the current year - to date one to three times a year.
2. Final Dividend
- Board of Directors to recommend to members for their approval,
- Based on review of profits arrived at as per audited financial statements, for the year,
- Maximum once in a year.

F) Parameters / factors to be considered before declaring dividend

1) Financial parameters
   - Current year profits
   - Operating cash flow
   - Outstanding borrowings, including debt to equity ratio.
   - Cost of borrowings
   - Past dividend trends

2) Internal Factors that shall be considered for

declaration of dividend

- Outlook of the Company in line with its business plan
- Future capital expenditure program including
  - New project
  - Expansion of capacities of existing units
  - Renovation/ Modernization
  - Major Repairs & Maintenance
- Working capital requirements
- Likelihood of crystalization of contingent liabilities, if any
- Contingency Fund
- Acquisition of brands / businesses
- Sale of brands/ businesses.
- Restrictions in any agreements executed by the Company.

3) External factors

- Prevailing regulatory and legal requirements, including tax regulations
- Industry trend
- State of economy in the country and worldwide.

4) Parameters that shall be adopted with regard to various classes of shares

Presently, the Authorized Share Capital of the Company is divided into equity shares of Re.1/-per share and accordingly, the issued and paid-up share capital of the Company comprises of only one class of equity shares.

As and when the Company shall issue other class of equity shares or other kind of shares, the Policy may be suitably amended.

G) Circumstances under which shareholders may or may not expect dividend

The Board of Directors shall consider the factors provided in this policy before determination of any dividend payout.

The shareholders of the Company may not expect Dividend under the following circumstances:

- In the event of inadequacy of profits or whenever the Company has incurred losses,
- Whenever the Company undertakes or proposes to undertake a significant expansion Project or any acquisition or Joint Venture, requiring significant allocation of funds;

H) How the retained earnings will be utilised

The retained earnings shall be utilized for business purposes of the Company and to increase the value of the stakeholders in the long run. Utilization of retained earnings may be for:

- Acquisition of brands/ businesses;
- Entry into Joint Ventures;
- Expansion plans;
- Enhancement of production capacity;
- Modernization plans;
- Diversification of business;
- Long term Business plans;
- Declaration of any special dividend under any special circumstances, as permitted by law;
- Other such utilizations as may be deemed fit from time to time.

Disclosures

- The Company shall make appropriate disclosures as required under the Listing Regulations and the Companies Act, 2013.
- The Policy shall be disclosed in the Company`s Annual Report and website.
- If the Company proposes to declare dividend on the basis of parameters in addition to the parameters/ factors mentioned in this policy or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

I) Amendments to the policy

The Policy may be amended, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Dabur India Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Dabur India Limited ('the Company'), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The standalone financial statements of the Company for the year ended 31 March, 2017, were audited by another auditor who had expressed an unmodified opinion on those financial statements vide their audit report dated 01 May, 2017. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act;

    f) We have also audited the Internal Financial Controls over Financial Reporting (IFCoFR) of the Company as on 31 March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 01 May, 2018 as per Annexure B expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

        i. the Company, as detailed in Note 45 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

        iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November, 2016 to 30 December, 2016 which are not relevant to these standalone financial statements. Hence, reporting under this Clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531
Place: New Delhi
Date: May 1, 2018

Annexure A

Annexure A to the Independent Auditor's Report of even date to the members of Dabur India Limited, on the standalone financial statements for the year ended 31 March, 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of Property, Plant and Equipment, Capital work-in-progress, Investment Property and Other Intangible assets.

(b) The fixed assets comprising of property, plant and equipment, capital work-in-progress, and investment property have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (which are included in property, plant and equipment, capital work-in-progress and investment property) are held in the name of the Company.

(ii) In our opinion, the Management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the Management. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of Clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹) in Crores	Amount paid under protest (₹) in Crores	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, Local Sales Tax Act, Value Added Tax,	Value Added Tax/Central Sales Tax	84.67	23.10	1999-2000 to 2016-17	Assessing Authority / Commissioner's Level / Revision Board
		7.17	1.58	1997-98 to 2003-04,2005-06 to 2015-16	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		20.71	2.03	1990-91 to 1994-95, 1996-97 to 2000-01, 2006-07 to 2012-13	Hon'ble High Courts
Central Excise Act, 1944	Excise Duty	1.47	0.09	1995-96 to 2016-17	Commissioner (Appeals)
		71.61	4.26	1994-95 to 2015-16	CESTAT
Finance Act, 2004 and Service tax Rules	Service Tax	0.92	0.92	2004-05 to 2008-09	CESTAT
The Indian Stamp Act, 1899	Stamp Duty	15.30	3.80	2007 to 2015	Hon'ble High Court

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of Clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531
Place: New Delhi
Date: May 1, 2018

Annexure B

Annexure B to the Independent Auditor's Report of even date to the members of Dabur India Limited on the standalone financial statements for the year ended 31 March, 2018

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Dabur India Limited ("the Company") as of and for the year ended 31 March, 2018, we have audited the Internal Financial Controls over Financial Reporting ("IFCoFR") of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31 March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531
Place: New Delhi
Date: May 1, 2018

Standalone Balance Sheet

as at 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2018	31 March, 2017
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	6A	971.34	929.18
b) Capital work-in-progress	6B	26.82	28.25
c) Investment property	6C	50.36	51.35
d) Other intangible assets	6D	8.78	12.80
e) Financial assets			
(i) Investments	7	2,719.69	2,319.03
(ii) Loans	8	9.61	8.92
(iii) Others	9	4.09	4.00
f) Non-current tax assets (net)	10	3.28	3.28
g) Other non-current assets	11	59.89	74.60
Total Non-Current Assets		**3,853.86**	**3,431.41**
Current Assets			
a) Inventories	12	704.79	599.27
b) Financial assets			
(i) Investments	13	713.39	735.12
(ii) Trade receivables	14	321.34	333.25
(iii) Cash and cash equivalents	15	77.67	16.94
(iv) Bank balances other than (iii) above	16	9.35	9.22
(v) Loans	17	1.41	3.35
(vi) Others	18	4.06	7.36
c) Other current assets	19	126.83	81.10
Total Current Assets		**1,958.84**	**1,785.61**
Total Assets		**5,812.70**	**5,217.02**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	20	176.15	176.15
b) Other equity	21	4,050.71	3,481.73
Total Equity		**4,226.86**	**3,657.88**
LIABILITIES			
Non-Current Liabilities			
a) Financial liabilities			
(i) Borrowings	22	201.04	200.64
(ii) Other financial liabilities	23	4.25	3.71
b) Provisions	24	50.04	47.52
c) Deferred tax liabilities (net)	25	96.03	98.28
Total Non-Current Liabilities		**351.36**	**350.15**
Current Liabilities			
a) Financial liabilities			
(i) Borrowings	26	85.49	83.04
(ii) Trade payables	27	960.62	914.52
(iii) Other financial liabilities	28	81.60	76.52
b) Other current liabilities	29	38.48	70.40
c) Provisions	30	64.39	54.38
d) Current tax liabilities (net)	31	3.90	10.13
Total Current Liabilities		**1,234.48**	**1,208.99**
Total Liabilities		**1,585.84**	**1,559.14**
Total Equity And Liabilities		**5,812.70**	**5,217.02**
Significant accounting policies	**5**		

The accompanying notes 1 to 63 are an integral part of these financial statements

This is the Standalone Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2018	31 March, 2017
Income			
Revenue from operations	32	5,609.06	5,369.84
Other income	33	283.23	274.64
Total Income		**5,892.29**	**5,644.48**
Expenses			
Cost of materials consumed	34	2,060.26	1,843.18
Excise duty		16.77	79.19
Purchases of stock-in-trade		916.46	944.60
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(74.03)	(8.19)
Employee benefits expense	36	461.13	425.30
Finance costs	37	21.89	16.23
Depreciation and amortisation expense	38	102.50	75.43
Other expenses			
Advertisement and publicity		461.95	418.03
Others	39	537.69	556.36
Total Expenses		**4,504.62**	**4,350.13**
Profit before exceptional items and tax		**1,387.67**	**1,294.35**
Exceptional items	40	14.54	-
Profit before tax		**1,373.13**	**1,294.35**
Tax expense	41		
Current tax		340.33	310.83
Deferred tax		(39.25)	(14.81)
Total Tax Expense		**301.08**	**296.02**
Net profit for the year		**1,072.05**	**998.33**
Other comprehensive income	42		
A (i) Items that will not be reclassified to profit or loss		(0.77)	3.35
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.16	(1.16)
B (i) Items that will be reclassified to profit or loss		(37.74)	14.12
(ii) Income tax relating to items that will be reclassified to profit or loss		8.79	(3.26)
Total Other Comprehensive Income		**(29.56)**	**13.05**
Total Comprehensive Income for the year		**1,042.49**	**1,011.38**
Earnings per equity share			
Basic ₹	43	6.09	5.67
Diluted ₹		6.06	5.64
Significant accounting policies	**5**		

The accompanying notes 1 to 63 are an integral part of these financial statements
This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Cash Flow Statement

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	31 March, 2018	31 March, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,373.13	1,294.35
Adjustments for:		
Depreciation and amortisation expense	102.50	75.43
(Profit) / loss on disposal/impairment of property, plant and equipment (net)	(2.42)	0.86
Share based payment expense	2.13	11.22
Provision for disputed liabilities	6.00	6.00
Provision for employee benefits	6.53	3.46
Finance costs	18.24	11.23
Interest income	(218.68)	(199.14)
Net unrealised foreign exchange (gain) / loss	(0.97)	0.87
Loss / (gain) on fair valuation of financial instruments (net)	3.69	(1.62)
Gain on sale of financial assets measured at FVTPL	(19.12)	(23.28)
Gain on sale of financial assets measured at FVOCI	(19.87)	(32.51)
Exceptional items	14.54	-
Operating profit before working capital changes and other adjustments	**1,265.70**	**1,146.87**
Working capital changes and other adjustments:		
(Increase) / decrease in inventories	(105.52)	16.28
Decrease in trade receivables	11.91	87.43
Decrease / (increase) in current and non-current financial assets	4.33	(0.51)
Increase in other current and non-current assets	(79.25)	(22.97)
Increase / (decrease) in trade payables	31.57	(24.18)
Increase / (decrease) in other current and non-current financial liabilities	17.92	(16.10)
(Decrease)/increase in other current liabilities	(31.92)	14.62
Cash flow from operating activities post working capital changes	**1,114.74**	**1,201.44**
Direct taxes paid (net of refund)	(301.07)	(274.50)
Net cash flow from operating activities (A)	**813.67**	**926.94**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment; capital work-in-progress; investment properties and intangible assets	(110.74)	(411.12)
Proceeds from disposal of property, plant and equipment; capital work-in-progress; investment properties and intangible assets	11.71	3.49
Purchases of investments	(8,701.24)	(8,721.39)
Interest received	220.72	172.03
Proceeds from sale of investments	8,317.17	8,274.87
Net cash used in investing activities (B)	**(262.38)**	**(682.12)**

(All amounts in ₹ crores, unless otherwise stated)

Particulars	31 March, 2018	31 March, 2017
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	-	14.87
Proceeds from non-current borrowings (including current maturities)	0.39	200.00
Repayment of current borrowings (net)	0.77	(1.40)
Dividend paid	(396.34)	(396.34)
Dividend distribution tax paid	(80.69)	(80.69)
Finance costs paid	(17.57)	(10.10)
Net cash used in financing activities (C)	**(493.44)**	**(273.66)**
Increase / (decrease) in cash and cash equivalents (A+B+C)	57.85	(28.84)
Cash and cash equivalents at the beginning of the year	(1.25)	24.41
Net unrealised foreign exchange gain	1.20	3.18
Cash and cash equivalents at the end of the year	**57.80**	**(1.25)**

Note:

Cash and cash equivalent (as per note 15 to the financial statements)	**77.67**	**16.94**
Balances with banks in cash credit accounts (refer note 26)	(8.60)	(9.07)
Balances with banks in over draft accounts (refer note 26)	(11.27)	(9.12)
Cash and cash equivalent as per Standalone Cash Flow Statement	**57.80**	**(1.25)**

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes 1 to 63 are an integral part of these financial statements
This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31 March, 2018

A. Equity share capital *

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Number of shares	Amount
Balance as at 01 April, 2016	**1,75,91,41,170**	**175.91**
Issued during the year	23,79,340	0.24
Balance as at 31 March, 2017	**1,76,15,20,510**	**176.15**
Balance as at 01 April, 2017	**1,76,15,20,510**	**176.15**
Issued during the year	-	-
Balance as at 31 March, 2018	**1,76,15,20,510**	**176.15**

B. Other equity**

Particulars	Reserves and surplus					Other Comprehensive Income (OCI)	Total
	Capital reserve	Securities premium reserve	Share option outstanding account	General reserve	Retained earnings	Debt instruments through OCI	
Balance as at 01 April, 2016	**26.92**	**199.37**	**90.87**	**413.52**	**2,169.17**	**18.53**	**2,918.38**
Profit for the year	-	-	-	-	998.33	-	998.33
Other comprehensive income for the year							
Re-measurements gains on defined benefit plans (net of tax of ₹ 1.16 crores)	-	-	-	-	2.19	-	2.19
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 3.26 crores)	-	-	-	-	-	10.86	10.86
Transfer from share option outstanding account on exercise of options	-	16.17	(16.17)	-	-	-	-
Received during the year against issue of shares to employees under ESOP scheme	-	14.71	-	-	-	-	14.71
Recognition of share based payment expenses (refer note 36)	-	-	11.21	-	-	-	11.21
Share based payment for employee of subsidiaries (refer note 54)	-	-	3.08	-	-	-	3.08
Bonus shares issued	-	-	0.09	-	(0.09)	-	-
Transfer to general reserve	-	-	-	99.91	(99.91)	-	-
Transactions with owners in their capacity as owners							
Dividends (refer note 44)	-	-	-	-	(477.03)	-	(477.03)
Balance as at 31 March, 2017	**26.92**	**230.25**	**89.08**	**513.43**	**2,592.66**	**29.39**	**3,481.73**
Balance as at 1 April, 2017	**26.92**	**230.25**	**89.08**	**513.43**	**2,592.66**	**29.39**	**3,481.73**
Profit for the year	-	-	-	-	1,072.05	-	1,072.05
Other comprehensive income for the year							
Re-measurements loss on defined benefit plans (net of tax of ₹0.16 crores)	-	-	-	-	(0.61)	-	(0.61)
Net fair value loss on investment in debt instruments through OCI (net of tax of ₹8.79 crores)	-	-	-	-	-	(28.95)	(28.95)
Recognition of share based payment expenses (refer note 36)	-	-	2.13	-	-	-	2.13
Share based payment for employee of subsidiaries (refer note 54)	-	-	1.39	-	-	-	1.39
Transactions with owners in their capacity as owners				-	-	-	-
Dividends (refer note 44)	-	-	-	-	(477.03)	-	(477.03)
Balance as at 31 March, 2018	**26.92**	**230.25**	**92.60**	**513.43**	**3,187.07**	**0.44**	**4,050.71**

* refer note 20

** refer note 21

The accompanying notes 1 to 63 are an integral part of these financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Summary of significant accounting policies and other explanatory information

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

1. Company Information

Dabur India Limited (the 'Company') is a domestic public limited Company with registered office situated at 8/3, Asaf Ali Road, New Delhi – 110002 and is listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE) and Metropolitan Stock Exchange of India Limited (MSEI). The Company is one of the leading Fast Moving Consumer Goods (FMCG) players dealing in consumer care and food products. It has manufacturing facilities across the length and breadth of the country and research and development center in Sahibabad (Uttar Pradesh) and selling arrangements primarily in India through independent distributors. However, most of the institutional sales are handled directly by the Company.

2. General Information and Statement of Compliance with Ind AS

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees ('₹') which is also the functional currency of the Company.

The financial statements for the year ended 31 March, 2018 were authorized and approved for issue by the Board of Directors on 01 May, 2018. The revision to financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Amount in the financial statements are presented in ₹ crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

4. Recent Accounting Pronouncements

In March, 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 via notification dated 28 March, 2018 to further amend Companies (Indian Accounting Standards) Rules, 2015, notifying a new revenue recognition standard Ind AS 115, 'Revenue from Contracts with Customer'. This amendment replaces Ind AS 18, 'Revenue' and Ind AS 11, 'Construction Contracts'. Also notifying an insertion of Appendix B, 'Foreign currency transaction and advance consideration' to Ind AS 21, 'The effect of change in foreign exchange rate', amendment to Ind AS 40, 'Investment property' and amendment to Ind AS 12, 'Income taxes'. The amendments are applicable to the Company from 01 April, 2018.

- **Notification of Ind AS 115:**

  The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

  a. Identify the contract(s) with a customer;
  b. Identify the performance obligations;
  c. Determine the transaction price;
  d. Allocate the transaction price to the performance obligations;
  e. Recognize revenue when or as an entity satisfies performance obligation.

  The Company is evaluating the requirements of the amendment and its impact on the financial statements.

- **Insertion of Appendix B to Ind AS 21:**

  This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/ liability), for recognising related expense/income on the settlement of said asset/liability.

  This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

a. At fair value; or
b. At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

An entity is not required to apply this Appendix to:
a. income taxes; or
b. insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

- **Amendment to Ind AS 40:**

An entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in Management's intentions for the use of a property does not provide evidence of a change in use.

When an entity decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized (eliminated from the balance sheet) and does not reclassify it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property and is not reclassified as owner-occupied property during the redevelopment."

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

- **Amendment to Ind AS 12**

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

5. Summary of Significant Accounting Policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

a. Current / Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Revenue Recognition:

- Revenue from sale of products have been recognized with the transfer of significant risk and rewards of ownership of the goods, with the Company losing effective control or the right to managerial involvement thereon and the revenue (representing future economic benefit associated with the transaction) including cost incurred or to be incurred in respect of the transaction are measurable reliably and the recovery of the consideration is probable.

  Revenue from sale of products are measured at the fair value of consideration received or receivable (net of taxes). Excise duty is a levy on manufacture irrespective of ultimate sale of goods and hence the recovery of excise duty flows to the Company on its own account. Accordingly, revenues from sale of products are stated gross of excise duty. Goods and Service Tax ('GST), Sales Tax and Value Added Tax ('VAT') are not received by the Company on its own account but collected on behalf of the Government and accordingly, are excluded from revenue.

- Income from export incentives such as duty drawback, premium on sale of import licenses and lease license fee are recognized on accrual basis.

- Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

- Interest income is recognized using effective interest method.

- Dividend income is recognized at the time when the right to receive is established by the reporting date.

- Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

c. **Property, Plant and Equipment:**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. These tangible assets are held for use in production, supply of goods or services or for administrative purposes.

- Cost comprises of purchase cost, freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such costs also include borrowing cost if the recognition criteria are met.
- When a major inspection/repair occurs, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/ repair is derecognized. All other repair and maintenance are recognized in the Standalone Statement of Profit and Loss as incurred.
- Depreciation on property, plant and equipment is provided over the useful lives of assets as specified in Schedule II to the Act except where the Management, has estimated useful life of an asset supported by the technical assessment, external or internal i.e., higher or lower from the indicative useful life given under Schedule II. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Useful lives (upto)
Leasehold land	Over lease period
Building	60 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	10 years

The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

- Components relevant to property, plant and equipment, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specific context.
- For new projects, all direct expenses and direct overheads (excluding services of non-exclusive nature provided by employees in Company's regular payroll) are capitalized till the assets are ready for intended use.
- During disposal of property, plant and equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a-vis carrying cost of assets is accounted for in Standalone Statement of Profit and Loss.

d. **Capital work-in-progress and intangible assets under development:**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects / intangible assets under development and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

e. **Investment Property:**

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act.

Significant parts of the property are depreciated separately based on their specific useful lives as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years

Any gain or loss on disposal of investment properties is recognized in Standalone Statement of Profit and Loss.

Fair value of investments properties under each category are disclosed under note 6C to the financial statements. Fair values are determined based on the evaluation performed by an accredited external independent valuer applying a recognized and accepted valuation model or estimation based on available sources of information from market.

Transfers to or from the investment property is made only when there is a change in use and the same is made at the carrying amount of investment property.

f. Intangible Assets:

- Intangible assets acquired separately are measured on initial recognition at cost of acquisition. The cost comprises of purchase price and directly attributable costs of bringing the assets to its working condition for intended use. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. In case of internally generated assets, measured at development cost subject to satisfaction of recognition criteria (identifiability, control and future economic benefit) in accordance with Ind AS 38 'Intangible Assets'.
- Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.
- Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.
- Amortization of intangible assets such as softwares is computed on a straight-line basis, at the rates representing estimated useful life of up to 5 years. The brands and trademarks acquired as part of business combinations normally have a remaining legal life of not exceeding ten years but is renewable every ten years at little cost and is well established.

g. Government Subsidy / Grants:

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

- Subsidy related to assets is recognized as deferred income which is recognized in the Standalone Statement of Profit and Loss on systematic basis over the useful life of the assets.
- Purchase of assets and receipts of related grants are separately disclosed in Standalone Statement of Cash Flow.
- Grants related to income are treated as other operating income in Standalone Statement of Profit and Loss subject to due disclosure about the nature of grant.

h. Impairment of Non-Financial Assets:

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Standalone Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Standalone Statement of Profit and Loss. An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.

i. Impairment of Financial Assets:

In accordance with Ind AS 109 'Financial

Instruments', the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

j. Trade Receivables:

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

k. Other Financial Assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

l. Financial Instruments:

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-derivative financial assets

Subsequent measurement

- **Financial assets carried at amortized cost**

  A financial asset is measured at the amortized cost, if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b. Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ('EIR') method.

- **Investments in equity instruments of subsidiaries and Joint Ventures**

  Investments in equity instruments of subsidiaries and Joint Ventures are accounted for at cost in accordance with Ind AS 27 'Separate Financial Statements'.

- **Investments in other equity instruments**

  Investments in equity instruments which are held for trading are classified as at Fair Value Through Profit or Loss ('FVTPL'). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at Fair Value through Other Comprehensive Income ('FVOCI') or Fair Value Through Profit or Loss ('FVTPL'). Amounts

presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- **Debt instruments**

  Debt instruments are initially measured at amortized cost, Fair Value through Other Comprehensive Income ('FVOCI') or Fair Value Through Profit or Loss ('FVTPL') till de-recognition on the basis of:

  a. the entity's business model for managing the financial assets and

  b. the contractual cash flow characteristics of the financial asset.

a. Measured at amortized cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the EIR method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Standalone Statement of Profit and Loss.

b. Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the Other Comprehensive Income ('OCI'). Interest income measured using the EIR method and impairment losses, if any are recognized in the Standalone Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Standalone Statement of Profit and Loss.

c. Measured at fair value through profit or loss

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Standalone Statement of Profit and Loss.

- **Investments in mutual funds**

  Investments in mutual funds are measured at FVTPL.

De-recognition of financial assets

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Standalone Statement of Profit and Loss.

Derivative financial instruments

The Company holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks/regulated brokerage firms.

Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or

loss. The resulting exchange gain or loss is included in other income/expenses and attributable transaction costs are recognized in the Standalone Statement of Profit and Loss when incurred.

- **Financial guarantee contracts**

  Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the Standalone Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m. Fair Value Measurement:

The Company measures financial instruments, such as, derivatives at fair value at each Standalone Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

n. Leases:

Where the Company is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Standalone Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease other than finance lease is treated as operating lease. Operating lease payments are recognized as an expense in the Standalone Statement of Profit and Loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with general inflation index.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except when the lease rentals increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

o. Inventories:

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-trade valued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued at moving weighted average basis plus appropriate overheads.

p. Employee Benefits:

Liabilities in respect of employee benefits to employees are provided for as follows:

- **Current employee benefits**

  a. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee dues payable in the Standalone Balance Sheet.

  b. Employees' State Insurance ('ESI') is provided on the basis of actual liability accrued and paid to authorities.

c. The Company has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

d. Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

- **Post separation employee benefit plan**

a. Defined benefit plan

- Post separation benefits of Directors are accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'.
- Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Standalone Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on Government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.
- Company contributes its share of contribution to Employees' Provident Fund Scheme administered by a separate trust with its obligation to make good the shortfall, if any, in trust fund arising on account of difference between the return on investments of the trust and the interest rate on provident fund dues notified periodically by the Central Government.
- Actuarial gain / loss pertaining to gratuity are accounted for as OCI. All remaining components of costs are accounted for in Standalone Statement of Profit and Loss.

b. Defined contribution plans

Liability for superannuation fund is provided on the basis of the premium paid to insurance Company in respect of employees covered under Superannuation Fund Policy.

q. Taxation:

Tax expense recognized in Standalone Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be

recognized as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Standalone Statement of Profit and Loss is recognized outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

r. Provisions, Contingent Liability and Contingent Assets:

- Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- Contingent liability is disclosed for:
  a. Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
  b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

s. Foreign Currency Translation:

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Standalone Statement of Profit and Loss in the year in which they arise.

t. Share based payments - Employee Stock Option Scheme ('ESOP'):

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

u. Operating Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

v. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of

equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares.

w. Research and Development:

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

x. Borrowing Cost:

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Standalone Statement of Profit and Loss as incurred.

y. Cash and Cash Equivalents:

For the purpose of the Standalone Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash Management.

z. Significant Management judgement in applying accounting policies and estimation uncertainty:

The preparation of the Company's financial statements requires the Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Classification of leases**

  The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased assets and extent of specialized nature of the leased asset.

- **Recoverability of advances / receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit losses on outstanding receivables and advances.

- **Defined Benefit Obligation ('DBO')**

  Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Provisions**

  At each balance sheet date basis the Management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Contingencies**

  Contingent liabilities may arise from the

ordinary course of business in relation to claims against the Company, refer note 45. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

- **Inventories**

  The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

- **Useful lives of depreciable / amortizable assets**

  Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Valuation of investment property**

  Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

- **Income taxes**

  The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 41).

- **Recognition of deferred tax assets**

  The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

6A Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Description	Leasehold land	Freehold land	Buildings	Plant and equip-ment	Furni-ture and fixtures	Vehicles	Office equip-ment	Total
Gross Block								
Balance as at 01 April, 2016	**15.56**	**37.97**	**327.32**	**577.44**	**57.70**	**20.25**	**43.54**	**1,079.78**
Addition for the year	8.10	-	113.90	216.70	9.01	3.60	3.30	354.61
Transfer from capital work-in-progress	-	-	5.08	18.17	0.95	-	-	24.20
Disposals / adjustments for the year	-	-	1.33	9.08	5.08	3.21	2.08	20.78
Balance as at 31 March, 2017	**23.66**	**37.97**	**444.97**	**803.23**	**62.58**	**20.64**	**44.76**	**1,437.81**
Addition for the year	7.90	1.57	35.47	62.86	7.23	7.18	2.73	124.94
Transfer from capital work-in-progress	0.02	-	5.92	16.23	0.07	-	-	22.24
Disposals / adjustments for the year	-	0.65	6.61	13.02	0.61	2.79	2.57	26.25
Balance as at 31 March, 2018	**31.58**	**38.89**	**479.75**	**869.30**	**69.27**	**25.03**	**44.92**	**1,558.74**
Accumulated Depreciation								
Balance as at 01 April, 2016	**1.69**	**-**	**98.65**	**277.61**	**34.75**	**7.85**	**37.46**	**458.01**
Addition for the year	0.56	-	9.91	49.89	3.54	2.18	2.54	68.62
Disposals / adjustments for the year	-	-	0.53	8.30	4.82	2.37	1.98	18.00
Balance as at 31 March, 2017	**2.25**	**-**	**108.03**	**319.20**	**33.47**	**7.66**	**38.02**	**508.63**
Addition for the year	0.71	-	13.77	73.23	4.29	2.38	2.24	96.62
Disposals / adjustments for the year	-	-	5.32	7.70	0.59	1.77	2.47	17.85
Balance as at 31 March, 2018	**2.96**	**-**	**116.48**	**384.73**	**37.17**	**8.27**	**37.79**	**587.40**
Net block as at 01 April, 2016	**13.87**	**37.97**	**228.67**	**299.83**	**22.95**	**12.40**	**6.08**	**621.77**
Net block as at 31 March, 2017	**21.41**	**37.97**	**336.94**	**484.03**	**29.11**	**12.98**	**6.74**	**929.18**
Net block as at 31 March, 2018	**28.62**	**38.89**	**363.27**	**484.57**	**32.10**	**16.76**	**7.13**	**971.34**

Notes:

a) Addition to the above property, plant and equipment includes ₹ 5.98 crores (31 March, 2017: ₹ 3.87 crores) incurred at Company's inhouse research and development facilities at Sahibabad, Uttar Pradesh.

b) Finance cost capitalised during the year is ₹ Nil (31 March, 2017: ₹ 4.98 crores), refer note 37. Capitalization rate used was Nil (31 March, 2017: 7.08%).

c) Other expenses capitalised during the year is ₹ Nil (31 March, 2017: ₹ 3.18 crores).

d) Plant and equipment have been hypothecated with banks against term loans, refer note 22.

e) **Contractual obligations :** Refer note 45 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

f) **Leasehold land :** Represents land taken on lease for the years ranging from 20 to 99.

g) **Impairment loss :** 'Disposals / adjustments for the year' above include impairment provision mainly pertaining to assets which are lying idle, damaged and having no future use amounting to ₹ 4.44 crores (31 March, 2017 : ₹ 0.80 crores)

6B Capital Work-in-Progress:

The changes in the carrying value of capital work-in-progress for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Description	Amount
Gross Block	
Balance as at 01 April, 2016	**24.96**
Addition for the year	27.49
Transfer to property, plant and equipment	24.20
Disposal for the year	-
Balance as at 31 March, 2017	**28.25**
Addition for the year	20.82
Transfer to property, plant and equipment	22.25
Disposal for the year	-
Balance as at 31 March, 2018	**26.82**

6C Investment Property:

The changes in the carrying value of investment property for the year ended 31 March, 2017 and 31 March, 2018 are as follows:

Description	Freehold land	Buildings	Total
Gross Block			
Balance as at 01 April, 2016	**5.06**	**53.57**	**58.63**
Addition for the year	-	-	-
Disposals for the year	-	-	-
Balance as at 31 March, 2017	**5.06**	**53.57**	**58.63**
Addition for the year	-	-	-
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**5.06**	**53.57**	**58.63**
Accumulated Depreciation			
Balance as at 01 April, 2016	**-**	**6.29**	**6.29**
Addition for the year	-	0.99	0.99
Disposals for the year	-	-	-
Balance as at 31 March, 2017	**-**	**7.28**	**7.28**
Addition for the year	-	0.99	0.99
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**-**	**8.27**	**8.27**
Net block as at 01 April, 2016	**5.06**	**47.28**	**52.34**
Net block as at 31 March, 2017	**5.06**	**46.29**	**51.35**
Net block as at 31 March, 2018	**5.06**	**45.30**	**50.36**

Notes:

a) Amount recognized in Standalone Statement of Profit and Loss for investment properties:

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Rental income derived from investment properties	9.98	10.01
Less: direct operating expenses that generated rental income	0.31	0.90
Less: direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties before depreciation	**9.67**	**9.11**
Less: depreciation expense	0.99	0.99
Profit from leasing of investment properties after depreciation	**8.68**	**8.12**

b) As at 31 March, 2018, the fair value of investment properties are ₹ 157.52 crores (31 March, 2017: ₹ 157.24 crores). These valuations are based on valuations performed by accredited independent valuer. Fair Value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

c) **Leasing arrangements :** Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Refer note 49 for details on future minimum lease rentals.

6D Other Intangible Assets:

The changes in the carrying value of other intangible asset for the year ended 31 March, 2017 and 31 March, 2018 are as follows:

Description	Brands / trademarks	Computer software	Total
Gross Block			
Balance as at 01 April, 2016	**12.94**	**38.62**	**51.56**
Addition for the year	-	1.58	1.58
Disposals for the year	-	-	-
Balance as at 31 March, 2017	**12.94**	**40.20**	**53.14**
Addition for the year	-	0.87	0.87
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**12.94**	**41.07**	**54.01**
Accumulated Depreciation			
Balance as at 01 April, 2016	**11.72**	**22.80**	**34.52**
Addition for the year	0.12	5.70	5.82
Disposals for the year	-	-	-
Balance as at 31 March, 2017	**11.84**	**28.50**	**40.34**
Addition for the year	0.12	4.77	4.89
Disposals for the year	-	-	-
Balance as at 31 March, 2018	**11.96**	**33.27**	**45.23**
Net block as at 01 April, 2016	**1.22**	**15.82**	**17.04**
Net block as at 31 March, 2017	**1.10**	**11.70**	**12.80**
Net block as at 31 March, 2018	**0.98**	**7.80**	**8.78**

7 Non-Current Investments *

Particulars	No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
I Investment in equity instruments				
a) Subsidiary Companies (at cost) (unquoted)^				
A Dabur International Limited Shares of face value of PSTG 1 each	17,00,000	59.49	17,00,000	59.49
B H & B Stores Limited Shares of face value of ₹ 1 each	29,64,93,165	29.65	29,64,93,165	29.65
C Dermoviva Skin Essentials Inc. Shares of face value of USD 1 each	5,65,000	2.54	5,65,000	2.54
Sub-Total		**91.68**		**91.68**
b) Joint Venture (at cost) (unquoted)^				
A Forum I Aviation Private Limited Shares of face value ₹ 10 each	74,87,251	6.99	74,87,251	6.99
Sub-Total		**6.99**		**6.99**

Particulars	No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
c) Other entities (unquoted) #				
A Sanat Products Limited Shares of face value of ₹ 100 each	50,000	0.05	50,000	0.05
B Shivalik Solid Waste Management Limited Shares of face value of ₹ 10 each	18,000	0.02	18,000	0.02
Sub-Total		**0.07**		**0.07**
II Other investments				
a) Investments in government or trust securities (unquoted) #				
A National Saving Certificates		0.02		0.02
Sub-Total		**0.02**		**0.02**
b) Investments in government or trust securities (quoted) #				
A 8.97% Government Stock 2030 Units of face value of ₹ 100 each	20,00,000	22.54	20,00,000	23.20
B 8.83% Government Stock 2041 Units of face value of ₹ 100 each	80,00,000	91.71	80,00,000	93.51
C 9.20% NI Government Stock 2030 Units of face value of ₹ 100 each	70,00,000	78.28	70,00,000	80.54
D 9.23% NI Government Stock 2043 Units of face value of ₹ 100 each	1,60,00,000	191.97	1,60,00,000	195.33
E 8.60% GOI 2028 Units of face value of ₹ 100 each	35,00,000	38.43	35,00,000	39.31
F 8.23% Gujarat State Development Loan 2025 Units of face value of ₹ 100 each	10,00,000	10.27	10,00,000	10.42
G 8.27% Karnataka State Development Loan 2025 Units of face value of ₹ 100 each	15,00,000	15.68	15,00,000	15.91
H 8.38% Karnataka State Development Loan 2026 Units of face value of ₹ 100 each	15,00,000	15.64	15,00,000	15.91
I 9.24% Maharashtra State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	10.88	10,00,000	11.01
J 9.11% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	10.95	10,00,000	11.08
K 8.87% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	15,00,000	16.43	15,00,000	16.61
Sub-Total		**502.78**		**512.83**
c) Investments in debentures or bonds				
i) Bonds (quoted) #				
A Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	1,100	120.38	1,100	123.00
B Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	650	71.48	1,400	158.83
C Export–Import Bank of India Units of face value of ₹ 10,00,000 each	-	-	500	54.77
D Power Grid Corporation of India Limited Units of face value of ₹ 10,00,000 each	250	27.42	450	49.99
E Housing Development Finance Corporation Limited Units of face value of ₹ 10,00,000 each	250	28.01	600	66.80
F Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	500	25.46	-	-
G Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	25	27.20	-	-

Particulars		No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
H	LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,350	147.38	1,450	161.19
I	IDFC Bank Limited Units of face value of ₹ 10,00,000 each	850	90.81	850	93.42
J	ICICI Bank Limited Units of face value of ₹ 10,00,000 each	100	10.49	100	10.95
K	Power Grid Corporation of India Limited Units of face value of ₹ 12,50,000 each	-	-	80	11.31
	Sub-Total		**548.63**		**730.26**
ii)	**Non-convertible debentures (quoted) ##**				
A	Shriram Transport Finance Company Limited Units of face value of ₹ 10,00,000 each	750	77.61	700	72.59
B	Bajaj Finance Limited Units of face value of ₹ 10,00,000 each	3,000	312.90	1,000	103.31
C	Indiabulls Housing Finance Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.12
D	Reliance Capital Limited Units of face value of ₹ 10,00,000 each	-	-	700	74.52
E	Dewan Housing Finance Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.92
F	Kotak Mahindra Investment Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.14
G	Kotak Mahindra Prime Limited Units of face value of ₹ 10,00,000 each	1,650	172.24	1,000	104.86
H	L&T Housing Finance Limited Units of face value of ₹ 25,00,000 each	200	53.01	100	26.58
I	Aditya Birla Finance Limited Units of face value of ₹ 10,00,000 each	500	51.57	750	78.09
J	Sundaram Finance Limited Units of face value of ₹ 10,00,000 each	100	10.43	500	52.10
K	Tata Capital Financial Services Limited Units of face value of ₹ 10,00,000 each	500	51.54	500	51.81
L	Reliance Home Finance Limited Units of face value of ₹ 5,00,000 each	1,000	52.70	600	31.23
M	Tata Capital Housing Finance Limited Units of face value of ₹ 10,00,000 each	100	10.61	400	41.93
N	CanFin Homes Limited Units of face value of ₹ 10,00,000 each	500	51.43	250	25.76
O	HDB Financial Services Limited Units of face value of ₹ 10,00,000 each	1,500	156.86	750	79.08
P	Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	200	207.67	25	25.24
Q	PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	500	49.93	250	24.90
R	Dewan Housing Finance Corporation Limited Units of face value of ₹ 1,000 each	2,50,000	26.50	-	-
S	Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	1,000	54.33	-	-
T	Hero FinCorp Limited Units of face value of ₹ 10,00,000 each	200	21.38	-	-
U	ICICI Home Finance Company Limited Units of face value of ₹ 5,00,000 each	500	26.42	-	-

Particulars		No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
V	LIC Housing Finance Limited Units of face value of ₹ 1,000,000 each	1,000	105.46	-	-
W	Mahindra & Mahindra Financial Services Limited Units of face value of ₹ 10,00,000 each	500	51.93	-	-
	Sub-Total		**1,544.52**		**952.18**
d)	**Investments in fixed deposits with others (unquoted) ##**				
	Dewan Housing Finance Limited		25.00		25.00
	Sub-Total		**25.00**		**25.00**
	Total		**2,719.69**		**2,319.03**

***** *All investments are fully paid up, unless otherwise stated*
^ *All the investment in equity shares of subsidiaries and Joint Ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'*
 # All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVOCI').
These are measured at amortised cost
PSTG - Pound Sterling
USD - United States Dollar

Notes:			
a.	Aggregate amount of quoted investments - at cost	2,519.66	2,082.77
b.	Aggregate amount of quoted investments - at market value	2,595.93	2,195.27
c.	Aggregate amount of unquoted investments - at cost	123.76	123.76
d.	Aggregate amount of impairment in value of investments	-	-

8 Non-Current Loans

Particulars	31 March, 2018	31 March, 2017
(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	9.61	8.92
Considered doubtful	1.25	-
Less: Allowance for expected credit loss	(1.25)	-
Total	**9.61**	**8.92**

9 Others Non-Current Financial Assets

Bank deposit with more than 12 months maturity **# ***	4.09	4.00
Total	**4.09**	**4.00**
# Pledged as security with electricity/water department/Government authorities	2.91	2.91
***** Includes interest accrued but not due	0.15	0.05

10 Non-Current Tax Assets (Net)

Advance income tax (net)	3.28	3.28
Total	**3.28**	**3.28**

11 Other Non-Current Assets

(Unsecured, considered good unless otherwise stated)

Particulars	31 March, 2018	31 March, 2017
Capital advances	9.70	57.26
Advances other than capital advances		
Prepaid rent	1.22	0.89
Balance with Government Authorities		
Considered good	48.97	16.45
Considered doubtful	15.72	15.72
Less: Allowance for expected credit loss	(15.72)	(15.72)
Total	**59.89**	**74.60**

12 Inventories ^*

(Valued at lower of cost or net realisable value)

Raw materials	202.80	178.90
Packing materials	70.35	63.31
Work-in-progress	99.10	76.51
Finished goods	256.27	215.17
Stock-in-trade (acquired for trading)	69.27	52.43
Stock-in-trade (acquired for trading)-in-transit	6.06	12.56
Stores and spares	0.94	0.39
Total	**704.79**	**599.27**

Notes:

^ Inventories have been hypothecated with banks against working capital loans, refer note 26 for details.

* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 7.01 crores (31 March, 2017: ₹ 0.80 crores). These were recognized as an expense during the year and included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in Standalone Statement of Profit and Loss.

13 Current Investments *

Particulars		No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
I	**Other than trade**				
a)	**Mutual funds (quoted) ^**				
A	Reliance Medium Term Fund - Direct Growth Plan Units of face value of ₹ 10 each	2,04,70,591	76.16	1,46,26,234	50.74
B	Reliance Liquid Fund - Direct Growth Plan Units of face value of ₹ 1000 each	-	-	49,544	19.65
C	Birla Savings Fund - Direct Growth Plan Units of face value of ₹ 100 each	-	-	7,90,027	25.29
D	UTI Liquid Cash - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,87,790	50.01
E	ICICI Prudential Savings Fund - Direct Growth Plan Units of face value of ₹ 100 each	16,98,247	45.91	20,13,653	50.70
F	IDFC Cash Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,40,094	29.56	2,53,136	50.01
G	SBI Premier Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,83,836	50.08	6,662	1.70
H	Kotak Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,42,185	50.08	-	-
I	Baroda Pioneer Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,762	0.35	1,450	0.27
	Sub-Total		**252.14**		**248.37**

Particulars		No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
b)	**Commercial papers (quoted) #**				
A	HDFC Limited Units of face value of ₹ 5,00,000 each	-	-	2,000	98.81
B	IL&FS Limited Units of face value of ₹ 5,00,000 each	-	-	1,000	49.04
	Sub-Total		**-**		**147.85**
c)	**Non-convertible debentures (quoted)**				
A	Reliance Capital Limited ^ Units of face value of ₹ 10,00,000 each	50	5.23	203	21.44
B	IL&FS Transportation Networks Limited ^ Units of face value of ₹ 10,00,000 each	-	-	300	30.00
C	Seoni Expressway Limited ^ Units of face value of ₹ 1,00,000 each	-	-	820	8.64
D	IndiaBulls Housing Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	1,07,000	11.22
E	Reliance Home Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	3,11,000	32.12
F	HDB Financial Services Limited ^ Units of face value of ₹ 10,00,000 each	-	-	100	10.53
G	Dewan housing Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	1,62,500	17.17
H	Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,90,000 each	340	33.88	-	-
I	Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,98,780 each	179	17.94	-	-
J	Bajaj Finance Limited ^ Units of face value of ₹ 10,00,000 each	324	34.01	-	-
K	Shriram Transport Finance Company Limited ^ Units of face value of ₹ 10,00,000 each	250	25.02	-	-
L	Capital First Limited ^ Units of face value of ₹ 10,00,000 each	448	47.11	-	-
M	LIC Housing Finance Limited ^ Units of face value of ₹ 10,00,000 each	100	10.20	-	-
N	Aditya Birla Finance Limited # Units of face value of ₹ 10,00,000 each	250	27.16	-	-
O	Kotak Mahindra Investment Limited # Units of face value of ₹ 10,00,000 each	250	26.92	-	-
P	Kotak Mahindra Prime Limited # Units of face value of ₹ 10,00,000 each	350	37.01	-	-
Q	Sundaram Finance Limited # Units of face value of ₹ 10,00,000 each	100	10.77	-	-
R	Tata Capital Housing Finance Limited # Units of face value of ₹ 10,00,000 each	150	16.15	-	-
S	Reliance Capital Limited # Units of face value of ₹ 10,00,000 each	200	21.52	-	-
	Sub-Total		**312.92**		**131.12**

Particulars		No. of units 31 March, 2018	Amount 31 March, 2018	No. of units 31 March, 2017	Amount 31 March, 2017
d)	**Investment in bonds (quoted) ^**				
A	Nuclear Power Corporation of India Limited Units of face value of ₹ 10,00,000 each	-	-	250	26.26
B	Export–Import Bank of India Units of face value of ₹ 10,00,000 each	119	13.16	50	5.54
C	Uttar Pradesh State Development Loans Units of face value of ₹ 100 each	1,49,000	1.58	46,95,000	50.81
D	Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	19	1.94	319	31.80
E	National Thermal Power Corporation Limited Units of face value of ₹ 10,00,000 each	-	-	15	1.49
F	National Bank of Agriculture and Rural Development Units of face value of ₹ 10,00,000 each	266	28.04	-	-
G	Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	100	11.22	-	-
H	Andhra Bank Units of face value of ₹ 10,00,000 each	124	12.98	-	-
I	PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	123	12.66	-	-
	Sub-Total		**81.58**		**115.90**
e)	**Fixed deposits with others (Unquoted) #**				
A	Housing Development Finance Corporation Limited		66.75		91.88
	Sub-Total		**66.75**		**91.88**
	Total		**713.39**		**735.12**

** All investments are fully paid up, unless otherwise stated*
 # These are measured at amortised cost
^ These are measured at fair value through profit and loss ('FVTPL')

Notes:

a.	Aggregate amount of quoted investments - at cost	633.29	622.91
b.	Aggregate amount of quoted investments - at market value	646.64	643.24
c.	Aggregate amount of unquoted investments - at cost	66.75	91.88
d.	Aggregate amount of impairment in value of investments	-	-

14 Trade Receivables*

Particulars	31 March, 2018	31 March, 2017
Unsecured, considered good	321.34	333.25
Unsecured, considered doubtful	8.98	9.28
Sub-Total	**330.32**	**342.53**
Less: Allowance for expected credit loss	(8.98)	(9.28)
Total	**321.34**	**333.25**

***** Trade receivables have been hypothecated with banks against working capital loans, refer note 26 for details. Also refer note 54 for related parties details.

15 Cash and Cash Equivalents

Balances with banks in current accounts	69.95	14.92
Cheques, drafts on hand	7.46	1.69
Cash on hand	0.26	0.33
Total	**77.67**	**16.94**

16 Bank balances other than cash and cash equivalents

Particulars	31 March, 2018	31 March, 2017
Term deposit with maturity for more than 3 months but less than 12 months * #	2.79	2.87
Unpaid dividend account **	6.56	6.35
Total	**9.35**	**9.22**
* Includes interest accrued but not due	0.03	0.06

Pledged as security with statutory authorities / banks

** These balances are not available for use by the Company and corresponding balance is disclosed as unclaimed dividend in note 28

17 Current Loans

(Unsecured, considered good)

Security deposits	1.41	3.35
Total	**1.41**	**3.35**

18 Other Current Financial Assets

Advance recoverable in cash		
Due from subsidiary Companies (refer note 54)	4.06	7.36
Total	**4.06**	**7.36**

19 Other Current Assets

(Unsecured, considered good unless otherwise stated)

Advances to suppliers		
Considered good	6.45	11.88
Considered doubtful	1.27	1.27
Sub-Total	**7.72**	**13.15**
Less: Allowance for expected credit loss	(1.27)	(1.27)
Sub-Total	**6.45**	**11.88**
Prepaid expenses	7.86	8.02
Advance to employees	2.15	2.62
Balance with statutory / government authorities	109.48	56.50
Other advances	0.89	2.08
Sub-Total	**120.38**	**69.22**
Total	**126.83**	**81.10**

20 Equity Share Capital

Authorised		
2,07,00,00,000 (31 March, 2017: 2,07,00,00,000) equity shares of ₹ 1 each	207.00	207.00
Issued, subscribed and fully paid up		
1,76,15,20,510 (31 March, 2017: 1,76,15,20,510) equity shares of ₹ 1 each	176.15	176.15

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March, 2018		31 March, 2017	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,76,15,20,510	176.15	1,75,91,41,170	175.91
Add: Shares issued on exercise of Employee Stock Option Plan (ESOP)	-	-	15,04,340	0.15
Add: Bonus shares issued on exercise of Employee Stock Option Plan (ESOP)	-	-	8,75,000	0.09
Balance as at the end of the year	**1,76,15,20,510**	**176.15**	**1,76,15,20,510**	**176.15**

b) Rights, preference and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

c) **List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the year: #**

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	% of Share-holding	Number of shares	% of Share-holding
Chowdry Associates	21,79,41,800	12.37%	21,79,41,800	12.37%
VIC Enterprises Private Limited	21,77,34,000	12.36%	21,77,34,000	12.36%
Gyan Enterprises Private Limited	20,22,37,980	11.48%	20,22,37,980	11.48%
Puran Associates Private Limited	18,92,12,000	10.74%	18,92,12,000	10.74%
Ratna Commercial Enterprises Private Limited	15,71,94,429	8.92%	15,67,31,826	8.90%
Milky Investment and Trading Company	10,61,47,503	6.03%	10,61,47,503	6.03%

As per the records of the Company including its register of members.

d) **Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31 March, 2018 :**

(i) **Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2013-14 to 2017-18:**
Nil (during FY 2012-13 to 2016-17: Nil) equity shares of ₹ 1 each allotted without payment being received in cash.

(ii) **Shares issued in aggregate number and class of shares allotted by way of bonus shares:**
The Company has issued total 75,28,783 equity shares (during FY 2012-13 to 2016-17: 79,06,298 equity shares) during the period of five years immediately preceding 31 March, 2018 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

(iii) **Shares bought back during the financial year 2013-14 to 2017-18:**
Nil (during FY 2012-13 to 2016-17: Nil) equity shares of ₹ 1 each bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013.

(iv) **Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2013-14 to 2017-18:**
The Company has issued total 1,10,56,716 equity shares of ₹ 1 each (during FY 2012-13 to 2016-17: 1,15,13,358 equity shares) during the period of five years immediately preceding 31 March, 2018 on exercise of options granted under the Employee Stock Option Plan (ESOP).

(v) **Shares reserved for issue under options:**
For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 61. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Company on or before the vesting date.

21 Other Equity

Particulars	31 March, 2018	31 March, 2017
Reserves and surplus		
Capital reserve	26.92	26.92
Securities premium reserve	230.25	230.25
Share option outstanding account	92.60	89.08
General reserve	513.43	513.43
Retained earnings	3,187.07	2,592.66
Other comprehensive income		
Debt instruments through OCI	0.44	29.39
Total	**4,050.71**	**3,481.73**

Description of nature and purpose of each reserve

Capital reserve

Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

Securities premium reserve
Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

Share option outstanding account
The reserve is used to recognize the grant date fair value of options issued to employees under Employee Stock Option Schemes and is adjusted on exercise/ forfeiture of options.

General reserve
General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings
Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Debt instruments through other comprehensive income
This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments.

22 Non-Current Borrowing *#

Particulars	31 March, 2018	31 March, 2017
Secured		
Term loans from banks	200.00	200.00
Unsecured		
Long-term maturities of finance lease obligations	1.04	0.64
Total	**201.04**	**200.64**

***** There is no default in repayment of principal borrowing or interest thereon.
# No guarantee bond has been furnished against any borrowing.

22.1 Repayment terms and security disclosure for the outstanding non-current borrowings as at 31 March, 2018 and 31 March, 2017:

Secured borrowings facility from banks:

i) Facility of ₹ 100.00 crores, bearing interest rate of 7.25% per annum having balance amount repayable by way of a bullet payment after 37 months from the date of disbursal, i.e., 05 July, 2016. The loan is secured by way of sole hypothecation and equitable mortgage over movable and immovable assets (created by the loan) at Pantnagar, Uttarakhand, owned by the Company.

ii) Facility of ₹ 75.00 crores, bearing interest rate of 6.90% per annum having balance amount repayable by way of bullet payment after 3 years from date of first drawdown, i.e., 26 September, 2016. The loan is secured by way of hypothecation over movable fixed assets at Sonitpur, Assam, owned by the Company.

iii) Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Company.

22.2 Reconciliation between the total of future minimum lease payments and their present value.

Description	As at 31 March, 2018		As at 31 March, 2017	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	0.09	0.08	0.07	0.07
More than one year but less than five years	0.43	0.31	0.30	0.22
More than five years	7.08	0.73	4.92	0.43
Total minimum lease payments	**7.60**	**1.12**	**5.29**	**0.72**
Less: Amounts representing finance charges	(6.48)		(4.57)	
Present value of minimum lease payments	**1.12**		**0.72**	

23 Other Non-Current Financial Liabilities

Particulars	31 March, 2018	31 March, 2017
Security deposit	3.16	3.54
Unearned rental income	1.09	0.17
Total	**4.25**	**3.71**

24 Non-Current Provisions

Provision for employee benefits (refer note 60)		
Post separation benefit of Directors	50.04	47.52
Total	**50.04**	**47.52**

25 Deferred Tax Liabilities (Net)

Deferred tax liability arising on account of :

Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	113.68	104.07
Fair valuation of financial instruments through OCI	0.15	8.94
Fair valuation of financial instruments through FVTPL	-	0.35
Sub-Total	**113.83**	**113.36**

Deferred tax asset arising on account of :

Expected credit loss of financial asset / impairment of non-financial asset	0.88	0.44
Lifetime expected credit loss of trade receivables	3.14	3.62
Provision for expense allowed for tax purpose on payment basis	13.53	11.02
Fair valuation of financial instruments through FVTPL	0.25	-
Sub-Total	**17.80**	**15.08**
Total	**96.03**	**98.28**

Changes in deferred tax liabilities (net)

Particulars	01 April, 2017	Recognised in other comprehensive income	Recognised in Standalone Statement of Profit and Loss	31 March, 2018
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	104.07	-	9.61	113.68
Fair valuation of financial instruments through OCI	8.94	(8.79)	0.01	0.15
Fair valuation of financial instruments through FVTPL	0.35	-	(0.35)	-
Sub-total	**113.36**	**(8.79)**	**9.27**	**113.83**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.44	-	0.44	0.88
Lifetime expected credit loss of trade receivables	3.62	-	(0.48)	3.14
Provision for expense allowed for tax purpose on payment basis	11.02	-	2.51	13.53
Fair valuation of financial instruments through FVTPL	-	-	0.25	0.25
Sub-total	**15.08**	**-**	**2.72**	**17.80**
Minimum Alternate Tax (MAT) credit				
Recognized	**-**	**-**	45.80	45.80
Utilised	**-**	**-**	-	(45.80)
Sub-total	**-**	**-**	**45.80**	**-**
Total	**98.28**	**(8.79)**	**(39.25)**	**96.03**

Particulars	01 April, 2016	Recognised in other comprehensive income	Recognised in Standalone Statement of Profit and Loss	31 March, 2017
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	84.20	-	19.87	104.07
Fair valuation of financial instruments through OCI	5.68	3.26	-	8.94
Fair valuation of financial instruments through FVTPL	1.04	-	(0.69)	0.35
Sub-Total	**90.92**	**3.26**	**19.18**	**113.36**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.44	-	-	0.44
Lifetime expected credit loss of trade receivables	3.32	-	0.30	3.62
Provision for expense allowed for tax purpose on payment basis	10.64	-	0.38	11.02
Sub-Total	**14.40**	**-**	**0.68**	**15.08**
Minimum Alternate Tax (MAT) credit				
Recognized	**-**	**-**	33.31	33.31
Utilised	**-**	**-**	-	(33.31)
Sub-Total	**-**	**-**	**33.31**	**-**
Total	**76.52**	**3.26**	**(14.81)**	**98.28**

26 Current Borrowings *

Particulars	31 March, 2018	31 March, 2017
i) Cash credits		
Secured, from bank (refer note 26.1 and 26.2 below)	8.60	9.07
Sub-Total	**8.60**	**9.07**
ii) Packing credit loan		
Unsecured, from bank	65.62	64.85
Sub-Total	**65.62**	**64.85**
iii) Bank overdrafts		
Unsecured, from bank	11.27	9.12
Sub-Total	**11.27**	**9.12**
Total	**85.49**	**83.04**

***** There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

26.1 Repayment terms and security disclosure for the outstanding current borrowings as at 31 March, 2018 and 31 March, 2017:

Cash credit facility from banks:

Facility of ₹ 8.60 crores (31 March, 2017 : ₹ 9.07 crores) repayable on demand, is secured by way of hypothecation / mortgage over the inventories and book receivables, owned by the Company.

26.2 Rate of Interest:

The Company's current borrowings have an effective weighted-average contractual rate of 4.15% per annum (31 March, 2017 : 2.14% per annum) calculated using the interest rates effective for the respective borrowings.

27 Trade Payables*

Particulars	31 March, 2018	31 March, 2017
Due to micro and small enterprises #	7.37	19.14
Due to others	953.25	895.38
Total	**960.62**	**914.52**

* Includes acceptances arrangements where operational suppliers of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks.

 # Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	7.37	19.14
ii)	the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small Enterprises" enterprises on the basis of information available with the Company.

28 Other Current Financial Liabilities

Current maturities of finance lease obligations	0.08	0.07
Interest accrued on borrowings	0.93	0.75
Security deposits	1.41	2.10
Unpaid dividends #	6.56	6.35
Creditors for capital goods	11.00	22.67
Employee dues payable	61.45	44.21
Other payables	0.17	0.37
Total	**81.60**	**76.52**

Not due for deposits to the Investor Education Protection Fund

29 Other Current Liabilities

Advances from customers	15.10	12.32
Statutory dues payable	22.39	54.19
Others	0.99	3.89
Total	**38.48**	**70.40**

30 Current Provisions

Provision for employee benefits (refer note 60)		
Provision for post-separation benefits of Directors	0.43	0.35
Provision for compensated absences	2.91	1.43
Provision for gratuity	2.45	-
Others		
Provision for disputed liabilities (refer note 48)	58.60	52.60
Total	**64.39**	**54.38**

31 Current Tax Liabilities (Net)

Particulars	31 March, 2018	31 March, 2017
Provision for income tax (net)	3.90	10.13
Total	**3.90**	**10.13**

32 Revenue From Operations *

Operating revenue		
Sale of products (including excise duty)	5,552.26	5,357.84
Other operating revenues		
Budgetary support subsidy #	38.68	-
Export subsidy	5.77	3.29
Scrap sale	8.07	8.56
Miscellaneous	4.28	0.15
Sub-Total	**56.80**	**12.00**
Total	**5,609.06**	**5,369.84**

* Revenue for the period ended 31 March, 2018 is net of Goods and Service Tax (GST) which is applicable from 1 July, 2017, however, revenue for the periods upto 30 June, 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year ended 31 March, 2018 is not comparable with the previous year presented in these financial statements. Similarly, cost of goods sold and expenses are also not comparable.

Represents the amount of budgetary support to be provided by the Government of India for the existing eligible manufacturing units operating under different industrial promotion tax exemption schemes, pursuant to the notification no: F.No. 10(1)/2017-DBA-II/NER issued by the Ministry of Commerce and Industry dated 05 October, 2017. The same has been recorded and disclosed in accordance with the Ind AS 20 'Government Grants'.

33 Other Income

Interest income		
Investment in debt instruments measured at FVTOCI	83.99	99.13
Investment in debt instruments measured at FVTPL	18.58	18.87
Other financial assets carried at amortised cost	116.11	81.14
Dividend income	0.01	0.00
Other gains		
Gain on sale of financial assets measured at FVTPL	19.12	23.28
Gain on sale of financial assets measured at FVTOCI	19.87	32.51
Net gain arising on financial assets measured at FVTPL	-	1.62
Net gain on sale of property, plant and equipment	5.42	0.12
Net gain on foreign currency transactions and translations	0.22	-
Other non-operating income		
Rent income	12.06	11.65
Miscellaneous	7.85	6.32
Total	**283.23**	**274.64**

34 Cost of Materials Consumed*

Raw material		
Opening stock	178.90	195.31
Add: Purchases	1,388.66	1,168.16
Less: Closing stock	202.80	178.90
Sub-Total	**1,364.76**	**1,184.57**
Packing material		
Opening stock	63.31	71.12
Add: Purchases	702.54	650.80
Less: Closing stock	70.35	63.31
Sub-Total	**695.50**	**658.61**
Total	**2,060.26**	**1,843.18**

* Cost of material consumed includes ₹ 1.56 crores (31 March, 2017: ₹ 1.50 crores) towards research and development, refer note 39.1.

35 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	31 March, 2018	31 March, 2017
Opening inventories		
(i) Finished goods	215.17	210.83
(ii) Work-in-progress	76.51	86.79
(iii) Stock-in-trade (acquired for trading) *	64.99	50.86
Closing inventories		
(i) Finished goods	256.27	215.17
(ii) Work-in-progress	99.10	76.51
(iii) Stock-in-trade (acquired for trading) *	75.33	64.99
Total	**(74.03)**	**(8.19)**

* includes stock-in-trade (acquired for trading)-in-transit

36 Employee Benefits Expense *

Salary and wages	408.32	368.08
Contribution to provident and other funds (refer note 60)	34.42	30.46
Staff welfare expenses	16.26	15.54
Share based payment expenses	2.13	11.22
Total	**461.13**	**425.30**

* Employee benefits expense includes ₹ 15.25 crores (31 March, 2017: ₹ 13.94 crores) towards research and development, refer note 39.1.

37 Finance Costs

Interest expenses	18.24	16.21
Exchange differences regarded as an adjustment to borrowing cost	2.97	4.18
Other borrowing cost	0.68	0.82
Sub-Total	**21.89**	**21.21**
Less: Transfer to property, plant and equipment	-	4.98
Total	**21.89**	**16.23**

38 Depreciation and Amortisation Expense *

Depreciation on property, plant and equipment (refer note 6A)	96.62	68.62
Depreciation on investment property (refer note 6C)	0.99	0.99
Amortisation of intangible assets (refer note 6D)	4.89	5.82
Total	**102.50**	**75.43**

* Depreciation and amortisation includes ₹ 2.47 crores (31 March, 2017: ₹ 1.84 crores) towards research and development, refer note 39.1.

39 Other Expenses

Others *		
Power and Fuel	59.43	50.61
Consumption of Stores, Spares and Consumables	19.70	16.72
Repair and Maintenance		
Building	3.69	3.96
Machinery	7.05	6.41
Others	19.79	18.62
Processing Charges	10.78	28.30
Rates and Taxes	5.60	4.05
Rent	37.99	41.13
Freight and Forwarding Charges	98.41	104.58
Commission to carrying and forwarding agents	21.38	25.76
Travel and Conveyance	52.04	50.23
Legal and Professional	33.68	29.72

Particulars	31 March, 2018	31 March, 2017
Directors' Sitting Fees	0.54	0.65
Security Expenses	10.41	10.67
Payment to auditors (refer note 46)	0.69	1.19
Net loss arising on financial assets measured at FVTPL	3.69	-
Allowance for Expected Credit Loss (Net)	2.34	0.96
Loss on disposal / impairment of property, plant and equipment (net)	3.00	0.98
Provision for disputed liabilities	6.00	6.00
Donation and charity #	36.42	31.94
Information Technology Expenses	25.17	28.20
Distributor and retailer network expenses	28.43	34.34
Miscellaneous	51.46	61.34
Total	**537.69**	**556.36**

* Other expenses includes ₹ 12.76 crores (31 March, 2017: ₹ 12.99 crores) towards research and development, refer note 39.1.

Includes corporate social responsibility expenses (refer note 50 for details).

39.1 Research and Development Expenditure

Raw material consumed (refer note 34)	1.56	1.50
Employee benefits expense (refer note 36)	15.25	13.94
Depreciation and amortization (refer note 38)	2.47	1.84
Other expenses (refer note 39)		
Power and fuel	1.84	1.69
Repair and maintenance - others	1.52	1.28
Freight and forwarding charges	0.01	0.02
Rent	0.21	0.16
Rates and taxes	0.13	0.17
Travel and conveyance	0.88	0.82
Legal and professional	0.78	0.71
Communication expenses	0.31	0.30
Security expenses	0.29	0.30
Miscellaneous	6.79	7.54
Sub-Total	**12.76**	**12.99**
Total	**32.04**	**30.27**

40 The amount of ₹ 14.54 crores in exceptional items relates to provision made in respect of GST transition impact, on the inventories lying with distributors of the Company as at 30 June, 2017.

41 Taxation

The key components of income tax expense for the year ended 31 March, 2018 and 31 March, 2017 are:

A	**Standalone Statement of Profit and Loss:**			
	(i)	**Profit and Loss Section**		
		a) Current tax		
		In respect of current year	342.88	310.83
		Adjustments for current tax of prior periods	(2.55)	-
		b) Deferred tax		
		In respect of current year	(39.25)	(14.81)
	Income tax expense reported in the Standalone Statement of Profit and Loss		**301.08**	**296.02**
	(ii)	**Other Comprehensive Income (OCI) Section**		
		Income tax related to items recognised in OCI during the year:		
		a) Re-measurement gains on defined benefit plans	(0.16)	1.16
		b) Net fair value gain on investment in debt instruments through OCI	(8.79)	3.26
	Income tax charged to OCI		**(8.95)**	**4.42**
	Total		**292.13**	**300.44**

B Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

Particulars	31 March, 2018	31 March, 2017
Accounting profit before tax	1,373.13	1,294.35
Statutory income tax rate	34.61%	34.61%
Tax expense at statutory income tax rate	**475.21**	**447.95**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Minimum Alternate Tax (MAT) credit recognized	(45.80)	(33.31)
Tax impact of expenses which will never be allowed	9.87	8.23
Tax benefits for expenses incurred for inhouse research and development	(5.12)	(7.39)
Tax impact of utilisation of brought forward capital losses	(6.88)	(15.73)
Tax impact of exempted income	(122.74)	(99.08)
Adjustments for current tax of prior periods	2.55	-
Others	(6.01)	(4.65)
Income tax expense at effective tax rate reported in the Standalone Statement of Profit and Loss	**301.08**	**296.02**

During the year ended 31 March, 2018 and 31 March, 2017, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax to the taxation authorities. The Company believes that Dividend Distribution Tax represents additional payment to taxation authority on behalf of the shareholders. Hence, Dividend Distribution Tax paid is charged to equity.

42 Other Comprehensive Income (OCI)

A Items that will not be reclassified to profit or loss

Re-measurements gains on defined benefit plans	(0.77)	3.35
Income tax relating to items that will not be reclassified to profit or loss	0.16	(1.16)
Sub-Total	**(0.61)**	**2.19**

B Items that will be reclassified to profit or loss

Net fair value gain on investment in debt instruments through OCI	(37.74)	14.12
Income tax relating to items that will be reclassified to profit or loss	8.79	(3.26)
Sub-Total	**(28.95)**	**10.86**
Total	**(29.56)**	**13.05**

43 Earning Per Share

Net profit attributable to equity shareholders

Net profit for the year	1,072.05	998.33
Total number of equity shares outstanding at the beginning of the year	1,76,15,20,510	1,75,91,41,170
Total number of equity shares outstanding at the end of the year	1,76,15,20,510	1,76,15,20,510
Weighted average number of equity shares for calculating basic earning per share	1,76,15,20,510	1,76,15,20,510
Add: Employee Stock Option	65,84,994	89,87,422
Basic earning per share (₹)	**6.09**	**5.67**
Nominal value per equity share (₹)	**1.00**	**1.00**
Weighted average number of equity shares for calculating diluted earning per share	1,76,81,05,504	1,77,05,07,932
Diluted earning per share (₹)	**6.06**	**5.64**

44 Dividend

Proposed Dividend		
Proposed final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1 each] ^	1,100.95	-
Dividend distribution tax on proposed final dividend	226.30	-
Proposed final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each] #	-	176.15
Dividend distribution tax on proposed final dividend	-	35.86
Total	**1,327.25**	**212.01**

Particulars	31 March, 2018	31 March, 2017
Paid Dividend		
Final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each]	176.15	-
Dividend distribution tax on final dividend	35.86	-
Interim dividend for the financial year 2017-18 [₹ 1.25 per equity share of ₹ 1 each]	220.19	-
Dividend distribution tax on interim dividend	44.83	-
Final dividend for the financial year 2015-16 [₹ 1.00 per equity share of ₹ 1 each]	-	176.15
Dividend distribution tax on final dividend	-	35.86
Interim dividend for the financial year 2016-17 [₹ 1.25 per equity share of ₹ 1 each]	-	220.19
Dividend distribution tax on interim dividend	-	44.83
Total	**477.03**	**477.03**

^ The Board of Directors at its meeting held on 1 May, 2018 have recommended a payment of final dividend of ₹ 6.25 per equity share (including special dividend of ₹ 5 per equity share) with face value of ₹ 1 each for the financial year ended 31 March, 2018, which amounts to ₹ 1,327.25 crores including dividend distribution tax of ₹ 226.30 crores.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

Paid to shareholders during the financial year 2017-18.

45 Contingent Liabilities and Commitments

Contingent Liabilities		
Guarantees issued on behalf of subsidiary and other Companies	651.37	839.52
Claims against the Company not acknowledged as debt		
Claims by employees	1.28	1.14
Excise duty / service tax matters (refer note 48)	70.53	109.47
Sales tax matters (refer note 48)	99.52	82.06
Income tax matters	0.05	0.05
Demand for stamp duty #	15.30	15.30
Others #	8.58	7.77
Sub-Total	**846.63**	**1,055.31**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances of ₹ 9.70 crores (31 March, 2017 : ₹ 57.26 crores))	30.86	98.06
Total	**877.49**	**1,153.38**

based on discussions with the solicitors / favourable decisions in similar cases / legal opinions taken by the Company, the Management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

46 Payment to Auditors *

Statutory audit and limited reviews	0.54	0.57
Certification fee and other services	0.01	0.30
For reimbursement of expenses	0.14	0.32
Total	**0.69**	**1.19**

***** excluding service tax / goods and service tax, as applicable

47 Information on details of Loans, Guarantees and Investments under Section 186 of the Act.

i) Details of investments made are given in note 7 and 13 *****

ii) There are no loans given by the Company in accordance with Section 186 of the Act read with rules issued thereunder.

iii) Details of guarantees issued by the Company are as follows: *****

Guarantees outstanding, given on behalf of	Purpose	31 March, 2018	31 March, 2017
Dermoviva Skin Essentials Inc.	Against bank borrowings	641.93	817.11
Dabur Lanka Private Limited	Against bank borrowings	-	12.97
Forum I Aviation Private Limited	Against bank borrowings	7.14	7.14
Broadcast Audience Research Council	Against bank borrowings	2.30	2.30
Total		**651.37**	**839.52**

***** All transactions are in the ordinary course of business

48 Disclosure relating to provisions recorded in the these financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision of sales tax*/entry tax**		Provision of excise # / service tax ^	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
Opening balance	**4.68**	**4.68**	**47.92**	**41.92**
Additions	8.35	-	-	6.00
Utilisations	-	-	-	-
Reversals	-	-	(2.35)	-
Closing balance	**13.03**	**4.68**	**45.57**	**47.92**

***** Sales tax provisions made towards classification matters and towards rate differences matters at various levels including assessing authority / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

****** Entry tax provisions made towards tax difference matters at Orissa at various levels including Appellate Tribunal and at Hon'ble High Courts.

Excise provisions made towards classification matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

^ Service tax provisions made towards service tax distribution (ISD) matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

Notes:

i) These provisions represent estimates made mainly for probable claims arising out of litigations/disputes pending with authorities under various statutes (Excise duty, Service tax, Sales tax, Entry tax). The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

ii) Withdrawal of provision relates to determination of liability in and subsequent payment made by Company in relevant context.

iii) Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.

iv) The Company presumes remote risk possibility of further cash outflow pertaining to contingent liabilities and commitments listed under note 45.

v) Discounting obligation has been ignored considering that these disputes relate to Government Authorities.

49 Information on lease transactions pursuant to Ind AS 17 - Leases

A Assets taken on operating lease *

The Company leases out machines and vehicles under non-cancellable operating leases expiring within period not exceeding five years. The leases have varying terms, escalation Clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	31 March, 2018	31 March, 2017
Not later than 1 year	0.88	1.00
Later than 1 year not later than 5 year	1.14	0.73
Later than 5 year	-	-
Total	**2.02**	**1.73**

***** Lease rent debited to the Standalone Statement of Profit and Loss of the current year is ₹ 1.01 crores (31 March, 2017 : ₹ 1.40 crores)

B Assets given on Operating Lease #

The Company has leased out buildings under non-cancellable operating leases expiring within period not exceeding five years. The contractual future minimum lease related receivables in respect of these leases are:

Particulars	31 March, 2018	31 March, 2017
Not later than 1 year	7.59	3.89
Later than 1 year not later than 5 year	16.72	-
Later than 5 year	-	-
Total	**24.31**	**3.89**

Lease rent credited to the Standalone Statement of Profit and Loss of the current year is ₹ 9.98 crores (31 March, 2017 : ₹ 10.01 crores)

50 Corporate Social Responsibility (CSR) Expenditure

In accordance with the provisions of Section 135 of the Act, the Board of Directors of the Company had constituted CSR Committee. The details for CSR activities are as follows:

i)	Gross amount required to be spent by the Company during the year	22.94	20.34
ii)	Amount spent during the year on the following:		
	(a) Construction / acquisition of any asset	-	-
	(b) On purpose other than (a) above	23.76	20.37
Total		**23.76**	**20.37**

51 Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments

Operating segments:

Consumer care business	Home care, personal care and health care
Food business	Juices, Beverages and Culinary
Other segments	Guar Gum, Pharma and others

Identification of segments:

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities:

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers.

Particulars	31 March, 2018	31 March, 2017
1 Segment Revenue		
A. Consumer care business	4,550.66	4,261.11
B. Food business	947.38	983.17
C. Other segments	97.03	113.56
D. Unallocated other operating revenue	13.99	12.00
Revenue from operations	**5,609.06**	**5,369.84**

Particulars	31 March, 2018	31 March, 2017
2 Segment Results		
A. Consumer care business	1,293.01	1,222.51
B. Food business	103.32	101.33
C. Other segments	2.81	4.52
Sub total	**1,399.14**	**1,328.36**
Less: Finance costs	21.89	16.23
Less: Unallocable expenditure net of unallocable income	(10.42)	17.78
Profit before exceptional items and tax	**1,387.67**	**1,294.35**
Exceptional items (refer note 41)	14.54	-
Profit before tax	**1,373.13**	**1,294.35**
Less: Tax expenses	301.08	296.02
Net profit for the year	**1,072.05**	**998.33**
3 Segment Assets		
A. Consumer care business	1,740.45	1,610.11
B. Food business	284.10	466.69
C. Other segments	25.73	28.36
D. Unallocated	3,762.42	3,111.86
Total	**5,812.70**	**5,217.02**
4 Investment in Joint Venture		
Unallocated	6.99	6.99
5 Segment Liabilities		
A. Consumer care business	762.86	555.81
B. Food business	268.27	238.37
C. Other segments	15.44	7.98
D. Unallocated	539.27	756.98
Total	**1,585.84**	**1,559.14**
6 Capital Expenditure		
A. Consumer care business	97.55	229.31
B. Food business	12.71	115.04
C. Other segments	0.72	0.79
D. Unallocated	35.65	38.54
Total	**146.63**	**383.68**
7 Depreciation and Amortisation Expense		
A. Consumer care business	60.92	47.40
B. Food business	16.65	3.69
C. Other segments	0.83	0.62
D. Unallocated	24.10	23.72
Total	**102.50**	**75.43**
8 Non-Cash Expenses Other than Depreciation		
Unallocated	2.13	11.22

9 Revenue from Key Customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

52 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Equity share capital	Total
Net debt as at 01 April, 2016	**0.72**	**86.51**	**175.91**	**263.14**
Proceeds from issue of equity share capital	-	-	0.24	0.24
Proceeds from non-current borrowings (including current maturities) (net)	199.92	-	-	199.92
Repayment of current borrowings (net)	-	(3.47)	-	(3.47)
Net debt as at 31 March, 2017	**200.64**	**83.04**	**176.15**	**459.83**
Net debt as at 01 April, 2017	**200.64**	**83.04**	**176.15**	**459.83**
Proceeds from non-current borrowings (including current maturities) (net)	0.40	-	-	0.40
Proceeds of current borrowings (net)	-	2.45	-	2.45
Net debt as at 31 March, 2018	**201.04**	**85.49**	**176.15**	**462.68**

53 Information about subsidiaries and Joint Ventures is as follows:

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2018	Proportion of ownership (%) as at 31 March, 2017
A	**Subsidiary Companies at any time during the year**				
1	H & B Stores Limited	India	Domestic wholly owned subsidiary	100.00%	100.00%
2	Dermovia Skin Essentials INC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
3	Dabur International Limited	Isle of Man	Foreign wholly owned subsidiary	100.00%	100.00%
4	Naturelle LLC	Emirate of RAS Al Khaimah, United Arab Emirates	Foreign wholly owned subsidiary	100.00%	100.00%
5	Dabur Egypt Limited	Egypt	Foreign wholly owned subsidiary	100.00%	100.00%
6	African Consumer Care Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
7	Dabur Nepal Private Limited	Nepal	Foreign subsidiary	97.50%	97.50%
8	Asian Consumer Care Private Limited	Bangladesh	Foreign subsidiary	76.00%	76.00%
9	Asian Consumer Care Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
10	Hobi Kozmetik	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
11	RA Pazarlama	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
12	Dabur Lanka Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
13	Namaste Laboratories LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
14	Urban Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
15	Hair Rejuvenation & Revitalization Nigeria Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2018	Proportion of ownership (%) as at 31 March, 2017
16	Healing Hair Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
17	Dabur (UK) Limited	British Virgin Island, United Kingdom	Foreign wholly owned subsidiary	100.00%	100.00%
18	Dabur Consumer Care Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
19	Dabur Tunisie *	Tunisie	Foreign wholly owned subsidiary	100.00%	100.00%
20	Dabur Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
21	Dabur Pars	Iran	Foreign wholly owned subsidiary	100.00%	100.00%
22	Dabur South Africa (PTY) Limited	South Africa	Foreign wholly owned subsidiary	100.00%	100.00%
B	**Joint Venture at any time during the year**				
1	Forum 1 Aviation Private Limited	India	-	20.00%	20.00%

* The liquidation of Dabur Tunisie, is under process and is likely to be completed by 31 March, 2019. The liquidation was earlier expected to be completed by 31 March, 2018, but due to certain legal and regulatory compliances under the laws of Tunisia, the completion date was extended.

54 Information on Related Party Transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the relevant financial year:

A) List of related parties and relationships

i) Subsidiaries

1	H & B Stores Limited	12	Dabur Lanka Private Limited
2	Dermovia Skin Essentials INC	13	Namaste Laboratories LLC
3	Dabur International Limited	14	Urban Laboratories International LLC
4	Naturelle LLC	15	Hair Rejuvenation & Revitalization Nigeria Limited
5	Dabur Egypt Limited	16	Healing Hair Laboratories International LLC
6	African Consumer Care Limited	17	Dabur (UK) Limited
7	Dabur Nepal Private Limited	18	Dabur Consumer Care Private Limited
8	Asian Consumer Care Private Limited	19	Dabur Tunisie (refer note 53)
9	Asian Consumer Care Pakistan Private Limited	20	Dabur Pakistan Private Limited
10	Hobi Kozmetik	21	Dabur Pars
11	RA Pazarlama	22	Dabur South Africa (PTY) Limited

ii)	**Joint Venture**	Forum 1 Aviation Private Limited
iii)	**Key Management Personnel**	Mr. P. D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) & Whole Time Director Mr. Lalit Malik, Chief Financial Officer (CFO) Mr. Ashok Kumar Jain, Vice President (Finance) and Company Secretary

iv)	**Directors**	Dr. Anand Chand Burman, Chairman Mr. Amit Burman, Vice Chairman Mr. Mohit Burman, Director Mr. Saket Burman, Director Mr. P. D. Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) & Whole Time Director Mr. Pattamadai Natraja Sarma Vijay, Independent Director Mr. Ravindra Chandra Bhargava, Independent Director Dr. Subbaraman Narayan, Independent Director Dr. Ajay Kumar Dua, Independent Director Mr. Sanjay Kumar Bhattacharyya, Independent Director Ms. Falguni Sanjay Nayar, Independent Director
v)	**Entities in which a Director or his/her relative is a member or Director ***	Jetways Travels Private Limited Aviva Life Insurance Company Limited Lite Bite Foods Private Limited Universal Sompo General Insurance Company
vi)	**Relatives of KMPs/Directors***	Mr. Vivek Chand Burman, father of Director Ms. Asha Burman, mother of Director
vii)	**Post employment benefit plan entities**	Dabur India Limited E.P.F Trust Dabur Gratuity Trust Dabur Superannuation Trust

***** With whom the Company had transactions during the current year or previous year

B) Transactions with Related Parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	Transactions during the year		Balance at the end of the year	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
A Key Management Personnel / Directors				
i) Employee benefits	22.87	17.10	5.43	3.27
ii) Post separation benefits	4.52	4.68	50.47	47.87
iii) Reimbursement of expenses	0.27	0.40	-	-
iv) Share based payment	1.83	7.88	-	-
v) Directors' sitting fees	0.54	0.65	-	-
Total	**30.03**	**30.71**	**55.90**	**51.14**
Above includes the following material transactions:				
i) Employee benefits				
Mr. P. D. Narang	9.80	7.14	2.53	1.46
Mr. Sunil Duggal	9.94	7.15	2.51	1.42
Sub-Total	**19.74**	**14.29**	**5.04**	**2.88**
ii) Post separation benefits				
Mr. P. D. Narang	4.15	4.35	42.32	39.14
iii) Reimbursement of expenses				
Mr. P. D. Narang	0.18	0.21	-	-
Mr. Sunil Duggal	0.09	0.09	-	-
Sub-Total	**0.27**	**0.30**	**-**	**-**
iv) Share based payment				
Mr. P. D. Narang	0.64	3.55	-	-
Mr. Sunil Duggal	0.64	3.55	-	-
Sub-Total	**1.28**	**7.10**	**-**	**-**
Total	**25.44**	**26.04**	**47.36**	**42.02**

Particulars		Transactions during the year		Balance at the end of the year	
		31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
B	**Subsidiaries**				
i)	Purchase of products	437.87	503.64	49.26	80.27
ii)	Sale of products	85.91	83.94	19.61	7.23
iii)	Miscellaneous income	4.50	4.50	4.50	-
iv)	Share based payment	1.39	3.08	4.06	7.36
v)	Reimbursement of expenses	0.46	0.67	-	-
vi)	Investments	-	-	91.68	91.68
vii)	Security deposit	-	-	0.38	0.38
viii)	Guarantees and collaterals	188.15	165.33	641.93	830.08
Total		**718.28**	**761.16**	**811.42**	**1,017.00**
Above includes the following material transactions:					
i)	Purchase of products				
	Dabur Nepal Private Limited	377.16	427.47	44.66	78.00
ii)	Sale of products				
	Naturelle LLC	35.24	24.44	3.87	2.55
iii)	Miscellaneous income				
	Dabur International Limited	4.50	4.50	4.50	-
iv)	Share based payment				
	Dabur International Limited	1.33	3.08	1.32	-
v)	Reimbursement of expenses				
	Dabur International Limited	0.42	0.50	-	-
vi)	Investments				
	Dabur International Limited	-	-	59.49	59.49
	H & B Stores Limited	-	-	29.65	29.65
Sub-Total		**-**	**-**	**89.14**	**89.14**
vii)	Guarantees and collaterals				
	Dermoviva Skin Essentials INC	175.18	110.39	641.93	817.11
	Dabur Lanka Private Limited	12.97	54.94	-	12.97
Sub-Total		**188.15**	**165.33**	**641.93**	**830.08**
Total		**606.80**	**625.32**	**785.42**	**999.77**
C	**Joint Venture**				
i)	Interest received on security deposit	0.03	0.03	-	-
ii)	Miscellaneous expenses	3.44	3.91	0.01	-
iii)	Investment	-	-	6.99	6.99
iv)	Guarantees and collaterals	-	-	7.14	7.14
Total		**3.47**	**3.94**	**14.14**	**14.13**
Above includes the following material transactions:					
i)	Interest received on security deposit				
	Forum 1 Aviation Private Limited	0.03	0.03	-	-
ii)	Expenses paid				
	Forum 1 Aviation Private Limited	3.44	3.91	0.01	-
iii)	Investment				
	Forum 1 Aviation Private Limited	-	-	6.99	6.99
iv)	Guarantees and collaterals				
	Forum 1 Aviation Private Limited	-	-	7.14	7.14
Total		**3.47**	**3.94**	**14.14**	**14.13**
D	**Others**				
i)	Post separation benefits paid	0.39	0.08	-	-
ii)	Post employment benefit plan	43.68	38.13	-	-
iii)	Purchase of goods/services	7.81	8.57	0.17	-
Total		**51.88**	**46.78**	**0.17**	**-**

Above includes the following material transactions:

Particulars	Transactions during the year		Balance at the end of the year	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
i) Post separation benefits				
Mr. Vivek Chand Burman	0.18	0.05	-	-
Ms. Asha Burman	0.21	0.03	-	-
Sub-Total	**0.39**	**0.08**	**-**	**-**
ii) Post employment benefit plan				
Dabur India Limited E.P.F Trust	34.15	30.22	-	-
iii) Purchase of goods / services				
Jetways Travels Private Limited	5.93	6.59	-	-
Total	**40.47**	**36.89**	**-**	**-**

55 Details of hedged and unhedged exposure in foreign currency denominated monetary items

A Exposure in foreign currency - hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Outstanding overseas exposure hedged by forward option/ contract against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Packing credit loan *	31 March, 2018	USD	0.70	INR	45.62
	31 March, 2017	USD	1.00	INR	64.85

* The nature of risk hedged is adverse currency fluctuations

B Exposure in foreign currency - unhedged

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Export receivables	31 March, 2018	EUR	0.02	INR	1.39
	31 March, 2017	EUR	0.01	INR	0.41
	31 March, 2018	USD	0.66	INR	43.14
	31 March, 2017	USD	0.42	INR	27.38
	31 March, 2018	GBP	-	INR	-
	31 March, 2017	GBP	0.01	INR	0.59
Overseas creditors	31 March, 2018	USD	0.15	INR	9.54
	31 March, 2017	USD	0.17	INR	11.05
	31 March, 2018	EUR	0.00	INR	0.00
	31 March, 2017	EUR	0.00	INR	0.00
	31 March, 2018	GBP	-	INR	-
	31 March, 2017	GBP	0.00	INR	0.04
Advances to suppliers	31 March, 2018	USD	0.06	INR	3.66
	31 March, 2017	USD	0.04	INR	2.58
Bank balances in Exchange Earner Foreign Currency (EEFC) account	31 March, 2018	USD	0.01	INR	0.52
	31 March, 2017	USD	0.03	INR	2.12
Advance from customers	31 March, 2018	USD	0.03	INR	2.00
	31 March, 2017	USD	0.05	INR	2.95

56 Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November, 2016 to 30 December, 2016, pursuant to Ministry of Corporate Affairs (MCA) notification GSR 308 (E) dated 30 March, 2017

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 8 November, 2016	0.62	0.36	0.98
Add: permitted receipts	-	0.61	0.61
Less: permitted payments	-	0.77	0.77
Less: amount deposited in banks	0.62	-	0.62
Closing cash in hand as on 30 December, 2016	-	0.20	0.20

57 Capital Management - Policies and Procedures

For the purpose of the Company's capital Management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company' s capital Management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-current borrowings (refer note 22)	201.04	200.64
Other financial liability (refer note 23 and 28)	85.85	80.23
Current borrowings (refer note 26)	85.49	83.04
Trade payables (refer note 27)	960.62	914.52
Less: Cash and cash equivalents (refer note 15)	77.67	16.94
Net debt	**1,255.33**	**1,261.49**
Equity share capital (refer note 20)	176.15	176.15
Other equity (refer note 21)	4,050.71	3,481.73
Total capital	**4,226.86**	**3,657.88**
Capital and net debt	**5,482.19**	**4,919.37**
Gearing ratio	**22.90%**	**25.64%**

In order to achieve this overall objective, the Company's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2018 and 31 March, 2017.

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants which include Debt Service Coverage Ratio (DSCR), Fixed Asset Coverage Ratio (FACR) etc. The Company has complied with these covenants throughout the reporting period.

58 Financial Risk Management - Objectives and Policies

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly investments, loans, trade receivables, cash and cash equivalents, other balances with banks and other receivables.

The Company's financial risk Management is an integral part of how to plan and execute its business strategies.

The Company's activities expose it to market risk, interest rate risk and foreign currency risk. The Board of Directors ('Board') oversee the Management of these financial risks through its Risk Management Committee. The risk Management policy of

the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's Management, the structure for managing risks and the framework for risk Management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

A Market Risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a Risk Management Committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the risk Management policy on a quarterly basis.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs comprehensive interest rate risk Management. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign Currency Risk

The Company operates internationally with transactions entered into several currencies. Consequently the Company is exposed to foreign exchange risk towards honouring of export / import commitments.

Management evaluates exchange rate exposure in this connection in terms of its established risk Management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Foreign currency exposure as at 31 March, 2018	USD	EUR	AUD	GBP	Total
Export receivables	43.14	1.39	-	-	44.53
Overseas creditors	9.54	0.00	-	-	9.54
Advance to supplier	3.66	-	-	-	3.66
Advance from customers	2.00	-	-	-	2.00
Bank balances in Exchange Earner Foreign Currency (EEFC) account	0.52	-	-	-	0.52
Packing credit loan (hedged through future contract)	45.62	-	-	-	45.62

Foreign currency exposure as at 31 March, 2017	USD	EUR	AUD	GBP	Total
Export receivables	27.38	0.41	-	0.59	28.38
Overseas creditors	11.05	0.00	0.17	0.04	11.26
Advance to supplier	2.58	-	-	-	2.58
Advance from customers	2.95	-	0.00	-	2.95
Bank balances in Exchange Earner Foreign Currency (EEFC) account	2.12	-	-	-	2.12
Packing credit loan (hedged through future contract)	64.85	-	-	-	64.85

The above table represents total exposure of the Company towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 55 A and the details of unhedged exposures are given as part of note 55 B.

Foreign Currency Sensitivity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against ₹, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents Management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Change in foreign exchange rates	31 March, 2018		31 March, 2017	
	1% increase	1% decrease	1% increase	1% decrease
USD	0.36	(0.36)	0.18	(0.18)
EUR	0.01	(0.01)	0.00	(0.00)
AUD	-	-	0.00	(0.00)
GBP	-	-	0.01	(0.01)
(Decrease) / Increase in profit or loss	**0.37**	**(0.37)**	**0.19**	**(0.19)**

iii) Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity Analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the year:

Particulars	31 March, 2018	31 March, 2017
Price sensitivity		
Price increase by (5%) - FVOCI	52.58	62.16
Price decrease by (5%) - FVOCI	(52.58)	(62.16)
Price increase by (5%) - FVTPL	25.36	24.77
Price decrease by (5%) - FVTPL	(25.36)	(24.77)

B Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior Management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis-a-vis debt service fulfilment obligation.

Maturity Profile of Financial Liabilities

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March, 2018	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.09	0.43	7.08	7.60
Deposits payable	1.45	4.27	-	5.72
Non-current borrowings	-	200.00	-	200.00
Current borrowings	85.49	-	-	85.49
Trade payables	960.62	-	-	960.62
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	80.11	-	-	80.11

As at 31 March, 2017	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.07	0.30	4.92	5.29
Deposits payable	2.58	3.54	-	6.12
Non-current borrowings	-	200.00	-	200.00
Current borrowings	83.04	-	-	83.04
Trade payables	914.52	-	-	914.52
Other financial liabilities (excluding current maturity of finance lease obligation and deposits payable)	74.35	-	-	74.35

C Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

Financial assets are written-off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis. The Company's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across the length and breadth of the country.

Exposure to credit risks	As at 31 March, 2018	As at 31 March, 2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	2,719.69	2,319.03
Non-current loans	9.61	8.92
Other non-current financial assets	4.09	4.00
Current investments	713.39	735.12
Cash and cash equivalents	77.67	16.94
Bank balances other than cash and cash equivalents above	9.35	9.22
Current loans	1.41	3.35
Other current financial assets	4.06	7.36
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (LECL)		
Trade receivables	321.34	333.25

Summary of change in loss allowances measured using LECL

Particulars	31 March, 2018	31 March, 2017
Opening allowance	**9.28**	**9.58**
Provided during the year	1.09	0.98
Amounts written-off	1.39	1.28
Closing allowance	**8.98**	**9.28**

During the year, the Company has recognised loss allowance of ₹ 1.25 crores (31 March, 2017 : ₹ Nil) under 12 month ECL model. No significant changes in estimation techniques or assumptions were made during the reporting period.

Concentration of Financial Assets

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables is that credit risk is low. The Company's exposure to credit risk for trade receivables is presented below:

Particulars	31 March, 2018	31 March, 2017
A. Consumer care business	260.74	264.44
B. Food business	53.99	61.02
C. Other segments	5.29	7.05
D. Unallocated	1.32	0.74

59 Category wise Classification of Financial Instruments

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2016-17. The following methods and assumptions were used to estimate the fair values:

i) The fair values of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) The fair values of other investments measured at FVTOCI and FVTPL are determined based on observable market data other than quoted prices in active market.

iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in these financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

A The carrying values and fair values of financial instruments by categories as at 31 March, 2018 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at Fair Value Through Profit and Loss ('FVTPL')				
Investments in debt instruments	254.97	-	254.97	-
Investments in mutual funds	252.14	252.14	-	-
Total	**507.11**	**252.14**	**254.97**	**-**
Financial assets at Fair Value Through Other Comprehensive Income ('FVTOCI')				
Investments in debt instruments	1,051.43	-	1,051.43	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,051.50**	**-**	**1,051.43**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	1,569.52	-	-	-
Investments in subsidiaries and Joint Venture	98.67	-	-	-
(ii) Loans				
Security deposits	9.61	-	-	-
(iii) Other financial assets	4.09	-	-	-
Total	**1,681.89**	**-**	**-**	**-**
Current				
(i) Investments				
Investments in debt instruments	206.28	-	-	-
(ii) Loans				
Security deposits	1.41	-	-	-
(iii) Trade receivables	321.34	-	-	-
(iv) Cash and cash equivalents	77.67	-	-	-
(v) Bank balances other than (iv) above	9.35	-	-	-
(vi) Other financial assets	4.06	-	-	-
Sub-Total	**620.11**	**-**	**-**	**-**
Total	**2,302.00**	**-**	**-**	**-**

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	201.04	-	-	-
(ii) Other financial liabilities	4.25	-	-	-
Total	**205.29**	**-**	**-**	**-**
Current				
(i) Borrowings	85.49	-	-	-
(ii) Trade payables	960.62	-	-	-
(iii) Other financial liabilities	81.60	-	-	-
Sub-Total	**1,127.71**	**-**	**-**	**-**
Total	**1,333.00**	**-**	**-**	**-**

* During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

B The carrying values and fair values of financial instruments by categories as at 31 March, 2017 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at Fair Value Through Profit and Loss ('FVTPL')				
Investments in debt instruments	247.02	-	247.02	-
Investments in mutual funds	248.37	248.37	-	
Total	**495.39**	**248.37**	**247.02**	**-**
Financial assets at Fair Value Through Other Comprehensive Income ('FVTOCI')				
Investments in debt instruments	1,243.11	-	1,243.11	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,243.18**	**-**	**1,243.11**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	977.18	-	-	-
Investments in subsidiaries and Joint Venture	98.67	-	-	-
(ii) Loans				
Security deposits	8.92	-	-	-
(iii) Other financial assets	4.00	-	-	-
Total	**1,088.77**	**-**	**-**	**-**
Current				
(i) Investments				
Investments in debt instruments	239.73	-	-	-
(ii) Loans				
Security deposits	3.35	-	-	-
(iii) Trade receivables	333.25	-	-	-
(iv) Cash and cash equivalents	16.94	-	-	-
(v) Bank balances other than (iv) above	9.22	-	-	-
(vi) Other financial assets	7.36	-	-	-
Sub-Total	**609.86**	**-**	**-**	**-**
Total	**1,698.63**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	200.64	-	-	-
(ii) Other financial liabilities	3.71	-	-	-
Total	**204.35**	**-**	**-**	**-**

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Current				
(i) Borrowings	83.04	-	-	-
(ii) Trade payables	914.52	-	-	-
(iii) Other financial liabilities	76.52	-	-	-
Sub-Total	**1,074.08**	**-**	**-**	**-**
Total	**1,278.43**	**-**	**-**	**-**

***** During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

C Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

(a) **Investment in mutual funds:** The fair values of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.

(b) **Investment in debt instruments:** The fair value of investments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

60 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

(A) Defined contribution plans

Amount of ₹ 3.80 crores (31 March, 2017 : ₹ 3.97 crores) is recognised as an expense and included in employee benefits expense in the Standalone Statement of Profit and Loss under Employees' Superannuation Fund.

(B) Defined benefit plans

Gratuity (funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Payment of Gratuity Act, 1972. However, no vesting condition applies in case of death. The weighted average duration of defined benefit obligation is 7.06 years (31 March, 2017 : 7.07 years).

The Company makes contributions to Dabur Employees' Gratuity Trust, which is funded defined benefit plan for qualifying employees.

Post separation benefit of Directors

Post separation benefit of Directors includes car, telephone, medical and housing facility for eligible Directors.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

(a) Salary increases - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) Investment risk - If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

(d) Mortality and disability - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarises the components of net benefit expense recognized in the Standalone Statement of Profit and Loss and the funded status and amounts recognized in the Standalone Balance Sheet:

Particulars		Gratuity		Post separation benefit of Directors	
		31 March, 2018 Funded	31 March, 2017 Funded	31 March, 2018 Unfunded	31 March, 2017 Unfunded
I	**Change in present value of defined benefit obligation during the year**				
	Present value of obligation as at the beginning of the period	55.41	49.66	47.86	45.38
	Interest cost	4.16	3.97	3.59	3.64
	Service cost	5.43	4.91	1.32	1.27
	Benefits paid	(4.29)	(3.12)	(0.42)	(0.59)
	Total actuarial (gain)/loss on obligation	1.04	(0.01)	(1.88)	(1.84)
	Present value of obligation as at the end of the period	61.75	55.41	50.47	47.86
II	**Change in fair value of plan assets during the year**				
	Fair value of plan assets at the beginning of the period	55.53	49.20	-	-
	Expected interest income	4.16	3.94	-	-
	Employer contribution	5.50	4.00	-	-
	Benefits paid	(4.29)	(3.12)	-	-
	Actuarial gain / (loss) for the year on asset	(1.62)	1.51	-	-
	Fair value of plan assets at the end of the period	59.30	55.53	-	-
III	**Net asset / (liability) recognised in the Standalone Balance Sheet**				
	Present value of obligation at the end	61.75	55.41	50.47	47.86
	Fair value of plan assets	59.30	55.53	-	-
	Unfunded liability / assets in Standalone Balance Sheet	(2.45)	0.12	(50.47)	(47.86)
IV	**Expense recognised in the Standalone Statement of Profit and Loss during the year**				
	Service cost	5.43	4.91	1.32	1.27
	Net interest cost	(0.01)	0.03	3.59	3.64
	Total expense recognised in the employee benefit expense	5.42	4.94	4.91	4.91
V	**Recognised in other comprehensive income for the year**				
	Net cumulative unrecognised actuarial gain / (loss) opening	0.02	(1.50)	3.80	1.97
	Actuarial (gain) / loss for the year on Projected Benefit Obligation (PBO)	1.04	(0.01)	(1.88)	(1.84)
	Actuarial gain / (loss) for the year on asset	(1.62)	1.51	-	-
	Unrecognised actuarial gain / (loss) at the end of the year	2.64	0.02	5.69	3.80
VI	**Maturity profile of defined benefit obligation**				
	Within the next 12 months (next annual reporting period)	14.95	13.20	0.43	0.64
	Between 2 to 5 years	15.40	14.04	30.47	20.34
	More than 5 years	31.40	28.18	19.57	27.84

Particulars	Gratuity		Post separation benefit of Directors	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
	Funded	Funded	Unfunded	Unfunded
VII Quantitative sensitivity analysis for significant assumptions is as below				
a) Impact of change in discount rate				
Present value of obligation at the end of the period	61.74	55.41	50.47	47.86
Impact due to increase of 0.50%	(1.67)	(0.76)	(0.24)	(0.22)
Impact due to decrease of 0.50%	1.77	0.78	0.25	0.22
b) Impact of change in salary increase				
Present value of obligation at the end of the period	61.74	55.41	50.47	47.86
Impact due to increase of 0.50%	1.73	1.56	0.22	0.20
Impact due to decrease of 0.50%	(1.65)	(1.49)	(0.22)	(0.19)
Sensitivities due to mortality and withdrawals are not material, hence the impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lumpsum benefit on retirement.				
VIII The major categories of plan assets (as a percentage of total plan assets)				
Funds managed by insurer	100%	100%	N.A	N.A
IX Actuarial assumptions				
i) Discount rate	8.00 % PA	7.50 % PA	8.00 % PA	7.50 % PA
ii) Future salary increase	10.00 % PA	9.00 % PA	12.00 % PA	12.00 % PA
iii) Retirement age (years)	58	58	60/70	60/70
iv) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		100% of IALM (2006-08)	
v) Age	**Withdrawal rate (%)**	**Withdrawal rate (%)**	**Withdrawal rate (%)**	**Withdrawal rate (%)**
Upto 30 years	17	17	Nil	Nil
From 31 to 44 years	14	14	Nil	Nil
Above 44 years	5	5	Nil	Nil
vi) Expected best estimate of expense for the next annual reporting period				
Service cost	5.57	5.15	1.30	1.36
Net interest cost	0.20	(0.01)	4.04	3.59
Net periodic benefit cost	5.77	5.14	5.34	4.95

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after considering the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(C) Provident Fund

The Company makes contribution towards provident fund which is administered by Dabur India Limited E.P.F Trust. The rules of the Company's provident fund administered by a trust, requires that if the trust is unable to pay interest at the rate declared by the Government under Para 60 of the Employees' Provident Funds Scheme, 1972 for the reason that the return on investments is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company has obtained actuarial valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contribution only.

Contribution made by the Company to the provident fund trust set-up by the Company during the year is ₹ 9.04 Crores (31 March, 2017 : ₹ 8.28 crores).

Particulars	31 March, 2018	31 March, 2017
Plan assets at period end, at fair value	257.49	212.86
Present value of defined obligation at period end	240.54	208.47
Assumptions used in determining the present value of obligation:		
I Economic assumptions (actuarial)		
i) Expected statutory interest rate on the ledger balance	8.55%	8.65%
ii) Expected short fall in interest earnings on the fund	0.05%	0.05%
II Demographic assumptions (actuarial)		
i) Mortality	IALM (2006 -08)	IALM (2006 - 08)
ii) Disability	None	None
iii) Withdrawal Rate (Age related)		
Up to 30 Years	17%	17%
Between 31 - 44 Years	14%	14%
Above 44 Years	5%	5%
iv) Normal retirement age	58	58

61 Disclosures required pursuant to Ind AS 102 - Share Based Payment

Under Employee Stock Option Scheme (ESOP) of the Company, share options of the Company are granted to the senior executives subject to achievement of targets as defined in ongoing vision of the Company. Vesting period ranges from 1 to 5 years. Each option carries the right to the holder to apply for one equity share of the Company at par. There has been no variation in the terms of options during the year. The share options are valued at the fair value of the options as on the date of grant using Black Scholes pricing model. There is no cash settlement alternative.

A The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	Weighted Average Price(₹)	Number of Options
Outstanding as at 01 April, 2016	**13.88**	**1,13,50,921**
Options granted during the year	1.00	1,37,031
Options forfeited/lapsed/expired during the year	1.00	3,10,300
Options exercised during the year	62.48	23,79,340
Options outstanding as at 31 March, 2017	**1.80**	**87,98,312**
Exercisable at the end of the period.		**87,98,312**
Outstanding as at 01 April, 2017	**1.80**	**87,98,312**
Options granted during the year	1.00	36,720
Options forfeited/lapsed/expired during the year	1.00	38,63,411
Options exercised during the year*	-	-
Options outstanding as at 31 March, 2018#	**2.42**	**49,71,621**
Exercisable at the end of the period.		49,71,621

Subsequent to the financial year ended 31 March, 2018, the Nomination and Remuneration Committee of the Board of Directors of the Company in its meeting held on 19 April, 2018 has cancelled 15,55,900 stock options granted to the employees of the Company and its subsidiaries relevant to the financial year ended 31 March, 2018.

***** Nil Share options were exercised on a regular basis throughout the year. The weighted average share price during the period was Nil.

The options outstanding as at 31 March, 2018 were with the exercise price of ₹ 1.00 to ₹ 84.60. The weighted average of the remaining contractual life is 0.12 years.

B Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year:

i)	Date of grant: 21 April, 2017	Vesting Date: 15 May, 2018
	Market Price (₹)	291.25
	Expected Life (in years)	1.07
	Volatility (%)	22.55
	Risk Free Rate (%)	6.26
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.77
	Fair Value per Vest (₹)	287.93
	Vest (%)	100.00
	Option Fair Value (₹)	287.93

ii)	Date of grant: 04 August, 2017	Vesting Date: 4 August 2018
	Market Price (₹)	307.30
	Expected Life (in years)	1.00
	Volatility (%)	19.90
	Risk Free Rate (%)	6.05
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.73
	Fair Value per Vest (₹)	304.12
	Vest (%)	100.00
	Option Fair Value (₹)	304.12

iii)	Date of grant: 31 October, 2017	Vesting Date: 31 October, 2018
	Market Price (₹)	332.85
	Expected Life (in years)	1.00
	Volatility (%)	20.09
	Risk Free Rate (%)	6.15
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.67
	Fair Value per Vest (₹)	329.69
	Vest (%)	100.00
	Option Fair Value (₹)	329.69

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on NSE over these years.

Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during year ended 31 March, 2017:

i)	Date of Grant: 27 July, 2016	Vesting Date: 27 July, 2017
	Market Price (₹)	307.65
	Expected Life (in years)	1.00
	Volatility (%)	26.80
	Risk Free Rate (%)	6.66
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.73
	Fair Value per Vest (₹)	304.48
	Vest (%)	15.00
	Option Fair Value (₹)	303.01

ii)	Date of Grant: 27 July, 2016	Vesting Date: 15 May, 2018
	Market Price (₹)	307.65
	Expected Life (in years)	1.80
	Volatility (%)	26.65
	Risk Free Rate (%)	6.67
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.73
	Fair Value per Vest (₹)	302.75
	Vest (%)	85.00
	Option Fair Value (₹)	303.01

iii)	Date of Grant: 01 December, 2016	Vesting Date: 01 December, 2017
	Market Price (₹)	286.10
	Expected Life (in years)	1.00
	Volatility (%)	25.24
	Risk Free Rate (%)	5.88
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.79
	Fair Value per Vest (₹)	282.91
	Vest (%)	9.95
	Option Fair Value (₹)	282.02

iv)	Date of Grant: 01 December, 2016	Vesting Date: 15 May, 2018
	Market Price (₹)	286.10
	Expected Life (in years)	1.45
	Volatility (%)	25.49
	Risk Free Rate (%)	5.90
	Exercise Price (₹)	1.00
	Dividend Yield (%)	0.79
	Fair Value per Vest (₹)	281.92
	Vest (%)	90.05
	Option Fair Value (₹)	282.02

62 Previous year amounts have been re-grouped / re-casted wherever considered necessary, to make them comparable with those of the current year.

63 In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Independent Auditor's Report

To the Members of Dabur India Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Dabur India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its Joint Venture, which comprise the Consolidated Balance Sheet as at 31 March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its Joint Venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/Management of the subsidiaries included in the Group, and its Joint Venture are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/Management of the Companies included in the Group, and its Joint Venture Company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor

in terms of their report referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, and its Joint Venture as at 31 March, 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

9. We did not audit the financial statements of 21 subsidiaries, whose financial statements reflect total assets of ₹2,972.32 crores and net assets of ₹1,551.86 crores as at 31 March, 2018, total revenues of ₹2,570.93 crores and net cash outflows amounting to ₹86.51 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Sub-Section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditor.

   The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹0.24 crores for the year ended 31 March, 2018, as considered in the consolidated financial statements, in respect of a Joint Venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Joint Venture, and our report in terms of Sub-Section (3) of Section 143 of the Act in so far as it relates to the aforesaid Joint Venture, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor and the financial statements certified by the Management.

10. The consolidated financial statements of the Group and its Joint Venture for the year ended 31 March, 2017, were audited by the predecessor auditor who had issued an unmodified audit report dated 1 May, 2017 on those consolidated financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the Directors of the Holding Company and taken on record by the Board of Directors of the

Holding Company and the reports of the other Statutory Auditor of its Subsidiary Company, none of the Directors of the Group Companies, covered under the Act, are disqualified as on 31 March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Holding Company, and its Subsidiary Companies and Joint Venture Company covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiaries:

(i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and its Joint Ventures as detailed in Note 47 to the consolidated financial statements;

(ii) the Group and its Joint Venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its Subsidiary Companies and Joint Venture Company, incorporated in India; and

(iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November, 2016 to 30 December, 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this Clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531
Place: New Delhi
Date: May 1, 2018

Annexure A

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Dabur India Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), and its Joint Venture as of and for the year ended 31 March, 2018, we have audited the Internal Financial Controls over Financial Reporting (IFCoFR) of the Holding Company, its Subsidiary Company, and Joint Venture, which are Companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its Subsidiary Company, and its Joint Venture, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of the Company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its Subsidiary Company, and its Joint Venture Company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its Subsidiary Company, and its Joint Venture Company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including

the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its Subsidiary Company and its Joint Venture Company, which are Companies incorporated in India, have, in all material respects, adequate Internal Financial Controls over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31 March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the IFCoFR in so far as it relates to a Joint Venture Company, which is Company incorporated in India, in respect of which, the Group's share of net profit of ₹ 0.24 crores for the year ended 31 March, 2018, has been considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its Subsidiary Company, and its Joint Venture Company, which are Companies incorporated in India, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid Joint Venture Company, which is Company incorporated in India, is based solely on representations provided by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion is not modified in respect of the above matter with respect to our reliance on representations provided by the Management.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Anupam Kumar**
Partner
Membership No.: 501531
Place: New Delhi
Date: May 1, 2018

Consolidated Balance Sheet

as at 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2018	31 March, 2017
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	7A	1,552.10	1,479.02
b) Capital work-in-progress	7B	41.51	42.10
c) Investment property	7C	54.16	54.99
d) Goodwill	7D	411.54	410.53
e) Other intangible assets	7E	10.31	13.86
f) Financial assets			
(i) Investments	8	3,091.78	2,499.41
(ii) Loans	9	13.14	11.86
(iii) Others	10	4.11	6.38
g) Non-current tax assets (net)	11	3.33	3.31
h) Other non-current assets	12	79.90	96.31
Total Non-Current Assets		**5,261.88**	**4,617.77**
Current Assets			
a) Inventories	13	1,256.18	1,106.71
b) Financial assets			
(i) Investments	14	713.39	740.75
(ii) Trade receivables	15	706.08	650.42
(iii) Cash and cash equivalents	16	153.80	163.22
(iv) Bank balances other than (iii) above	17	152.26	141.59
(v) Loans	18	34.88	3.80
(vi) Others	19	28.27	38.12
c) Current tax assets (net)	20	1.96	-
d) Other current assets	21	391.01	269.86
e) Asset held for sale	64	1.92	-
Total Current Assets		**3,439.75**	**3,114.47**
Total Assets		**8,701.63**	**7,732.24**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	22	176.15	176.15
b) Other equity	23	5,530.37	4,671.24
Equity attributable to shareholders of the Holding Company		**5,706.52**	**4,847.39**
c) Non-controlling interest		26.53	24.77
Total Equity		**5,733.05**	**4,872.16**
LIABILITIES			
Non-Current Liabilities			
a) Financial liabilities			
(i) Borrowings	24	364.34	470.39
(ii) Other financial liabilities	25	4.25	3.71
b) Provisions	26	56.50	53.40
c) Deferred tax liabilities (net)	27	109.05	108.04
Total Non-Current Liabilities		**534.14**	**635.54**
Current Liabilities			
a) Financial liabilities			
(i) Borrowings	28	464.49	440.33
(ii) Trade payables	29	1,410.32	1,310.03
(iii) Other financial liabilities	30	238.20	174.69
b) Other current liabilities	31	173.03	169.10
c) Provisions	32	107.47	91.89
d) Current tax liabilities (net)	33	40.93	38.50
Total Current Liabilities		**2,434.44**	**2,224.54**
Total Liabilities		**2,968.58**	**2,860.08**
Total Equity and Liabilities		**8,701.63**	**7,732.24**
Significant accounting policies	6		

The accompanying notes 1 to 68 are an integral part of these financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Note	31 March, 2018	31 March, 2017
Income			
Revenue from operations	34	7,748.34	7,701.44
Other income	35	305.18	298.35
Total Income		**8,053.52**	**7,999.79**
Expenses			
Cost of materials consumed	36	3,220.05	3,024.76
Excise duty		26.49	87.85
Purchases of stock-in-trade		665.80	753.63
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	(65.93)	(23.02)
Employee benefits expense	38	792.79	789.61
Finance costs	39	53.05	54.03
Depreciation and amortization expense	40	162.18	142.86
Other expenses			
Advertisement and publicity		606.71	646.14
Others	41	884.99	913.53
Total Expenses		**6,346.13**	**6,389.39**
Profit before share of profit from Joint Venture and Exceptional items		**1,707.39**	**1,610.40**
Share of profit of Joint Venture	55	0.24	0.25
Profit before exceptional items and tax		**1,707.63**	**1,610.65**
Exceptional items	42	14.54	-
Profit before tax		**1,693.09**	**1,610.65**
Tax expense	43		
Current tax		371.34	344.34
Deferred tax		(35.99)	(14.00)
Total Tax Expense		**335.35**	**330.34**
Net Profit for the Year		**1,357.74**	**1,280.31**
Other comprehensive income	44		
A (i) Items that will not be reclassified to profit or loss		(4.20)	2.67
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.15	(1.16)
B (i) Items that will be reclasssified to profit or loss		(28.04)	(148.83)
(ii) Income tax relating to items that will be reclasssified to profit or loss		8.79	(3.26)
Total other comprehensive income		**(23.30)**	**(150.58)**
Total comprehensive income for the year		**1,334.44**	**1,129.73**
Net profit attributable to:			
Owners of the Holding Company		1,354.39	1,276.94
Non-controlling interest		3.35	3.37
Other comprehensive income attributable to:			
Owners of the Holding Company		(21.72)	(150.27)
Non-controlling interest		(1.58)	(0.31)
Total comprehensive income attributable to:			
Owners of the Holding Company		1,332.67	1,126.67
Non-controlling interest		1.77	3.06
Earnings per equity share			
Basic ₹	45	7.69	7.25
Diluted ₹		7.66	7.21
Significant accounting policies	6		

The accompanying notes 1 to 68 are an integral part of these financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

Particulars		31 March, 2018	31 March, 2017
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	1,693.09	1,610.65
	Adjustments for:		
	Depreciation and amortization expense	162.18	142.86
	Loss on disposal / impairment of property, plant and equipment (net)	3.44	4.42
	Share based payment expense	3.51	14.30
	Provision for disputed liability	6.02	6.00
	Provisions for employee benefits	12.66	(2.13)
	Finance costs	42.38	30.71
	Net unrealised foreign exchange loss	0.74	13.30
	Interest income	(241.52)	(216.42)
	Loss / (gain) on fair valuation of financial instruments (net)	3.69	(1.62)
	Gain on sale of financial assets measured at FVTPL	(19.12)	(23.29)
	Gain on sale of financial assets measured at amortised cost	-	(0.98)
	Gain on sale of financial assets measured at FVOCI	(19.87)	(32.51)
	Effect of exchange rates on translation of operating cashflows	9.70	(83.50)
	Exceptional items	14.54	-
	Operating profit before working capital changes	**1,671.45**	**1,461.80**
	Adjustment for:		
	(Increase)/decrease in inventories	(149.47)	(10.21)
	(Increase)/decrease in trade receivables	(55.66)	114.52
	(Increase)/decrease in current and non-current financial assets	(20.59)	(2.85)
	(Increase)/decrease in other current and non-current assets	(153.04)	19.86
	Increase/(decrease) in trade payables	85.75	(15.99)
	Increase/(decrease) in other current and non-current financial liabilities	31.50	38.16
	Increase/(decrease) in other current and non-current liabilities	3.99	(56.28)
	Cash flow from operating activities post working capital changes	**1,413.92**	**1,548.99**
	Direct taxes paid (net of refund)	(324.92)	(322.06)
	Net cash flow from operating activities (A)	**1,089.00**	**1,226.93**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Acquisition of property, plant and equipment; capital work-in-progress; investment properties and intangible assets	(206.96)	(490.02)
	Proceeds from disposal of property, plant and equipment; capital work-in-progress; investment properties and intangible assets	6.67	4.22
	Purchases of investments	(9,001.30)	(9,111.14)
	Interest received	243.72	190.02
	Proceeds from sale of investments	8,417.64	8,600.04
	Net cash used in investing activities (B)	**(540.23)**	**(806.88)**

(All amounts in ₹ crores, unless otherwise stated)

Particulars		31 March, 2018	31 March, 2017
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity share capital	-	14.87
	(Repayment) / proceeds from non-current borrowing (including current maturities)	(61.57)	128.79
	Repayment of current borrowings (net)	7.04	39.41
	Dividend paid	(396.34)	(396.34)
	Dividend distribution tax paid	(80.69)	(80.69)
	Finance costs paid	(42.81)	(45.01)
	Net cash used in financing activities (C)	**(574.37)**	**(338.97)**
	Increase/(decrease) in cash and cash equivalents (A+B+C)	(25.60)	81.08
	Cash and cash equivalents at the beginning of the year	115.75	34.86
	Net unrealised foreign exchange (loss)/gain	(0.94)	(0.19)
	Cash and cash equivalents at the end of the year	**89.21**	**115.75**

Note:		
Cash and cash equivalent (as per note 16 to the financial statements)	**153.80**	**163.22**
Balances with banks in cash credit accounts (refer note 28)	(48.00)	(24.46)
Balances with banks in over draft accounts (refer note 28)	(16.59)	(23.01)
Cash and cash equivalent as per Consolidated Cash Flow Statement	**89.21**	**115.75**

Significant Accounting Policies **6**

Note: The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7 'Statement of Cash Flows'

The accompanying notes 1 to 68 are an integral part of these financial statements.
This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended 31 March, 2018

A. Equity share capital *

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Number of shares	Amount
Balance as at 01 April, 2016	**1,75,91,41,170**	**175.91**
Issued during the year	23,79,340	0.24
Balance as at 31 March, 2017	**1,76,15,20,510**	**176.15**
Balance as at 01 April, 2017	**1,76,15,20,510**	**176.15**
Issued during the year	-	-
Balance as at 31 March, 2018	**1,76,15,20,510**	**176.15**

B. Other equity **

Particulars	Attributable to owners of the Holding Company										Total attributable to owners of the Holding Company	Attributable to non-controlling interest	Total
	Reserves and surplus								Other comprehensive income (OCI)				
	Capital reserve	Securities premium reserve	Statutory reserve	Special fund	Employee housing reserve	Share option outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Debt instruments through OCI			
Balance as at 01 April, 2016	**29.14**	**199.37**	**14.66**	**3.14**	**6.09**	**90.87**	**413.52**	**3,262.36**	**(42.98)**	**18.53**	**3,994.70**	**21.71**	**4,016.41**
Profit for the year	-	-	-	-	-	-	-	1,276.94	-	-	1,276.94	3.37	1,280.31
Other comprehensive income for the year													
Re-measurements gains on defined benefit plans (net of tax of ₹ 1.16 crores)	-	-	-	-	-	-	-	1.51	-	-	1.51	-	1.51
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 3.26 crores)	-	-	-	-	-	-	-	-	-	10.86	10.86	-	10.86
Movement in foreign currency translation reserve during the year	-	-	-	-	-	-	-	-	(162.64)	-	(162.64)	(0.31)	(162.95)
Received during the year against issue of shares to employees under ESOP scheme	-	14.71	-	-	-	-	-	-	-	-	14.71	-	14.71
Transfer from share option outstanding account on exercise of options	-	16.17	-	-	-	(16.17)	-	-	-	-	-	-	-
Recognition of share based payment expenses (refer note 57)	-	-	-	-	-	14.29	-	-	-	-	14.29	-	14.29
Bonus share issued	-	-	-	-	-	0.09	-	(0.09)	-	-	-	-	-
Transactions with owners in their capacity as owners													
Dividends (refer note 46)	-	-	-	-	-	-	-	(477.03)	-	-	(477.03)	-	(477.03)
Transfer from retained earnings	-	-	-	-	9.09	-	99.91	(109.00)	-	-	-	-	-
Others	(2.22)	-	-	-	-	-	-	0.12	-	-	(2.10)	-	(2.10)
Balance as at 31 March, 2017	**26.92**	**230.25**	**14.66**	**3.14**	**15.18**	**89.08**	**513.43**	**3,954.81**	**(205.62)**	**29.39**	**4,671.24**	**24.77**	**4,696.01**

* refer note 22

** refer note 23

(All amounts in ₹ crores, unless otherwise stated)

B. Other equity (Contd.)**

Particulars	Attributable to owners of the Holding Company										Total attributable to owners of the Holding Company	Attributable to non-controlling interest	Total
	Reserves and surplus								Other comprehensive income (OCI)				
	Capital reserve	Securities premium reserve	Statutory reserve	Special fund	Employee housing reserve	Share option outstanding account	General reserve	Retained earnings	Foreign currency translation reserve	Debt instruments through OCI			
Balance as at 01 April, 2017	**26.92**	**230.25**	**14.66**	**3.14**	**15.18**	**89.08**	**513.43**	**3,954.81**	**(205.62)**	**29.39**	**4,671.24**	**24.77**	**4,696.01**
Profit for the year	-	-	-	-	-	-	-	1,354.39	-	-	1,354.39	3.35	1,357.74
Other comprehensive income for the year													
Re-measurements gains on defined benefit plans (net of tax of ₹ 0.15 crores)	-	-	-	-	-	-	-	(4.05)	-	-	(4.05)	-	(4.05)
Net fair value gain on investment in debt instruments through OCI (net of tax of ₹ 8.79 crores)	-	-	-	-	-	-	-	-	-	(28.95)	(28.95)	-	(28.95)
Movement in foreign currency translation reserve during the year	-	-	-	-	-	-	-	-	11.28	-	11.28	(1.58)	9.70
Recognition of share based payment expenses (refer note 57)	-	-	-	-	-	3.52	-	-	-	-	3.52	-	3.52
Transactions with owners in their capacity as owners													
Dividends (refer note 46)	-	-	-	-		-	-	(477.03)	-	-	(477.03)	-	(477.03)
Transfer from retained earnings	-	-	-	-	2.79	-	-	(2.79)	-	-	-	-	-
Others	-	-	-	-	-	-	-	(0.03)	-	-	(0.03)	-	(0.03)
Balance as at 31 March, 2018	**26.92**	**230.25**	**14.66**	**3.14**	**17.97**	**92.60**	**513.43**	**4,825.30**	**(194.34)**	**0.44**	**5,530.37**	**26.53**	**5,556.91**

** refer note 23

The accompanying notes 1 to 68 are an integral part of these financial statements.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on the behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

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DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Summary of significant accounting policies and other explanatory information

for the year ended 31 March, 2018

(All amounts in ₹ crores, unless otherwise stated)

1. Group Information

Dabur India Limited (the 'Holding Company') is a domestic public limited Company with registered office situated at 8/3, Asaf Ali Road, New Delhi – 110002 and is listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE) and Metropolitan Stock Exchange of India Limited (MSEI).

The consolidated financial statements comprise the financial statements of the Holding Company, its Subsidiaries and Joint Venture collectively hereinafter referred to as the 'Group'. The Group is one of the leading global fast moving consumer goods (FMCG) players' dealing in consumer care and food products. It has wide network of operations in local as well as foreign markets.

2. General Information and Statement of Compliance with Ind AS

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (₹') which is also the functional currency of the Holding Company.

The financial statements for the year ended 31 March, 2018 were authorized and approved for issue by the Board of Directors on 01 May, 2018. The revision to financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of Preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Amount in the financial statements are presented in ₹ crores, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00 crores.

4. Basis of Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intercompany transactions, balances and un-realized gains/ losses on transactions between group Companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a Subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Consolidated Statement of Profit and Loss balance (including Other Comprehensive Income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Joint Venture

Interest in Joint Venture is accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Consolidated Statement of Profit and Loss (including the OCI) includes the Group's share of

the results of the operations of the investee. Dividends received or receivable from Joint Ventures are recognized as a reduction in the carrying amount of the investment.

5. Recent Accounting Pronouncements

In March, 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 via notification dated 28 March, 2018 to further amend Companies (Indian Accounting Standards) Rules, 2015, notifying a new revenue recognition standard Ind AS 115, 'Revenue from Contracts with Customer'. This amendment replaces Ind AS 18, 'Revenue' and Ind AS 11, 'Construction Contracts'. Also notifying an insertion of Appendix B, 'Foreign currency transaction and advance consideration' to Ind AS 21, 'The effect of change in foreign exchange rate', amendment to Ind AS 40, 'Investment property' and amendment to Ind AS 12, 'Income taxes'. The amendments are applicable to the Group from 1 April, 2018.

- **Notification of Ind AS 115:**

  The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

  a. Identify the contract(s) with a customer;
  b. Identify the performance obligations;
  c. Determine the transaction price;
  d. Allocate the transaction price to the performance obligations;
  e. Recognize revenue when or as an entity satisfies performance obligation.

  The Group is evaluating the requirements of the amendment and its impact on the financial statements.

- **Insertion of Appendix B to Ind AS 21:**

  This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/ liability), for recognising related expense/income on the settlement of said asset/liability.

  This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

  a. At fair value; or

  b. At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

  An entity is not required to apply this Appendix to:

  a. income taxes; or

  b. insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

  The Group is evaluating the requirements of the amendment and its impact on the financial statements.

- **Amendment to Ind AS 40:**

  An entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in Management's intentions for the use of a property does not provide evidence of a change in use.

  When an entity decides to dispose of an investment property without development, it continues to treat the property as an investment property until it is derecognized (eliminated from the balance sheet) and does not reclassify it as inventory. Similarly, if an entity begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property and is not reclassified as owner-occupied property during the redevelopment.

  The Group is evaluating the requirements of the amendment and its impact on the financial statements.

- **Amendment to Ind AS 12**

  The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

  The Group is evaluating the requirements of the amendment and its impact on the financial statements.

6. Summary of Significant Accounting Policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below:

a. Current / Non-Current Classification:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

b. Business Combinations

- The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.

  Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values.

- Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

- Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

c. Revenue Recognition:

- Revenue from sale of products have been recognized with the transfer of significant risk and rewards of ownership of the goods, with the Group losing effective control or the right to managerial involvement thereon and the revenue (representing future economic benefit associated with the transaction) including cost incurred or to be incurred in respect of the transaction are measurable reliably and the recovery of the consideration is probable.

  Revenue from sale of products is measured at the fair value of consideration received or receivable (net of taxes). Excise duty is a levy on manufacture irrespective of ultimate sale of goods and hence the recovery of excise duty flows to the Group on its own account. Accordingly, revenues from sale of products are stated gross of excise duty. Goods and Service Tax ('GST), Sales Tax and Value Added Tax ('VAT') are not received by the Group on its own account but collected on behalf of the Government and accordingly, are excluded from revenue.

- Income from export incentives such as duty drawback, premium on sale of import licenses and lease license fee are recognized on accrual basis.

- Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

- Interest income is recognized using effective interest method.

- Dividend income is recognized at the time when the right to receive is established by the reporting date.

- Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection.

d. Property, Plant and Equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. These tangible assets are held for use in production, supply of goods or services or for administrative purposes.

- Cost comprises of purchase cost, freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such costs also include borrowing cost if the recognition criteria are met.

- When a major inspection / repair occur, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection / repair is derecognized. All other repair and maintenance are recognized in the Consolidated Statement of Profit and Loss as incurred.

- Depreciation on property, plant and equipment is provided over the useful lives of assets as specified in Schedule II to the Act except where the Management, has estimated useful life of an asset supported by the technical assessment, external or internal

i.e., higher or lower from the indicative useful life given under Schedule II. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	10 years

The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

- Components relevant to property, plant and equipment, where significant, are separately depreciated on straight-line basis in terms of their life span assessed by technical evaluation in item specific context.
- For new projects, all direct expenses and direct overheads (excluding services of non-exclusive nature provided by employees in Group's regular payroll) are capitalized till the assets are ready for intended use.
- During disposal of property, plant and equipment, any profit earned / loss sustained towards excess / shortfall of sale value vis-a-vis carrying cost of assets is accounted for in Consolidated Statement of Profit and Loss.

e. Capital work-in-progress and intangible assets under development:

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects / intangible assets under development and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

f. Investment Property:

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act.

Significant parts of the property are depreciated separately based on their specific useful lives as follows:

Description	Useful lives(upto)
Leasehold land	Over lease period
Building	60 years

Any gain or loss on disposal of investment properties is recognized in Consolidated Statement of Profit and Loss.

Fair value of investments properties under each category are disclosed under note 7C to the financial statements. Fair values are determined based on the evaluation performed by an accredited external independent valuer applying a recognized and accepted valuation model or estimation based on available sources of information from market.

Transfers to or from the investment property is made only when there is a change in use and the same is made at the carrying amount of investment property.

g. Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 'Business Combinations'.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

h. Intangible Assets:

- Intangible assets acquired separately are measured on initial recognition at cost of acquisition. The cost comprises of purchase price and directly attributable costs of bringing the assets to its working condition for intended use. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. In case of internally generated assets, measured at development cost subject to satisfaction of recognition criteria (identifiability, control and

future economic benefit) in accordance with Ind AS 38 'Intangible Assets'.

- Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.
- Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit and Loss.
- Amortization of intangible assets such as softwares is computed on a straight-line basis, at the rates representing estimated useful life of up to 5 years. The brands and trademarks acquired as part of business combinations normally have a remaining legal life of not exceeding ten years but is renewable every ten years at little cost and is well established.

i. Government Subsidy / Grants:

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

- Subsidy related to assets is recognized as deferred income which is recognized in the Consolidated Statement of Profit and Loss on systematic basis over the useful life of the assets.
- Purchase of assets and receipts of related grants are separately disclosed in Consolidated Statement of Cash Flow.
- Grants related to income are treated as other operating income in Consolidated Statement of Profit and Loss subject to due disclosure about the nature of grant.

j. Impairment of Non-Financial Assets:

- **Goodwill**

  Goodwill is tested for impairment on annual basis. If on testing, any impairment exists, the carrying amount of goodwill is reduced to the extent of any impairment loss and such loss is recognized in the Consolidated Statement of Profit and Loss.

- **Other Assets**

  At each reporting date, the Group assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the Cash Generating Unit (CGU) is estimated. If such recoverable amount of the asset or CGU to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Consolidated Statement of Profit and Loss.

k. Impairment of Financial Assets:

In accordance with Ind AS 109 'Financial Instruments', the Group applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

l. Trade Receivables:

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

m. Other Financial Assets:

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at

the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

n. Financial Instruments:

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Non-Derivative Financial Assets

Subsequent measurement

- **Financial Assets Carried at Amortized Cost**

  A financial asset is measured at the amortized cost, if both the following conditions are met:

  a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b. Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ('EIR') method.

- **Investments in Other Equity Instruments**

  Investments in equity instruments which are held for trading are classified as at Fair Value through Profit or Loss ('FVTPL'). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at Fair Value through Other Comprehensive Income ('FVOCI') or Fair Value through Profit or Loss ('FVTPL'). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- **Debt Instruments**

  Debt instruments are initially measured at amortized cost, Fair Value through Other Comprehensive Income ('FVOCI') or Fair Value through Profit or Loss ('FVTPL') till de-recognition on the basis of:

  a. the entity's business model for managing the financial assets and

  b. the contractual cash flow characteristics of the financial asset.

  a. Measured at Amortized Cost

  Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the EIR method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Consolidated Statement of Profit and Loss.

  b. Measured at fair value through other Comprehensive Income

  Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the Other Comprehensive Income ('OCI'). Interest income measured using the EIR method and impairment losses, if any are recognized in the Consolidated Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Consolidated Statement of Profit and Loss.

  c. Measured at fair value through profit or loss

  A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Consolidated Statement of Profit and Loss.

- **Investments in mutual funds**

  Investments in mutual funds are measured at FVTPL.

  De-recognition of financial assets

  A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

  Non-derivative financial liabilities

  Subsequent measurement

  Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

  De-recognition of financial liabilities

  A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

  Derivative financial instruments

  The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms.

  Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Consolidated Statement of Profit and Loss when incurred.

- **Financial guarantee contracts**

  Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 'Financial Instruments' and the amount recognized less cumulative amortization.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

o. <u>Fair value measurement:</u>

The Group measures financial instruments, such as, derivatives at fair value at each Consolidated Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are

categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

p. Leases:

Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease other than finance lease is treated as operating lease. Operating lease payments are recognized as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term, except when the lease rentals, increase are in line with general inflation index.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

q. Inventories:

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-trade valued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued at moving weighted average basis plus appropriate overheads.

r. Employee benefits:

Liabilities in respect of employee benefits to employees are provided for as follows:

- **Current employee benefits**

  a. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly

within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employee dues payable in the Consolidated Balance Sheet.

b. Employees' State Insurance ('ESI') is provided on the basis of actual liability accrued and paid to authorities.

c. The Group has adopted a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

d. Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

- **Post separation employee benefit plan**

a. Defined benefit plan

- Post separation benefits of Directors are accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'.
- Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Consolidated Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on Government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.
- Group contributes its share of contribution to Employees' Provident Fund Scheme administered by a separate trust with its obligation to make good the shortfall, if any, in trust fund arising on account of difference between the return on investments of the trust and the interest rate on provident fund dues notified periodically by the Central Government.
- Actuarial gain / loss pertaining to gratuity and post separation benefits are accounted for as OCI. All remaining components of costs are accounted for in Consolidated Statement of Profit and Loss.

b. Defined contribution plans

Liability for superannuation fund is provided on the basis of the premium paid to insurance Company in respect of employees covered under Superannuation Fund Policy.

s. Taxation:

Tax expense recognized in Consolidated Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations of the respective jurisdictions. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under provisions of the Income Tax Acts of the respective jurisdictions.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Consolidated Statement of Profit and Loss is recognized outside Consolidated Statement of Profit and Loss (either in other comprehensive income or in equity).

t. Provisions, contingent liability and contingent assets:

- Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- Contingent liability is disclosed for:
  a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
  b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

u. Foreign currency translation:

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise.

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. For all the foreign operations of the Group, all assets and liabilities (excluding equity share capital and opening reserves and surplus) are translated into Indian Rupees (₹) using the exchange rate prevailing at the reporting date. Equity share capital, reserves and surplus are carried at historical cost. Revenues, costs and expenses are translated using the weighted-average exchange rate during the reporting period. The resultant currency translation difference is recognized as foreign currency translation reserve under the head 'other equity'.

v. Share based payments - Employee Stock Option Scheme ('ESOP'):

The fair value of options granted under Employee Stock Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

w. Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

x. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares.

y. Research and development:

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired intangible assets utilized for research and development are capitalized and depreciated / amortized in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

z. Borrowing cost:

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss as incurred.

aa. Cash and cash equivalents:

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash Management.

ab. Assets held for sale

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the Management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

ac. Significant Management judgement in applying accounting policies and estimation uncertainty:

The preparation of the Group's financial statements requires the Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

- **Evaluation of indicators for impairment of assets**

  The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

- **Classification of leases**

  The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including but not limited to, transfer of ownership of leased asset at the end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased assets and extent of specialized nature of the leased asset.

- **Recoverability of advances / receivables**

  At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit losses on outstanding receivables and advances.

- **Defined Benefit Obligation ('DBO')**

  Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Provisions**

  At each balance sheet date basis the Management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Contingencies**

  Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, refer note 47. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment

of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

- **Fair value measurements**

  Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

- **Inventories**

  The Group estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

- **Useful lives of depreciable / amortizable assets**

  Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Valuation of investment property**

  Investment property is stated at cost. However, as per Ind AS 40 'Investment Property', there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

- **Business combinations and intangible assets**

  The Holding Company uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination. In particular, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability. These valuations are conducted by independent valuation experts.

- **Income taxes**

  Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions (refer note 43).

- **Recognition of deferred tax assets**

  The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

- **Recognition of deferred tax liability on undistributed profits**

  The extent to which the Holding Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgement.

7A Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Description	Leasehold land	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross block								
Balance as at 01 April, 2016	**15.68**	**64.73**	**628.52**	**1,122.12**	**88.78**	**34.98**	**57.50**	**2,012.31**
Addition for the year *	8.10	2.83	131.32	249.25	11.81	6.22	5.31	414.84
Transfer from capital work-in-progress	-	-	11.11	26.41	1.76	0.22	0.06	39.56
Disposals / adjustments for the year	4.18	0.50	(3.09)	25.97	5.65	4.99	2.55	40.75
Foreign currency translation difference	6.29	4.72	(59.96)	(68.33)	(2.64)	(1.03)	1.46	(119.49)
Balance as at 31 March, 2017	**25.89**	**71.78**	**714.08**	**1,303.48**	**94.06**	**35.40**	**61.78**	**2,306.47**
Addition for the year *	8.81	1.60	46.55	127.16	9.85	11.22	3.44	208.64
Transfer from capital work-in-progress	0.02	-	10.65	23.11	0.14	-	-	33.92
Disposals / adjustments for the year	(8.25)	6.44	8.98	16.67	(0.26)	4.46	5.90	33.94
Foreign currency translation difference	(0.12)	(1.64)	0.34	(6.55)	(0.48)	0.10	-	(8.35)
Balance as at 31 March, 2018	**42.86**	**65.30**	**762.64**	**1,430.53**	**103.83**	**42.26**	**59.32**	**2,506.74**
Accumulated Depreciation								
Balance as at 01 April, 2016	**1.66**	**-**	**158.10**	**502.04**	**50.09**	**14.85**	**46.80**	**773.54**
Addition for the year	0.89	-	20.56	100.02	5.87	3.94	4.54	135.82
Disposals / adjustments for the year	0.27	-	0.44	23.45	5.25	3.95	2.39	35.75
Foreign currency translation difference	0.82	-	(0.14)	(44.60)	(2.08)	(0.69)	0.53	(46.16)
Balance as at 31 March, 2017	**3.10**	**-**	**178.08**	**534.01**	**48.63**	**14.15**	**49.48**	**827.45**
Addition for the year	1.38	-	23.69	115.04	7.64	4.25	3.95	155.95
Disposals/adjustments for the year	(2.73)	-	13.65	5.29	0.82	3.08	4.31	24.42
Foreign currency translation difference	(0.10)		0.10	(4.02)	(0.30)	0.01	(0.03)	(4.34)
Balance as at 31 March, 2018	**7.11**	**-**	**188.22**	**639.74**	**55.15**	**15.33**	**49.09**	**954.64**
Net block as at 01 April, 2016	**14.02**	**64.73**	**470.42**	**620.08**	**38.69**	**20.13**	**10.70**	**1,238.77**
Net block as at 31 March, 2017	**22.79**	**71.78**	**536.00**	**769.47**	**45.43**	**21.25**	**12.30**	**1,479.02**
Net block as at 31 March, 2018	**35.75**	**65.30**	**574.42**	**790.79**	**48.68**	**26.93**	**10.23**	**1,552.10**

***** includes addition in property, plant and equipment pursuant to acquisitions of assets under business combinations falling part of Ind AS 103 'Business Combinations', refer note 63A for details.

Notes:

a) Finance cost capitalised during the year is ₹ Nil (31 March, 2017: ₹ 4.98 crores), refer note 39. Capitalization rate used was Nil (31 March, 2017: 7.08%).

b) Other expenses capitalised during the year is ₹ Nil (31 March, 2017: ₹ 3.18 crores).

c) Plant and equipment have been hypothecated with banks against term loans, refer note 24.

d) Addition to the above property, plant and equipment includes ₹ 5.98 crores (31 March, 2017: ₹ 3.87 crores) incurred at the Holding Company's inhouse research and development facilities at Sahibabad, Uttar Pradesh.

e) **Contractual obligations :** Refer note 47 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

f) **Leasehold land :** Represents land taken on lease for the years ranging from 20 to 99.

g) **Impairment loss :** 'Disposals / adjustments for the year' above include impairment provision mainly pertaining to assets which are lying idle, damaged and having no future use amounting to ₹ 4.44 crores (31 March, 2017 : ₹ 0.80 crores)

h) **Change in accounting estimates:** 'Disposals / adjustments for the year' above include an amount of ₹ Nil crores (31 March, 2017: ₹ 0.67 crores) pertaining to property, plant and equipment discarded. It represents an impact of the change in accounting estimate on account of the remaining useful life of some of the assets. The remaining useful life of such assets were found to be zero and therefore their carrying amount was impaired in entirety. This change in accounting estimate is expected to have an effect in the future periods by way of of reduced depreciation.

7B Capital Work-in-Progress:

The changes in the carrying value of capital work-in-progress for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Particulars	Amount
Balance as at 01 April, 2016	**44.80**
Addition for the year	43.20
Transfer to property, plant and equipment	(39.56)
Foreign currency translation difference	(6.34)
Balance as at 31 March, 2017	**42.10**
Addition for the year	32.40
Transfer to property, plant and equipment	(33.92)
Disposals for the year	-
Foreign currency translation difference	0.93
Balance as at 31 March, 2018	**41.51**

7C Investment Property:

The changes in the carrying value of investment property for the year ended 31 March, 2017 and 31 March, 2018 are as follows:

Description	Freehold land	Buildings	Total
Gross block			
Balance as at 01 April, 2016	**5.54**	**64.61**	**70.15**
Foreign currency translation difference	(0.27)	(6.32)	(6.59)
Balance as at 31 March, 2017	**5.27**	**58.29**	**63.56**
Foreign currency translation difference	0.01	0.32	0.33
Balance as at 31 March, 2018	**5.28**	**58.61**	**63.89**
Accumulated depreciation			
Balance as at 01 April, 2016	**-**	**9.55**	**9.55**
Addition for the year	-	1.19	1.19
Foreign currency translation difference	-	(2.17)	(2.17)
Balance as at 31 March, 2017	**-**	**8.57**	**8.57**
Addition for the year	-	1.11	1.11
Foreign currency translation difference		0.05	0.05
Balance as at 31 March, 2018	**-**	**9.73**	**9.73**
Net block as at 01 April, 2016	**5.54**	**55.06**	**60.60**
Net block as at 31 March, 2017	**5.27**	**49.72**	**54.99**
Net block as at 31 March, 2018	**5.28**	**48.88**	**54.16**

Notes:

a) Amount recognized in Consolidated Statement of Profit and Loss for investment properties:

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Rental income derived from investment properties	10.60	10.96
Less: direct operating expenses that generated rental income	0.31	0.90
Less: direct operating expenses that did not generate rental income	-	-
Profit from leasing of investment properties before depreciation	**10.29**	**10.06**
Less: depreciation expense	1.11	1.19
Profit from leasing of investment properties after depreciation	**9.18**	**8.87**

b) As at 31 March, 2018, the fair value of investment properties is ₹ 162.15 crores (31 March, 2017: ₹ 161.87 crores). These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categoried in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

c) **Leasing arrangements :** Certain investment properties are leased to tenants under long-term operating leases with rentals payable montly. Refer note 49 for details on future minimum lease rentals.

7D Goodwill

The changes in the carrying value of goodwill for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Particulars	Amount
Balance as at 01 April, 2016	**410.53**
Additions pursuant to business combination	-
Foreign currency translation difference	-
Impairment	-
Balance as at 31 March, 2017	**410.53**
Additions pursuant to business combination	0.89
Foreign currency translation difference	0.12
Impairment	-
Balance as at 31 March, 2018	**411.54**

Notes:

The Group has identified its reportable segments, i.e. consumer care business, foods and others as the cash generating unit (CGU). The goodwill amounting to ₹ 411.54 crores (31 March, 2017 : ₹ 410.53 crores) acquired through business combination has been entirely allocated to CGU 'Consumer Care' segment of the Group.

i) **Allocation of goodwill to CGUs:**

Goodwill allocated to the following CGU for impairment testing purpose with carrying amount of goodwill being significant in comparison with the entity's total carrying amount of goodwill with indefinite useful lives :

Particulars	As at 31 March, 2018	As at 31 March, 2017
Goodwill relating to consumer care business	385.41	385.41

The recoverable amount of this CGU for impairment testing is determined based on value-in-use calculations which uses cash flow projections based on financial budgets approved by Management covering a five-year period, as the Group believes this to be the most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows. Cash flows beyond the five-year period were extrapolated using estimate rates stated below.

As at 31 March, 2018 and 31 March, 2017, goodwill in respect of consumer care business was not impaired.

ii) Key assumptions used for value in use calculations are as follows: *#

The Group prepares its cash flow forecasts based on the most recent financial budgets approved by Management with projected revenue growth rates ranging from 4% to 15% (31 March, 2017 : 4% to 15%) for the five-year period. The growth rates used for extrapolation of cash flows beyond the five-year period covered by the forecast ranges from 1% to 3% (31 March, 2017 : 1% to 3%). The rates used to discount the forecasted cash flows ranges from 5% to 12% (31 March, 2017 : 5% to 12%).

*** Discount rates** - Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its Weighted Average Cost Of Capital (WACC).

 # Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations on market development. The weighted average growth rates used were consistent with industry reports.

The Management has performed sensitivity analysis around the base assumptions and has concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value.

7E Other Intangible Assets:

The changes in the carrying value of intangible asset for the year ended 31 March, 2017 and 31 March, 2018 are as follows :

Description	Brands or trademarks	Computer software	Total
Gross block			
Balance as at 01 April, 2016	**14.60**	**46.23**	**60.83**
Addition for the year	-	1.91	1.91
Foreign currency translation difference	(0.40)	(0.20)	(0.60)
Balance as at 31 March, 2017	**14.20**	**47.94**	**62.14**
Addition for the year	-	1.41	1.41
Foreign currency translation difference	0.07	(0.03)	0.04
Balance as at 31 March, 2018	**14.27**	**49.32**	**63.59**
Accumulated depreciation			
Balance as at 01 April, 2016	**12.29**	**30.44**	**42.73**
Addition for the year	0.12	5.73	5.85
Foreign currency translation difference	-	(0.30)	(0.30)
Balance as at 31 March, 2017	**12.41**	**35.87**	**48.28**
Addition for the year	0.20	4.92	5.12
Foreign currency translation difference	(0.05)	(0.07)	(0.12)
Balance as at 31 March, 2018	**12.56**	**40.72**	**53.28**
Net block as at 01 April, 2016	**2.31**	**15.79**	**18.10**
Net block as at 31 March, 2017	**1.79**	**12.07**	**13.86**
Net block as at 31 March, 2018	**1.71**	**8.60**	**10.31**

8 Non-Current Investments*

Particulars	No. of units / shares 31 March, 2018	Amount 31 March, 2018	No. of units / shares 31 March, 2017	Amount 31 March, 2017
I Investment in equity instruments				
a) Joint Venture (at Cost) (unquoted)^				
A Forum I Aviation Private Limited Shares of face value ₹ 10 each	74,87,251	11.33	74,87,251	11.09
Sub-Total		**11.33**		**11.09**
b) Other entities (unquoted) #				
A Sanat Products Limited Shares of face value of ₹ 100 each	50,000	0.05	50,000	0.05
B Shivalik Solid Waste Management Limited Shares of face value of ₹ 10 each	18,000	0.02	18,000	0.02
Sub-Total		**0.07**		**0.07**
II Other investments				
a) Investments in Government or Trust securities (unquoted) #				
A National Saving Certificates		0.02		0.02
Sub-Total		**0.02**		**0.02**
b) Investments in Government or Trust securities (quoted) #				
A 8.97% Government Stock 2030 Units of face value of ₹ 100 each	20,00,000	22.54	20,00,000	23.20
B 8.83% Government Stock 2041 Units of face value of ₹ 100 each	80,00,000	91.71	80,00,000	93.51
C 9.20% NI Government Stock 2030 Units of face value of ₹ 100 each	70,00,000	78.28	70,00,000	80.54
D 9.23% NI Government Stock 2043 Units of face value of ₹ 100 each	1,60,00,000	191.97	1,60,00,000	195.33
E 8.60% GOI 2028 Units of face value of ₹ 100 each	35,00,000	38.43	35,00,000	39.31
F 8.23% Gujarat State Development Loan 2025 Units of face value of ₹ 100 each	10,00,000	10.27	10,00,000	10.42
G 8.27% Karnataka State Development Loan 2025 Units of face value of ₹ 100 each	15,00,000	15.68	15,00,000	15.91
H 8.38% Karnataka State Development Loan 2026 Units of face value of ₹ 100 each	15,00,000	15.64	15,00,000	15.91
I 9.24% Maharashtra State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	10.88	10,00,000	11.01
J 9.11% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	10,00,000	10.95	10,00,000	11.08
K 8.87% Tamil Nadu State Development Loan 2024 Units of face value of ₹ 100 each	15,00,000	16.43	15,00,000	16.61
Sub-Total		**502.78**		**512.83**
c) Investments in debentures or bonds				
i) Bonds (quoted) #				
A Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	1,100	120.38	1,100	123.00
B Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	650	71.48	1,400	158.83
C Export–Import Bank of India Units of face value of ₹ 10,00,000 each	-	-	500	54.77

Particulars	No. of units / shares	Amount	No. of units / shares	Amount
	31 March, 2018	31 March, 2018	31 March, 2017	31 March, 2017
D Power Grid Corporation of India Limited Units of face value of ₹ 10,00,000 each	250	27.42	450	49.99
E Housing Development Finance Corporation Limited Units of face value of ₹ 10,00,000 each	250	28.01	600	66.80
F Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	500	25.46	-	-
G Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	25	27.20	-	-
H LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,350	147.38	1,450	161.19
I IDFC Bank Limited Units of face value of ₹ 10,00,000 each	850	90.81	850	93.42
J ICICI Bank Limited Units of face value of ₹ 10,00,000 each	100	10.49	100	10.95
K Power Grid Corporation of India Limited Units of face value of ₹ 12,50,000 each	-	-	80	11.31
Sub-Total		**548.63**		**730.26**
ii) Bonds (unquoted) ##				
A 3.88% Syndicate Bank Bonds Units of face value of USD 100 each	1,30,000	87.03	1,30,000	88.67
B 6.25% Bank of India Units of face value of USD 100 each	1,37,850	97.52	1,04,850	76.89
C 3.25% State Bank of India Units of face value of USD 100 each	3,50,500	231.99	-	-
D 3.50% ICICI Bank Limited Units of face value of USD 100 each	46,600	30.73	-	-
E 3.25% State Bank of India Units of face value of USD 100 each	18,000	12.16	-	-
F 4.13% IDBI Bank Limited Units of face value of USD 100 each	-	-	1,50,000	102.40
Sub-Total		**459.43**		**267.96**
iii) Non-convertible debentures (quoted) ##				
A Shriram Transport Finance Company Limited Units of face value of ₹ 10,00,000 each	750	77.61	700	72.59
B Bajaj Finance Limited Units of face value of ₹ 10,00,000 each	3,000	312.90	1,000	103.31
C Indiabulls Housing Finance Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.12
D Reliance Capital Limited Units of face value of ₹ 10,00,000 each	-	-	700	74.52
E Dewan Housing Finance Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.92
F Kotak Mahindra Investment Limited Units of face value of ₹ 10,00,000 each	-	-	500	53.14
G Kotak Mahindra Prime Limited Units of face value of ₹ 10,00,000 each	1,650	172.24	1,000	104.86
H L&T Housing Finance Limited Units of face value of ₹ 25,00,000 each	200	53.01	100	26.58
I Aditya Birla Finance Limited Units of face value of ₹ 10,00,000 each	500	51.57	750	78.09

Particulars	No. of units / shares	Amount	No. of units / shares	Amount
	31 March, 2018	31 March, 2018	31 March, 2017	31 March, 2017
J Sundaram Finance Limited Units of face value of ₹ 10,00,000 each	100	10.43	500	52.10
K Tata Capital Financial Services Limited Units of face value of ₹ 10,00,000 each	500	51.54	500	51.81
L Reliance Home Finance Limited Units of face value of ₹ 5,00,000 each	1,000	52.70	600	31.23
M Tata Capital Housing Finance Limited Units of face value of ₹ 10,00,000 each	100	10.61	400	41.93
N CanFin Homes Limited Units of face value of ₹ 10,00,000 each	500	51.43	250	25.76
O HDB Financial Services Limited Units of face value of ₹ 10,00,000 each	1,500	156.86	750	79.08
P Housing Development Finance Corporation Limited Units of face value of ₹ 1,00,00,000 each	200	207.67	25	25.24
Q PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	500	49.93	250	24.90
R Dewan Housing Finance Corporation Limited Units of face value of ₹ 1,000 each	2,50,000	26.50	-	-
S Housing Development Finance Corporation Limited Units of face value of ₹ 5,00,000 each	1,000	54.33	-	-
T Hero FinCorp Limited Units of face value of ₹ 10,00,000 each	200	21.38	-	-
U ICICI Home Finance Company Limited Units of face value of ₹ 5,00,000 each	500	26.42	-	-
V LIC Housing Finance Limited Units of face value of ₹ 10,00,000 each	1,000	105.46	-	-
W Mahindra & Mahindra Financial Services Limited Units of face value of ₹ 10,00,000 each	500	51.93	-	-
Sub-Total		**1,544.52**		**952.18**
e) Investments in fixed deposits with others (unquoted) ##				
Dewan Housing Finance Limited		25.00		25.00
Total		**3,091.78**		**2,499.41**

***** *All investments are fully paid up, unless otherwise stated*

^ *Investment in Joint Venture is measured as per equity method in accordance with Ind AS 28 'Investments in Associates and Joint Ventures'*

All these investments (being strategic in nature) are measured at fair value through other comprehensive income ('FVOCI').

These are measured at amortised cost

USD - United States Dollar

Notes:

a.	Aggregate amount of quoted investments - at cost	2,519.66	2,082.77
b.	Aggregate amount of quoted investments - at market value	2,595.93	2,195.27
c.	Aggregate amount of unquoted investments - at cost	495.85	304.14
d.	Aggregate amount of impairment in value of investments	-	-

9 Non-Current Loans

Particulars	31 March, 2018	31 March, 2017
(Unsecured, considered good unless otherwise stated)		
Deposits with Government authorities	0.99	0.99
Security deposits		
Considered good	12.15	10.87
Considered doubtful	1.25	-
Sub-Total	**14.39**	**11.86**
Less: Allowance for expected credit loss	(1.25)	-
Total	**13.14**	**11.86**

10 Others Non-Current Financial Assets

Bank deposit with more than 12 months maturity **# ***	4.11	4.44
Security deposits	-	1.94
Total	**4.11**	**6.38**
***** Includes interest accrued but not due	0.15	0.05
# Pledged as security with electricity/water department/Government authorities	2.93	2.94

11 Non-Current Tax Assets (Net)

Advance income taxes (net)	3.33	3.31
Total	**3.33**	**3.31**

12 Other Non-Current Assets

(Unsecured, considered good unless otherwise stated)		
Capital advances	10.73	59.04
Advances other than capital advances		
Prepaid rent	2.13	1.65
Amalgamation adjustment account	18.07	18.07
Balance with Government authorities		
Considered good	48.97	17.55
Considered doubtful	15.72	15.72
Sub-Total	**95.62**	**112.03**
Less: Allowance for expected credit loss	(15.72)	(15.72)
Total	**79.90**	**96.31**

13 Inventories ^*#

(Valued at lower of cost or net realisable value)		
Raw materials	382.92	320.80
Packing materials	179.37	158.40
Work-in-progress	117.59	94.25
Finished goods	326.84	284.10
Stock-in-trade (aquired for trading)	241.79	235.45
Stock-in-trade (aquired for trading)-in-transit	6.06	12.56
Stores and spares	1.61	1.16
Total	**1,256.18**	**1,106.71**

^ Inventories have been hypothecated with banks against working capital loans, refer note 28 for details.

* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 13.49 crores (31 March 2017: ₹1.48 crores). These were recognised as an expense during the year and included in 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in Consolidated Statement of Profit and Loss.

14 Current Investments *

Particulars	No. of units / shares 31 March, 2018	Amount 31 March, 2018	No. of units / shares 31 March, 2017	Amount 31 March, 2017
I Other than trade				
a) Mutual funds (quoted) ^				
A Reliance Medium Term Fund - Direct Growth Plan Units of face value of ₹ 10 each	2,04,70,591	76.16	1,46,26,234	50.74
B Reliance Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	49,544	19.65
C Birla Savings Fund - Direct Growth Plan Units of face value of ₹ 100 each	-	-	7,90,027	25.29
D UTI Liquid Cash - Direct Growth Plan Units of face value of ₹ 1,000 each	-	-	1,87,790	50.01
E ICICI Prudential Savings Fund- Direct Growth Plan Units of face value of ₹ 100 each	16,98,247	45.91	20,13,653	50.70
F IDFC Cash Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,40,094	29.56	2,53,136	50.01
G SBI Premier Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,83,836	50.08	6,662	1.70
H Kotak Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,42,185	50.08	-	-
I Baroda Pioneer Liquid Fund - Direct Growth Plan Units of face value of ₹ 1,000 each	1,762	0.35	1,450	0.27
Sub-Total		**252.14**		**248.37**
b) Commercial papers (quoted) #				
A HDFC Limited Units of face value of ₹ 5,00,000 each	-	-	2,000	98.81
B IL&FS Limited Units of face value of ₹ 5,00,000 each	-	-	1,000	49.04
Sub-Total		**-**		**147.85**
c) Non-convertible debentures (quoted)				
A Reliance Capital Limited ^ Units of face value of ₹ 10,00,000 each	50	5.23	203	21.44
B IL&FS Transportation Networks Limited ^ Units of face value of ₹ 10,00,000 each	-	-	300	30.00
C Seoni Expressway Limited ^ Units of face value of ₹ 1,00,000 each	-	-	820	8.64
D Indiabulls Housing Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	1,07,000	11.22
E Reliance Home Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	3,11,000	32.12
F HDB Financial Services Limited ^ Units of face value of ₹ 10,00,000 each	-	-	100	10.53
G Dewan housing Finance Limited ^ Units of face value of ₹ 1,000 each	-	-	1,62,500	17.17
H Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,90,000 each	340	33.88	-	-
I Renew Akshay Urja Private Limited ^ Units of face value of ₹ 9,98,780 each	179	17.94	-	-
J Bajaj Finance Limited ^ Units of face value of ₹ 10,00,000 each	324	34.01	-	-
K Shriram Transport Finance Company Limited ^ Units of face value of ₹ 10,00,000 each	250	25.02	-	-
L Capital First Limited ^ Units of face value of ₹ 10,00,000 each	448	47.11	-	-

Particulars	No. of units / shares 31 March, 2018	Amount 31 March, 2018	No. of units / shares 31 March, 2017	Amount 31 March, 2017
M LIC Housing Finance Limited ^ Units of face value of ₹ 10,00,000 each	100	10.20	-	-
N Aditya Birla Finance Limited # Units of face value of ₹ 10,00,000 each	250	27.16	-	-
O Kotak Mahindra Investment Limited # Units of face value of ₹ 10,00,000 each	250	26.92	-	-
P Kotak Mahindra Prime Limited # Units of face value of ₹ 10,00,000 each	350	37.01	-	-
Q Sundaram Finance Limited # Units of face value of ₹ 10,00,000 each	100	10.77	-	-
R Tata Capital Housing Finance Limited # Units of face value of ₹ 10,00,000 each	150	16.15	-	-
S Reliance Capital Limited # Units of face value of ₹ 10,00,000 each	200	21.52	-	-
Sub-Total		**312.92**		**131.12**
d) Investment in Bonds (quoted) ^				
A Nuclear Power Corporation of India Limited Units of face value of ₹ 10,00,000 each	-	-	250	26.26
B Export–Import Bank of India Units of face value of ₹ 10,00,000 each	119	13.16	50	5.54
C Uttar Pradesh-State Development Loans Units of face value of ₹ 100 each	1,49,000	1.58	46,95,000	50.81
D Power Finance Corporation Limited Units of face value of ₹ 10,00,000 each	19	1.94	319	31.80
E National Thermal Power Corporation Limited Units of face value of ₹ 10,00,000 each	-	-	15	1.49
F National Bank of Agriculture and Rural Development Units of face value of ₹ 10,00,000 each	266	28.04	-	-
G Rural Electrification Corporation Limited Units of face value of ₹ 10,00,000 each	100	11.22	-	-
H Andhra Bank Units of face value of ₹ 10,00,000 each	124	12.98	-	-
I PNB Housing Finance Limited Units of face value of ₹ 10,00,000 each	123	12.66	-	-
Sub-Total		**81.58**		**115.90**
e) Fixed deposits with others (Unquoted) #				
Housing Development Finance Corporation Limited		66.75		91.88
f) Investment in Government securities (Unquoted)#				
Egyptian Treasury Bills		-		5.63
Total		**713.39**		**740.75**

**All investments are fully paid up, unless otherwise stated*
#These are measured at amortised cost
^These are measured at fair value through profit and loss ('FVTPL')

Note:

a.	Aggregate amount of quoted investments - at cost	633.29	622.91
b.	Aggregate amount of quoted investments - at market value	646.64	643.24
c.	Aggregate amount of unquoted investments - at cost	66.75	97.51
d.	Aggregate amount of impairment in value of investments	-	-

15 Trade Receivables*

Particulars	31 March, 2018	31 March, 2017
(Unsecured, considered good unless otherwise stated)		
Considered good	706.08	650.42
Considered doubtful	15.62	15.62
Sub-Total	**721.70**	**666.04**
Less: Allowance for expected credit loss	(15.62)	(15.62)
Total	**706.08**	**650.42**

***** Trade receivables have been hypothecated with banks against working capital loans, refer note 28 for details.

16 Cash and Cash Equivalents

Balances with banks in current accounts	140.91	142.20
Cheques, drafts on hand	10.06	12.16
Cash on hand	0.80	0.68
Term deposit with maturity less than 3 months	2.03	8.18
Total	**153.80**	**163.22**

17 Bank Balances other than Cash and Cash Equivalents

Term deposit with maturity for more than 3 months but less than 12 months *** #**	145.70	135.24
Unpaid dividend account ******	6.56	6.35
Total	**152.26**	**141.59**
* Includes interest accrued but not due	0.03	0.06
# Pledged as security with statutory authorities / banks	2.82	2.88

****** These balances are not available for use by the Group and corresponding balance is disclosed as unclaimed dividend in note 30.

18 Current Loans

(Unsecured, considered good unless otherwise stated)		
Security deposits		
Considered good	34.88	3.80
Considered doubtful	0.07	0.07
Sub-Total	**34.95**	**3.87**
Less: Allowance for expected credit loss	(0.07)	(0.07)
Total	**34.88**	**3.80**

19 Other Current Financial Assets

Advance to employees	-	13.68
Deposit with others	-	7.74
Export incentive	-	1.85
Advance for acquisition of entity (refer note 63B)	23.60	-
Other receivables	4.67	14.85
Total	**28.27**	**38.12**

20 Current Tax Assets (Net)

Advance income taxes (net)	1.96	-
Total	**1.96**	**-**

21 Other Current Assets

Particulars	31 March, 2018	31 March, 2017
(Unsecured, considered good unless otherwise stated)		
Advances to suppliers		
Considered good	93.80	85.60
Considered doubtful	1.27	1.27
Prepaid expenses	8.18	8.32
Advance to employees	16.88	-
Excess of planned assets towards gratuity obligations	0.50	0.12
Balance with statutory / Government authorities	270.74	173.73
Other advances	0.91	2.09
Sub-Total	**392.28**	**271.13**
Less: Allowance for expected credit loss	(1.27)	(1.27)
Total	**391.01**	**269.86**

22 Equity Share Capital

Authorised		
2,07,00,00,000 (31 March, 2017: 2,07,00,00,000) equity shares of ₹ 1 each	207.00	207.00
Issued, subscribed and fully paid up		
1,76,15,20,510 (31 March, 2017: 1,76,15,20,510) equity shares of ₹ 1 each	176.15	176.15

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March, 2018		31 March, 2017	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,76,15,20,510	176.15	1,75,91,41,170	175.91
Add: Shares issued on exercise of Employee Stock Option Plan (ESOP)	-	-	15,04,340	0.15
Add: Bonus shares issued on exercise of Employee Stock Option Plan (ESOP)	-	-	8,75,000	0.09
Balance as at the end of the year	**1,76,15,20,510**	**176.15**	**1,76,15,20,510**	**176.15**

b) Rights, preference and restrictions attached to equity shares:

The Group has only one class of equity shares having a par value of ₹ 1 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Holding Company, the equity shareholders are entitled to receive the remaining assets of the Group, after distribution of all preferential amounts, in proportion of their shareholding.

c) List of shareholders holding more than 5% of the equity share capital of the Holding Company at the beginning and at the end of the year: #

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	No. of equity shares	% of shareholding	No. of equity shares	% of shareholding
Chowdry Associates	21,79,41,800	12.37%	21,79,41,800	12.37%
VIC Enterprises Private Limited	21,77,34,000	12.36%	21,77,34,000	12.36%
Gyan Enterprises Private Limited	20,22,37,980	11.48%	20,22,37,980	11.48%
Puran Associates Private Limited	18,92,12,000	10.74%	18,92,12,000	10.74%
Ratna Commercial Enterprises Private Limited	15,71,94,429	8.92%	15,67,31,826	8.90%
Milky Investment and Trading Company	10,61,47,503	6.03%	10,61,47,503	6.03%

As per the records of the Holding Company including its register of members.

d) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the balance sheet date :

(i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2013-14 to 2017-18:

Nil (during FY 2012-13 to 2016-17: Nil) equity shares of ₹ 1 each allotted without payment being received in cash.

(ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares:

The Holding Company has issued total 75,28,783 equity shares (during FY 2012-13 to 2016-17: 79,06,298 equity shares) during the period of five years immediately preceding 31 March, 2018 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

(iii) Shares bought back during the financial year 2013-14 to 2017-18:

Nil (during FY 2012-13 to 2016-17: Nil) equity shares of ₹ 1 each bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013.

(iv) Shares issued under Employee Stock Option Plan (ESOP) during the financial year 2013-14 to 2017-18:

The Holding Company has issued total 1,10,56,716 equity shares of ₹ 1 each (during FY 2012-13 to 2016-17: 1,15,13,358 equity shares) during the period of five years immediately preceding 31 March, 2018 on exercise of options granted under the Employee Stock Option Plan (ESOP).

(v) Shares reserved for issue under options:

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Holding Company, refer note 57. These options are granted to the employees subject to cancellation under circumstance of his cessation of employment with the Group on or before the vesting date.

23 Other Equity

Particulars	31 March, 2018	31 March, 2017
Reserves and surplus		
Capital reserve	26.92	26.92
Securities premium reserve	230.25	230.25
Statutory reserve	14.66	14.66
Special fund	3.14	3.14
Employee housing reserve	17.97	15.18
Share option outstanding account	92.60	89.08
General reserve	513.43	513.43
Retained earnings	4,825.30	3,954.81
Other comprehensive income		
Foreign currency translation difference	(194.34)	(205.62)
Debt instruments through OCI	0.44	29.39
Total	**5,530.37**	**4,671.24**

Description of nature and purpose of each reserve

Capital Reserve

Capital reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

Statutory Reserve and Special Fund

This represents the statutory reserves required under Turkish Commercial Law and respective subsidiary's corporation charter. The same have been inherited from subsidiaries in Turkey at the point of their acquisition by the Group.

Employee Housing Reserve

This reserve pertains to Dabur Nepal Private Limited, a wholly owned subsidiary of the Holding Company and is created by way of appropriation of retained earnings for building residential quarters for workers as required under labour laws of Nepal and the same is not distributable.

Share Option Outstanding Account

The reserve is used to recognize the grant date fair value of options issued to employees under Employee Stock Option Schemes and is adjusted on exercise/ forfeiture of options.

General Reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained Earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves etc.

Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to Consolidated Statement of Profit and Loss on the disposal of the foreign operation.

Debt instruments through other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to Consolidated Statement of Profit and Loss when such assets are disposed-off and impairment losses on such instruments.

24 Non-Current Borrowing *#

Particulars	31 March, 2018	31 March, 2017
Secured		
Term loans from banks (refer note 24.1A and 24.2A)	200.00	200.00
Unsecured		
Term loans from banks (refer note 24.1B and 24.2B)	163.11	269.50
Long-term maturities of finance lease obligations (refer note 24.3)	1.23	0.89
Total	**364.34**	**470.39**

***** There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

24.1 Repayment terms and security disclosure for the outstanding non-current borrowings as at 31 March, 2018:

A Secured borrowings facility from banks:

i) Facility of ₹ 100.00 crores, bearing interest rate of 7.25% per annum having balance amount repayable by way of a bullet payment after 37 months from the date of disbursal, i.e., 05 July, 2016. The loan is secured by way of sole hypothecation and equitable mortgage over movable and immovable assets (created by the loan) at Pantnagar, Uttarakhand, owned by the Holding Company.

ii) Facility of ₹ 75.00 crores, bearing interest rate of 6.90% per annum having balance amount repayable by way of bullet payment after 3 years from date of first drawdown, i.e., 26 September, 2016. The loan is secured by way of hypothecation over movable fixed assets at Sonitpur, Assam, owned by the Holding Company.

iii) Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of

bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Holding Company.

B Unsecured borrowings facility from banks:

i) Facility of ₹ 54.37 crores, bearing interest rate of LIBOR + 1.65% per annum (which is 3.96% as at 31 March, 2018) having balance amount repayable in June, 2019.

ii) Facility of ₹ 108.74 crores, bearing interest rate of LIBOR + 1.40% per annum (which is 3.71% as at 31 March, 2018) having balance amount repayable in 2 yearly installments from June, 2019.

24.2 Repayment terms and security disclosure for the outstanding non-current borrowings as at 31 March, 2017:

A Secured borrowings facility from banks:

i) Facility of ₹ 100.00 crores, bearing interest rate of 7.25% per annum having balance amount repayable by way of a bullet payment after 37 months from the date of disbursal, i.e., 05 July, 2016. The loan is secured by way of sole hypothecation and equitable mortgage over movable and immovable assets (created by the loan) at Pantnagar, Uttarakhand, owned by the Holding Company.

ii) Facility of ₹ 75.00 crores, bearing interest rate of 6.90% per annum having balance amount repayable by way of bullet payment after 3 years from date of first drawdown, i.e., 26 September, 2016. The loan is secured by way of hypothecation over movable fixed assets at Sonitpur, Assam, owned by the Holding Company.

iii) Facility of ₹ 25.00 crores, bearing interest rate of 6.10% per annum having balance amount repayable by way of bullet payment after 37 months from the date of disbursal, i.e., 16 March, 2017. The loan is secured by way of equitable mortgage over movable and immovable assets at Baddi, Himachal Pradesh and Pantnagar, Uttarakhand, owned by the Holding Company.

B Unsecured borrowings facility from banks:

i) Facility of ₹ 107.8 crores, bearing interest rate of LIBOR + 1.65% per annum (which is 3.07% as at 31 March, 2017) having balance amount repayable in 2 yearly instalments from June, 2018.

ii) Facility of ₹ 161.70 crores, bearing interest rate of LIBOR + 1.40% per annum (which is 2.83% as at 31 March, 2017) having balance amount repayable in 3 yearly instalments from June, 2018.

24.3 Reconciliation between the total of future minimum lease payments and their present value:

Description	As at 31 March, 2018		As at 31 March, 2017	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
Within one year	0.15	0.14	0.13	0.07
More than one year but less than five years	0.63	0.45	0.50	0.35
More than five years	10.72	0.78	8.62	0.54
Total minimum lease payments	**11.50**	**1.37**	**9.25**	**0.96**
Less: Amounts representing finance charges	10.13		8.29	
Present value of minimum lease payments	**1.37**		**0.96**	

25 Other Non-Current Financial Liabilities

Particulars	31 March, 2018	31 March, 2017
Security Deposit	3.16	3.54
Unearned rental income	1.09	0.17
Total	**4.25**	**3.71**

26 Non-Current Provisions

Particulars	31 March, 2018	31 March, 2017
Provision for employee benefits		
Post-separation benefit of employees	6.46	5.88
Post-separation benefit of Directors (refer note 56)	50.04	47.52
Total	**56.50**	**53.40**

27 Deferred Tax Liabilities (net) *

Deferred tax liability arising on account of :		
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	126.70	113.83
Fair valuation of financial instruments through OCI	0.15	8.94
Fair valuation of financial instruments through FVTPL	-	0.35
Total	**126.85**	**123.12**
Deferred tax asset arising on account of :		
Expected credit loss of financial asset / impairment of non-financial asset	0.88	0.44
Lifetime expected credit loss of trade receivables	3.14	3.62
Provision for expense allowed for tax purpose on payment basis	13.53	11.02
Fair valuation of financial instruments through FVTPL	0.25	-
Sub-Total	**17.80**	**15.08**
Total	**109.05**	**108.04**

Changes in deferred tax liabilities (net)

Particulars	1 April, 2017	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31 March, 2018
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	113.83	-	12.87	126.70
Fair valuation of financial instruments through OCI	8.94	(8.79)	0.00	0.15
Fair valuation of financial instruments through FVTPL	0.35	-	(0.35)	-
Sub-total	**123.12**	**(8.79)**	**12.52**	**126.85**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.44	-	0.44	0.88
Lifetime expected credit loss of trade receivables	3.62	-	(0.48)	3.14
Provision for expense allowed for tax purpose on payment basis	11.02	-	2.52	13.53
Fair valuation of financial instruments through FVTPL	-	-	0.25	0.25
Sub-total	**15.08**	**-**	**2.73**	**17.80**
Minimum Alternate Tax (MAT) credit				
Recognized	-	-	45.80	45.80
Utilised	-	-	-	(45.80)
Sub-total	**-**	**-**	**45.80**	**-**
Total	**108.04**	**(8.79)**	**(35.99)**	**109.05**

Particulars	1 April, 2016	Recognised in other comprehen-sive income	Recognised in Consolidated Statement of Profit and Loss	31 March, 2017
Liabilities				
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	93.15	-	20.68	113.83
Fair valuation of financial instruments through OCI	5.68	3.26	(0.00)	8.94
Fair valuation of financial instruments through FVTPL	1.05	-	(0.70)	0.35
Sub-total	**99.88**	**3.26**	**19.98**	**123.12**
Assets				
Expected credit loss of financial asset / impairment of non-financial asset	0.44	-	-	0.44
Lifetime expected credit loss of trade receivables	3.32	-	0.30	3.62
Provision for expense allowed for tax purpose on payment basis	10.64	-	0.37	11.02
Sub-total	**14.40**	**-**	**0.67**	**15.08**
Minimum Alternate Tax (MAT) credit				
Recognized	-	-	33.31	33.31
Utilised	-	-	-	(33.31)
Sub-total	**-**	**-**	**33.31**	**-**
Total	**85.47**	**3.26**	**(14.00)**	**108.04**

* `Deferred tax liability has not been recognised with respect to unremitted retained earnings with respect to certain subsidiaries where the Group is in a position to control the timing of distribution of the profits and it is probable that the subsidiary will not distribute the profits in the foreseeable future. The temporary differences associated with respect to unremitted earnings aggregating to ₹ 2,238.40 crores as at 31 March, 2018 (31 March, 2017 : ₹ 1,953.31 crores) respectively.

28 Current Borrowings *#

Particulars		31 March, 2018	31 March, 2017
i)	Cash credits		
	Secured, from bank (refer note 28.1, 28.2A and 28.3)	48.00	24.46
ii)	Packing credit loan		
	Unsecured, from bank (refer note 28.3)	65.62	64.85
iii)	Bank overdrafts		
	Unsecured, from bank (refer note 28.3)	16.59	23.01
iv)	Other working capital loan		
	Secured, from bank (refer note 28.2B and 28.3)	-	3.00
	Unsecured, from bank (refer note 28.3)	334.28	325.01
	Total	**464.49**	**440.33**

***** There is no default in repayment of principal borrowing or interest thereon.

No guarantee bond has been furnished against any borrowing.

28.1 Repayment terms and security disclosure for the outstanding current borrowings as at 31 March, 2018:

Cash credit facility from banks:

Facility of ₹ 48.00 crores repayable on demand, is secured by way of hypothecation / mortgage over the inventories and book receivables, owned by the Group.

28.2 Repayment terms and security disclosure for the outstanding current borrowings as at 31 March, 2017:

A Cash credit facility from banks:

Facility of ₹ 24.46 crores repayable on demand, is secured by way of hypothecation / mortgage over the inventories and book receivables, owned by the Group.

B Working capital term loan from banks:

Facility of ₹ 3.00 crores repayable on demand, is secured by way of hypothecation / mortgage over the inventories and book receivables, owned by the Group.

28.3 Rate of interest: The Group's current borrowing facilities have an effective weighted-average contractual rate of 5.14% per annum (31 March, 2017 : 5.21% per annum) calculated using the interest rates effective for the respective borrowings.

29 Trade Payables*

Particulars	31 March, 2018	31 March, 2017
Due to micro and small enterprises	7.37	19.14
Due to others	1,402.95	1,290.89
Total	**1,410.32**	**1,310.03**

* includes acceptances arrangements where operational suppliers of goods and services are initially paid by banks while the Group continues to recognise the liability till settlement with the banks.

30 Other Current Financial Liabilities

Current maturity of long-term borrowings	108.62	64.21
Current maturity of finance lease obligation	0.14	0.07
Interest accrued on borrowings	4.07	4.49
Security deposits	3.37	4.37
Unpaid dividends #	6.56	6.35
Creditors for capital goods	12.15	24.07
Employee dues payable	87.57	60.48
Other payables	15.72	10.65
Total	**238.20**	**174.69**

Not due for deposits to the Investor Education and Protection Fund

31 Other Current Liabilities

Advances from customers	27.25	18.02
Statutory dues payable	143.43	147.19
Others	2.35	3.89
Total	**173.03**	**169.10**

32 Current Provisions

Provision for employee benefits		
Provision for post-separation benefits of Directors	0.43	0.35
Provision for compensated absences	13.56	10.05
Provision for gratuity	17.06	17.32
Provision for bonus	15.44	10.06
Others		
Provision for disputed liabilities (refer note 48)	59.85	53.83
Other provisions	1.13	0.28
Total	**107.47**	**91.89**

33 Current Tax Liabilities (Net)

Provision for income tax (net)	40.93	38.50
Total	**40.93**	**38.50**

34 Revenue From Operations*

Operating Revenue		
Sale of products (including excise duty)	7,680.31	7,680.07
Other Operating Revenues		
Budgetary support subsidy #	38.68	-
Export subsidy	5.77	3.29
Scrap sale	15.39	13.96
Miscellaneous	8.19	4.12
Sub-Total	**68.03**	**21.37**
Total	**7,748.34**	**7,701.44**

* Revenue for the period ended 31 March, 2018 is net of Goods and Service Tax (GST) which is applicable from 01 July, 2017, however, revenue for the periods upto 30 June, 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year ended 31 March, 2018 is not comparable with the previous year presented in these financial statements. Similarly, cost of goods sold and expenses are also not comparable.

Represents the amount of budgetary support to be provided by the Government of India for the existing eligible manufacturing units operating under different industrial promotion tax exemption schemes, pursuant to the notification no: F.No. 10(1)/2017-DBA-II/NER issued by the Ministry of Commerce and Industry dated 05 October, 2017. These amounts have been recorded and disclosed in accordance with the Ind AS 20 'Government Grants'.

35 Other Income

Particulars	31 March, 2018	31 March, 2017
Interest income		
Investment in debt instruments measured at FVTOCI	83.99	99.13
Investment in debt instruments measured at FVTPL	18.58	18.87
Other financial assets carried at amortised cost	138.95	98.42
Dividend income	0.01	-
Other gains		
Gain on sale of financial assets measured at FVTPL	19.12	23.29
Gain on sale of financial assets measured at amortised cost	-	0.98
Gain on sale of financial assets measured at FVOCI	19.87	32.51
Net gain arising on financial assets measured at FVTPL	-	1.62
Net gain on sale of property, plant and equipment	2.37	0.12
Net gain on foreign currency transaction and translation	0.22	-
Other non-operating income		
Rent income	12.68	12.64
Miscellaneous	9.39	10.77
Total	**305.18**	**298.35**

36 Cost of Materials Consumed *

Raw material		
Opening stock	320.80	319.03
Add: Purchases	2,171.67	1,907.69
Less: Closing stock	382.92	320.80
Sub-Total	**2,109.55**	**1,905.92**
Packing material		
Opening stock	158.40	172.64
Add: Purchases	1,131.47	1,104.60
Less: Closing stock	179.37	158.40
Sub-Total	**1,110.50**	**1,118.84**
Total	**3,220.05**	**3,024.76**

* Cost of material consumed includes ₹ 1.56 crores (31 March, 2017: ₹ 1.50 crores) towards research and development, refer note 41.1.

37 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

Opening Inventories		
(i) Finished Goods	284.10	312.36
(ii) Work-In-Progress	94.25	108.17
(iii) Stock-in-trade (acquired for trading) *	248.00	182.80
Closing Inventories		
(i) Finished Goods	326.84	284.10
(ii) Work-In-Progress	117.59	94.25
(iii) Stock-in-trade (acquired for trading) *	247.85	248.00
Total	**(65.93)**	**(23.02)**

* includes stock-in-trade (acquired for trading)-in-transit

38 Employee Benefits Expense *

Particulars	31 March, 2018	31 March, 2017
Salary and Wages	702.31	686.86
Contribution to Provident and other funds (refer note 56)	55.08	55.19
Staff Welfare expenses	31.89	33.26
Share Based Payment Expenses	3.51	14.30
Total	**792.79**	**789.61**

* Employee benefits expense includes ₹ 15.25 crores (31 March, 2017: ₹ 13.94 crores) towards research and development, refer note 41.1.

39 Finance Cost

Interest Expenses	42.38	47.54
Exchange differences regarded as an adjustment to borrowing cost	2.97	4.18
Other borrowing cost	7.70	7.29
Sub-Total	**53.05**	**59.01**
Less: Transfer to property, plant and equipment	-	4.98
Total	**53.05**	**54.03**

40 Depreciation and Amortisation Expense *

Depreciation on Property, Plant and Equipment (refer note 7A)	155.95	135.82
Depreciation on Investment Property (refer note 7C)	1.11	1.19
Amortisation of Intangible Assets (refer note 7E)	5.12	5.85
Total	**162.18**	**142.86**

* Depreciation and amortisation includes ₹ 2.47 crores (31 March, 2017: ₹ 1.84 crores) towards research and development, refer note 41.1.

41 Other Expenses

Others *		
Power and Fuel	93.91	87.48
Consumption of stores, spares and consumables	28.76	27.23
Repair and Maintenance		
Building	5.58	5.17
Machinery	16.47	17.67
Others	33.64	32.83
Processing Charges	24.05	45.68
Rates and Taxes	10.91	9.86
Rent	77.61	80.80
Freight and Forwarding	162.99	169.57
Commission to carrying and forwarding agents	40.54	49.14
Travel and Conveyance	70.91	74.33
Legal and Professional	58.39	50.51
Security expenses	14.32	14.88
Directors' sitting fees	0.57	0.69
Payment to auditors	2.73	3.62
Donations and charity	36.43	31.94
Allowance for expected credit loss (net)	4.23	2.39
Loss on disposal / impairment of property, plant and equipment (net)	5.82	2.67
Provision for disputed liabilities	6.02	6.00
Net loss arising on financial assets measured at FVTPL	3.69	-
Information technology expenses	25.17	28.20
Distributor and retailer network expenses	28.43	34.34
Miscellaneous	133.82	138.52
Total	**884.99**	**913.53**

* Other expenses include ₹ 12.76 crores (31 March, 2017: ₹ 12.99 crores) towards research and development, refer note 41.1.

41.1 Research and Development Expenditure

Particulars	31 March, 2018	31 March, 2017
Raw material consumed (refer note 36)	1.56	1.50
Employee benefits expense (refer note 38)	15.25	13.94
Depreciation and amortization (refer note 40)	2.47	1.84
Other expenses (refer note 41)		
Power and fuel	1.84	1.69
Repair and maintenance - others	1.52	1.28
Freight and forwarding	0.01	0.02
Rent	0.21	0.16
Rates and taxes	0.13	0.17
Travel and conveyance	0.88	0.82
Legal and professional	0.78	0.71
Security expenses	0.29	0.30
Miscellaneous	7.10	7.84
Sub-Total	**12.76**	**12.99**
Total	**32.04**	**30.27**

42 The amount of ₹ 14.54 crores in exceptional items relates to provision made in respect of GST transition impact, on the inventories lying with distributors of the Holding Company as at 30 June, 2017.

43 Taxation

The key components of income tax expense for the year ended 31 March, 2018 and 31 March, 2017 are:

A Statement of Profit and Loss:

(i)	**Profit and Loss Section**		
	a)	**Current tax**	
		In respect of current year	373.89	344.34
		Adjustments for current tax of prior periods	(2.55)	-
	b)	**Deferred tax**	
		In respect of current year	(35.99)	(14.00)
Income tax expense reported in the Consolidated Statement of Profit and Loss			**335.35**	**330.34**
(i)	**Other Comprehensive Income (OCI) Section**		
	Income tax related to items recognised in OCI during the year:		
	a)	Re-measurement gains on defined benefit plans	(0.15)	1.16
	b)	Net fair value gain on investment in debt instruments through OCI	(8.79)	3.26
Income tax (income)/expense reported in OCI			**(8.94)**	**4.42**
Total			**326.41**	**334.76**

B Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

Accounting profit before tax	**1,693.09**	**1,610.65**
Statutory income tax rate	34.61%	34.61%
Tax expense at statutory income tax rate	**585.94**	**557.41**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Minimum Alternate Tax (MAT) credit recognized	(45.80)	(33.31)
Tax impact of expenses which will never be allowed	9.87	8.23
Tax benefits for expenses incurred for inhouse research and development	(5.12)	(7.39)
Tax impact of utilisation of brought forward capital losses	(6.88)	(15.73)
Tax impact of utilisation of brought forward losses of wholly owned subsidiaries of the Holding Company	(51.02)	(55.81)
Tax impact of exempted income	(122.73)	(99.08)
Adjustments for current tax of prior periods	2.55	-
Differential overseas tax rate impact	(25.41)	(19.33)
Others	(6.05)	(4.65)
Income tax expense at effective tax rate reported in the Consolidated Statement of Profit and Loss	**335.35**	**330.34**

During the year ended 31 March, 2018 and 31 March, 2017, the Holding Company has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax to the taxation authorities. The Holding Company believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence, dividend distribution tax paid is charged to equity.

44 Other Comprehensive Income (OCI)

Particulars	31 March, 2018	31 March, 2017
A. Items that will not be reclassified to profit or loss		
Re-measurements gains on defined benefit plans	(4.20)	2.67
Income tax relating to items that will not be reclassified to profit or loss	0.15	(1.16)
Sub-Total	**(4.05)**	**1.51**
B. Items that will be reclassified to profit or loss		
(i) Net fair value gain on investment in debt instruments through OCI	(37.74)	14.12
Income tax relating to items that will be reclassified to profit or loss	8.79	(3.26)
(ii) Exchange difference arising on translation of foreign operations	9.70	(162.95)
Sub-Total	**(19.25)**	**(152.09)**
Total	**(23.30)**	**(150.58)**

45 Earning Per Share

Net profit attributable to equity shareholders		
Net Profit for the year	1,354.39	1,276.94
Total number of equity shares outstanding at the beginning of the year	1,76,15,20,510	1,75,91,41,170
Total number of equity shares outstanding at the end of the year	1,76,15,20,510	1,76,15,20,510
Weighted average number of equity shares for calculating basic earning per share	1,76,15,20,510	1,76,15,20,510
Add: Employee Stock Options	65,84,994	89,87,422
Basic Earning Per Share (₹)	**7.69**	**7.25**
Nominal Value Per Equity Share (₹)	**1.00**	**1.00**
Weighted average number of equity shares for calculating diluted earning per share	1,76,81,05,504	1,77,05,07,932
Diluted Earning Per Share (₹)	**7.66**	**7.21**

46 Dividend

Proposed Dividend		
Proposed final dividend for the financial year 2017-18 [₹ 6.25 per equity share of ₹ 1 each] ^	1,100.95	-
Dividend distribution tax on proposed final dividend	226.30	-
Proposed final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each] #	-	176.15
Dividend distribution tax on proposed final dividend	-	35.86
Total	**1,327.25**	**212.01**
Paid Dividend		
Final dividend for the financial year 2016-17 [₹ 1.00 per equity share of ₹ 1 each]	176.15	-
Dividend distribution tax on final dividend	35.86	-
Interim dividend for the financial year 2017-18 [₹ 1.25 per equity share of ₹ 1 each]	220.19	-
Dividend distribution tax on interim dividend	44.83	-
Final dividend for the financial year 2015-16 [₹ 1.00 per equity share of ₹ 1 each]	-	176.15
Dividend distribution tax on final dividend	-	35.86
Interim dividend for the financial year 2016-17 [₹ 1.25 per equity share of ₹ 1 each]	-	220.19
Dividend distribution tax on interim dividend	-	44.83
Total	**477.03**	**477.03**

^ The Board of Directors of the Holding Company at its meeting held on 01 May, 2018 have recommended a payment of final dividend of ₹ 6.25 per equity share (including special dividend of ₹ 5 per equity share) with face value of ₹ 1 each for the financial year ended 31 March, 2018, which amounts to ₹ 1,327.25 crores including dividend distribution tax of ₹ 226.30 crores.

The above is subject to approval at the ensuing Annual General Meeting of the Holding Company and hence is not recognised as a liability.

Paid to shareholders during the financial year 2017-18.

47 Contingent Liabilities and Commitments

Contingent Liabilities

Particulars	31 March, 2018	31 March, 2017
Guarantees issued on behalf of third parties	22.04	2.30
Claims against the group not acknowledged as debt		
Claims by employees	1.28	1.14
Excise duty / service tax matters (refer note 48)	70.53	109.47
Sales tax matters (refer note 48)	121.20	87.25
Income tax matters	8.05	2.89
Demand for stamp duty #	15.30	15.30
Others #	9.92	25.08
Total	**248.32**	**243.43**

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances of ₹ 10.73 crores (31 March, 2017: ₹ 59.04 crores)	35.02	98.06
Sub-Total	**35.02**	**98.06**
Total	**283.34**	**341.49**

based on discussions with the solicitors / favourable decisions in similar cases / legal opinions taken by the Group, the Management believes that the Group has a good chance of success in above-mentioned cases and hence, no provision is considered necessary.

48 Disclosure relating to provisions recorded in the these financial statements pursuant to the Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

Particulars	Provision of sales tax */ entry tax **		Provision of excise#/Service tax ^		Provision of others	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
Opening balance	**4.69**	**4.69**	**48.42**	**42.42**	**0.73**	**0.73**
Additions	8.35	-	0.02	6.00	-	-
Utilisations	-	-	-	-	-	-
Reversals	-	-	(2.35)	-	-	-
Closing balance	**13.04**	**4.69**	**46.09**	**48.42**	**0.73**	**0.73**

***** Sales tax provisions made towards classification matters and towards rate differences matters at various levels including assessing authority / commissioner's level / Appellate Tribunal and at Hon'ble High Courts.

****** Entry tax provisions made towards tax difference matters at Orissa at various levels including Appellate Tribunal and at Hon'ble High Courts.

Excise provisions made towards classification matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

^ Service tax provisions made towards service tax distribution (ISD) matters at various levels including Commissioner (Appeal) and Appellate Tribunal.

Notes:

i) These provisions represent estimates made mainly for probable claims arising out of litigations / disputes pending with

authorities under various statutes (Excise duty, Service tax, Sales tax, Entry tax). The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations / disputes. Hence, the Group is not able to reasonably ascertain the timing of the outflow.

ii) Withdrawal of provision relates to determination of liability in and subsequent payment made by Group in relevant context.

iii) Provisions are made herein for medium risk oriented issues as a measure of abundant precaution.

iv) The Group presumes remote risk possibility of further cash outflow pertaining to contingent liabilities and commitments listed under note 47.

v) Discounting obligation has been ignored considering that these disputes relate to Government Authorities.

49 Information on lease transactions pursuant to Ind AS 17 - Leases

A Assets taken on operating lease

The Group leases machines, vehicles and buildings under non-cancellable operating leases. The leases have varying terms, escalation Clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Particulars	Machines and vehicles *		Building #	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
Not later than 1 year	0.88	1.00	16.47	15.06
Later than 1 year not later than 5 year	1.14	0.73	20.24	29.10
Later than 5 year	-	-	7.64	11.00
Total	**2.02**	**1.73**	**44.35**	**55.16**

***** Lease term expiring within a period not exceeding 5 years

Lease term expiring within a period not exceeding 6.5 years

Note:

Lease rent debited to the Consolidated Statement of Profit and Loss of the current year is ₹ 18.40 crores (31 March, 2017 : ₹ 18.45 crores)

B Assets given on operating lease

The Group has leased out buildings under non-cancellable operating leases expiring within period not exceeding five years. The leases have varying terms, escalation Clauses and renewal rights. On renewal, the terms of the leases are renegotiated. The contractual future minimum lease related receivables in respect of these leases are:

Particulars	31 March, 2018	31 March, 2017
Not later than 1 Year	7.59	3.89
Later than 1 year not later than 5 year	16.72	-
Later than 5 year	-	-
Total	**24.31**	**3.89**

Note:

Lease rent credited to the Consolidated Statement of Profit and Loss of the current year is ₹ 9.98 crores (31 March, 2017: ₹ 10.01 crores)

50 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Equity share capital	Total
Net debt as at 01 April, 2016	**355.48**	**449.74**	**175.91**	**981.13**
Proceeds from issue of equity share capital	-	-	0.24	**0.24**
Proceeds from non-current borrowings (including current maturities)	179.19	-	-	**179.19**
Repayment of current borrowings (net)	-	(9.41)	-	**(9.41)**
Net debt as at 31 March, 2017	**534.67**	**440.33**	**176.15**	**1,151.15**

Net debt as at 01 April, 2017	**534.67**	**440.33**	**176.15**	**1,151.15**
Proceeds from issue of equity share capital	-	-	-	**-**
Repayment of non-current borrowings (including current maturities)	(61.57)	-	-	**(61.57)**
Repayment of current borrowings (net)	-	24.16	-	**24.16**
Net debt as at 31 March, 2018	**473.10**	**464.49**	**176.15**	**1,113.74**

51 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

Operating segments:

Consumer care business	Home Care, Personal Care and Health Care
Food business	Juices, Beverages and Culinary
Retail business	Retail Stores
Other segments	Guar Gum, Pharma and others

Identification of Segments:

The chief operational decision maker monitors the operating results of its busines segments separately for the purpose of making decisions about resouce allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities:

Assets used by the operating segment mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilties which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilites.

The measurement principles of segments are consistent with those used in preparation of these financial assets. There are no inter-segment transfers.

Particulars		31 March, 2018	31 March, 2017
1	**Segment Revenue**		
	A. Consumer care business	6,414.08	6,328.89
	B. Food business	1,097.74	1,114.25
	C. Retail business	114.29	123.31
	D. Other segments	97.03	113.62
	E. Unallocated other operating revenue	25.20	21.37
	Revenue from operations	**7,748.34**	**7,701.44**
2	**Segment Results**		
	A. Consumer care business	1,596.11	1,536.65
	B. Food business	158.14	154.23
	C. Retail business	3.14	(1.04)
	D. Other segments	2.81	4.52
	Sub Total	**1,760.20**	**1,694.36**
	Less: Finance costs	53.05	54.03
	Less: Unallocable expenditure net off unallocable income	(0.24)	29.93
	Profit before share of profit from Joint Venture & exceptional items	**1,707.39**	**1,610.40**
	Share of profit of Joint Venture	0.24	0.25
	Profit before exceptional items and tax	**1,707.63**	**1,610.65**
	Exceptional items (refer note 42)	14.54	-
	Profit before tax	**1,693.09**	**1,610.65**
	Less: Tax expenses	335.35	330.34
	Net profit for the year	**1,357.74**	**1,280.31**

Particulars		31 March, 2018	31 March, 2017
3	**Segment Assets**		
	A. Consumer care business	3,324.37	2,933.41
	B. Food business	790.64	921.69
	C. Retail business	55.92	50.69
	D. Other segments	37.06	39.40
	E. Unallocated	4,493.64	3,787.05
	Total	**8,701.63**	**7,732.24**
4	**Investment in Joint Venture**		
	Unallocated	11.33	11.09
5	**Segment Liabilities**		
	A. Consumer care business	1,079.98	789.28
	B. Food business	456.20	463.98
	C. Retail business	27.14	23.63
	D. Other segments	15.44	8.31
	E. Unallocated	1,389.82	1,574.88
	Total	**2,968.58**	**2,860.08**
6	**Capital Expenditure**		
	A. Consumer care business	133.99	279.15
	B. Food business	65.48	136.64
	C. Retail business	1.66	0.83
	D. Other segments	0.72	0.79
	E. Unallocated	41.49	42.54
	Total	**243.34**	**459.95**
7	**Depreciation and Amortisation Expense**		
	A. Consumer care business	103.53	90.80
	B. Food business	32.29	23.77
	C. Retail business	1.43	1.45
	D. Other segments	0.83	0.62
	E. Unallocated	24.10	26.22
	Total	**162.18**	**142.86**
8	**Non-Cash Expenses other than Depreciation**		
	Unallocated	3.51	14.30
9	**Revenue from Key Customers**		
	The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.		

52 Group Information

Consolidated financial statements comprises the financial statements of the Holding Company, its Subsidiaries and Joint Ventures as listed below :

S. No.	Name of entity	Principal place of business	Nature	Proportion of ownership (%) as at 31 March, 2018	Proportion of ownership (%) as at 31 March, 2017
A	**Subsidiary Companies at any time during the year**				
1	H & B Stores Limited	India	Domestic wholly owned subsidiary	100.00%	100.00%
2	Dermovia Skin Essentials INC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
3	Dabur International Limited	Isle of Man	Foreign wholly owned subsidiary	100.00%	100.00%
4	Naturelle LLC	Emirate of RAS Al Khaimah, United Arab Emirates	Foreign wholly owned subsidiary	100.00%	100.00%
5	Dabur Egypt Limited	Egypt	Foreign wholly owned subsidiary	100.00%	100.00%
6	African Consumer Care Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
7	Dabur Nepal Private Limited	Nepal	Foreign subsidiary	97.50%	97.50%
8	Asian Consumer Care Private Limited	Bangladesh	Foreign subsidiary	76.00%	76.00%
9	Asian Consumer Care Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
10	Hobi Kozmetik	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
11	RA Pazarlama	Turkey	Foreign wholly owned subsidiary	100.00%	100.00%
12	Dabur Lanka Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
13	Namaste Laboratories LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
14	Urban Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
15	Hair Rejuvenation & Revitalization Nigeria Limited	Nigeria	Foreign wholly owned subsidiary	100.00%	100.00%
16	Healing Hair Laboratories International LLC	United States of America	Foreign wholly owned subsidiary	100.00%	100.00%
17	Dabur (UK) Limited	British Virgin Island, United Kingdom	Foreign wholly owned subsidiary	100.00%	100.00%
18	Dabur Consumer Care Private Limited	Sri Lanka	Foreign wholly owned subsidiary	100.00%	100.00%
19	Dabur Tunisie (refer note 64)	Tunisie	Foreign wholly owned subsidiary	100.00%	100.00%
20	Dabur Pakistan Private Limited	Pakistan	Foreign wholly owned subsidiary	100.00%	100.00%
21	Dabur Pars	Iran	Foreign wholly owned subsidiary	100.00%	100.00%
22	Dabur South Africa (PTY) Limited	South Africa	Foreign wholly owned subsidiary	100.00%	100.00%
B	**Joint Venture at any time during the year**				
1	Forum 1 Aviation Private Limited	India	-	20.00%	20.00%

53 Information on Related Party Transactions pursuant to Ind AS 24 - Related Party Disclosures

Following are the related parties and transactions entered with related parties for the relevant financial year:

A) List of related parties and relationships

i)	**Subsidiaries / Joint Venture**	:	Details are presented in note 52 above
ii)	**Key Management Personnel**	:	Mr. P D Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) & Whole Time Director Mr. Lalit Malik, Chief Financial Officer (CFO) Mr. Ashok Kumar Jain, Vice President (Finance) and Company Secretary
iii)	**Directors**	:	Dr. Anand Chand Burman, Chairman Mr. Amit Burman, Vice Chairman Mr. Mohit Burman, Director Mr. Saket Burman, Director Mr. P D Narang, Whole Time Director Mr. Sunil Duggal, Chief Executive Officer (CEO) & Whole Time Director Mr. Pattamadai Natraja Sarma Vijay, Independent Director Mr. Ravindra Chandra Bhargava, Independent Director Dr. Subbaraman Narayan, Independent Director Dr. Ajay Kumar Dua, Independent Director Mr. Sanjay Kumar Bhattacharyya, Independent Director Ms. Falguni Sanjay Nayar, Independent Director
iv)	**Entities in which a Director or his/her relative is a member or Director ***	:	Jetways Travels Private Limited Aviva Life Insurance Company Limited Lite Bite Foods Private Limited Universal Sompo General Insurance Company
v)	**Relatives of KMPs/Directors***	:	Mr. Vivek Chand Burman, father of Director Ms. Asha Burman, mother of Director
vi)	**Post employment benefit plan entities**	:	Dabur India Limited E.P.F Trust Dabur Gratuity Trust Dabur Superannuation Trust

* With whom the Group had transactions during the current year or previous year

B) Transactions with related parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars		Transactions during the year		Balances at the end of the year	
		31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
A	**Key Management Personnel / Directors**				
i)	Employee benefits	22.87	17.10	5.43	3.27
ii)	Post separation benefits	4.52	4.68	50.47	47.87
iii)	Reimbursement of expenses	0.27	0.40	-	-
iv)	Share based payment	1.83	7.88	-	-
v)	Directors' sitting fees	0.54	0.65	-	-
	Total	**30.03**	**30.71**	**55.90**	**51.14**
Above includes the following material transactions:					
i)	Employee benefits				
	Mr. P D Narang	9.80	7.14	2.53	1.46
	Mr. Sunil Duggal	9.94	7.15	2.51	1.42
		19.74	**14.29**	**5.04**	**2.88**
ii)	Post separation benefits				
	Mr. P D Narang	4.15	4.35	42.32	39.14
iii)	Reimbursement of expenses				
	Mr. P D Narang	0.18	0.21	-	-
	Mr. Sunil Duggal	0.09	0.09	-	-
		0.27	**0.30**	**-**	**-**

Particulars	Transactions during the year		Balances at the end of the year	
	31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
iv) Share based payment				
Mr. P D Narang	0.64	3.55	-	-
Mr. Sunil Duggal	0.64	3.55	-	-
	1.28	**7.10**	**-**	**-**
Total	**25.44**	**26.04**	**47.36**	**42.02**
B Joint Venture				
i) Interest received on security deposit	0.03	0.03	-	-
ii) Miscellaneous expenses	3.44	3.91	0.01	-
iii) Share of profit	0.24	0.25		
iv) Investment	-	-	11.33	11.09
v) Guarantees and collaterals	-	-	7.14	7.14
Total	**3.71**	**4.19**	**18.48**	**18.23**
Above includes the following material transactions:				
i) Interest received on security deposit				
Forum 1 Aviation Private Limited	0.03	0.03	-	-
ii) Miscellaneous expenses				
Forum 1 Aviation Private Limited	3.44	3.91	0.01	-
iii) Share of profit				
Forum 1 Aviation Private Limited	0.24	0.25	-	-
iii) Investment				
Forum 1 Aviation Private Limited	-	-	11.33	11.09
iv) Guarantees and collaterals				
Forum 1 Aviation Private Limited	-	-	7.14	7.14
Total	**3.71**	**4.19**	**18.48**	**18.23**
C Others				
i) Post separation benefits paid	0.39	0.08	-	-
ii) Post employment benefit plan	43.68	38.13	-	-
iii) Purchase of goods/services	7.81	8.57	0.17	-
Total	**51.88**	**46.78**	**0.17**	**-**

Above includes the following material transactions:				
i) Post separation benefit paid				
Mr. Vivek Chand Burman	0.18	0.05	-	-
Ms. Asha Burman	0.21	0.03	-	-
Sub-Total	**0.39**	**0.08**	**-**	**-**
ii) Post employment benefit plan				
Dabur India Limited E.P.F Trust	34.15	30.22	-	-
iii) Purchase of goods / services				
Jetways Travels Private Limited	5.93	6.59	-	-
Total	**40.47**	**36.89**	**-**	**-**

54 Non-Controlling Interests (NCI)

Set out below is summarised financial information for each subsidiary that has Non-Controlling Interests in the Group. The amounts disclosed below for each subsidiary are before inter-Company eliminations:

Particulars		Dabur Nepal Private Limited		Asian Consumer Care Private Limited	
		31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
I	**Principal place of business**	**Nepal**		**Bangladesh**	
	Proportion of ownership interest	**97.50%**		**76.00%**	
II	**Summarised balance sheet**				
	Current Assets	318.88	381.62	125.38	112.32
	Current Liabilities	217.52	289.11	83.97	77.91
	Net-Current Assets (A)	**101.36**	**92.51**	**41.41**	**34.41**
	Non-Current Assets	200.22	157.32	45.49	48.08
	Non-Current Liabilities	2.69	1.63	5.57	3.54
	Net Non-Current Assets (B)	**197.53**	**155.69**	**39.92**	**44.54**
	Employee housing reserve (refer note 23) (C)	17.97	15.18	-	-
	Net Assets (A+B+C)	**280.92**	**233.02**	**81.33**	**78.95**
	Share of interest held by NCI	2.50%	2.50%	24.00%	24.00%
	Accumulated NCI	**7.02**	**5.82**	**19.51**	**18.95**
III	**Summarised statement of profit and loss**				
	Revenue	621.29	644.46	100.81	106.23
	Net profit for the year	48.00	50.59	8.96	8.77
	Other comprehensive income	-	-	-	-
	Total comprehensive income	**48.00**	**50.59**	**8.96**	**8.77**
	Share of interest held by NCI	2.50%	2.50%	24.00%	24.00%
	Profit allocated to NCI	**1.20**	**1.26**	**2.15**	**2.11**
	Dividends paid to NCI	-	-	-	-
IV	**Summarised cash flows**				
	Cash flows from operating activities	61.11	59.32	9.48	7.98
	Cash used from investing activities	(42.99)	(14.18)	(4.44)	(1.44)
	Cash used from financing activities	(40.05)	(21.46)	-	-
	Net (decrease) / increase in cash and cash equivalents	**(21.93)**	**23.68**	**5.04**	**6.54**

55 Summarised financial information for Joint Venture:

The Group has a 20% ownership interest in Forum 1 Aviation Private Limited, a Joint Venture involved in providing the aviation services to the Joint Venturers as well as to the general public. The Group's interest in Forum 1 Aviation Private Limited is accounted for using the equity method in the financial statements. Summarised financial information of the Joint Venture, is set out below:

A Principal place of business: India

B Summarised balance sheet

Particulars	31 March, 2018	31 March, 2017
Cash and cash equivalents	8.38	5.32
Other assets	2.64	4.32
Current Assets (A)	**11.02**	**9.64**
Non-Current Assets (B)	**58.96**	**60.03**
Trade payables and provisions	0.50	1.05
Current liabilities (excluding trade payables and provisions)	0.75	0.21
Current Liabilities (C)	**1.25**	**1.26**
Trade payables and provisions	0.76	0.73
Non-current liabilities (excluding trade payables and provisions)	11.38	11.38
Non-Current Liabilities (D)	**12.14**	**12.11**
Net Assets (A+B-C-D)	**56.59**	**56.30**

C Reconciliation to carrying amounts

Particulars	31 March, 2018	31 March, 2017
Opening net assets	55.40	54.13
Net profit for the year considered for equity accounting of Joint Venture	0.29	1.27
Dividend paid	-	-
Total Current Assets (A)	**55.69**	**55.40**
Net profit for the year not considered for equity accounting of Joint Venture #	0.90	0.90
Adjusted Total Current Assets (B)	**56.59**	**56.30**
Group's share in % (C)	20.00%	20.00%
Group's share in ₹ (financial year ended 31 March, 2017) **(A x C)**	-	11.09
Group's share in ₹ (financial year ended 31 March, 2018) **(B x C)**	11.33	-
Carrying amount of investment	**11.33**	**11.09**

 # adjustment in net profit pertains to actualisation after availibility of signed financial statements of the Joint Venture

D Summarised statement of profit and loss

Revenue	19.01	22.79
Other income	0.48	0.30
Total Revenue (A)	**19.49**	**23.09**
Employee Benefits Expense	4.52	5.20
Depreciation and amortisation	2.68	2.68
Finance costs	0.32	0.16
Other expenses	11.69	14.05
Total Expenses (B)	**19.21**	**22.09**
Profit before tax (C = A-B)	**0.28**	**1.00**
Tax expense (D)	-	(1.17)
Profit after Tax (E = C-D)	**0.28**	**2.17**
Other comprehensive income (F)	-	-
Total Comprehensive Income (G = E+F)	**0.28**	**2.17**
Group's share in % (H)	20.00%	20.00%
Group's share of profit after tax (G*H)	**0.06**	**0.43**
Profit recognised in the Consolidated Statement of Profit and Loss	**0.24**	**0.25**
Profit recognised in the subsequent year pursuant actualisation of profits	**0.18**	**(0.18)**

E Contingent liabilities and commitments in respect of Joint Venture

Contingent liabilities - service tax matter *	5.35	5.35
Guarantees issued by Holding Company on behalf of Joint Venture - against bank borrowing	7.14	7.14

* Share of contingent liabilities incurred jointly with other investors of the Joint Venture

the financial statements of the Joint Venture for the year ended 31 March, 2018 are unaudited and the above disclosures have been extracted from Management certified accounts

56 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

(a) Defined contribution plans

Amount of ₹ 3.80 crores (31 March, 2017 : ₹ 3.97 crores) is recognised as an expense and included in employee benefit expense in the Consolidated Statement of Profit and Loss under Employees Superannuation Fund.

(b) Defined benefit plans

Gratuity (Funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment. The Group provides for gratuity, based on actuarial valuation as of the balance sheet date, based upon which, the Group contributes all the ascertained liabilities to the Dabur Gratuity Trust.

Post separation benefit of Directors

Post separation benefit of Directors includes car, telephone, medical and housing facility for eligible Directors.

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

(a) **Salary increases** - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(b) **Investment risk** - If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.

(d) **Mortality and disability -** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(e) **Withdrawals -** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following tables summarises the components of net benefit expense recognized in the Consolidated Statement of Profit and Loss and the funded status and amounts recognized in the Consolidated Balance Sheet:

Particulars		Gratuity		Post separation benefit of Directors	
		31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
		Funded	Funded	Unfunded	Unfunded
I	**Change in present value of defined benefit obligation during the year**				
	Present value of obligation as at the beginning of the period	78.09	65.77	47.86	45.38
	Interest cost	5.37	5.24	3.59	3.64
	Service cost	8.64	15.13	1.32	1.27
	Benefits paid	(12.76)	(5.26)	(0.42)	(0.59)
	Total actuarial loss / (gain) on obligation	4.72	(2.79)	(1.88)	(1.84)
	Present value of obligation as at the end of the period	84.06	78.09	50.47	47.86
II	**Change in fair value of plan assets during the year**				
	Fair value of plan assets at the beginning of the period	60.89	53.74	-	-
	Expected interest income	4.57	4.28	-	-
	Employer contribution	7.88	4.89	-	-
	Benefits paid	(4.46)	(3.48)	-	-
	Actuarial (loss) / gain for the year on asset	(1.38)	1.46	-	-
	Fair value of plan assets at the end of the period	67.50	60.89	-	-
III	**Net asset / (liability) recognised in the Consolidated Balance Sheet**				
	Present value of obligation at the end	84.06	78.09	50.47	47.86
	Fair value of plan assets	67.50	60.89	-	-
	Unfunded liability in Consolidated Balance Sheet	(16.56)	(17.20)	(50.47)	(47.86)

Particulars		Gratuity		Post separation benefit of Directors	
		31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
		Funded	Funded	Unfunded	Unfunded
IV	**Expense recognised in the Consolidated Statement of Profit and Loss during the year**				
	Service cost	8.64	15.13	1.32	1.27
	Net interest cost	0.80	0.96	3.59	3.64
	Total expense recognised in the employee benefit expense	9.44	16.09	4.91	4.91
V	**Recognised in other comprehensive income for the year**				
	Net cumulative unrecognised actuarial gain / (loss) opening	2.79	(1.46)	3.80	1.97
	Actuarial loss / (gain) for the year on projected benefit obligation (PBO)	4.72	(2.79)	(1.88)	(1.84)
	Actuarial (loss) / gain for the year on asset	(1.38)	1.46	-	-
	Unrecognised actuarial (loss) / gain at the end of the year	(3.31)	2.79	5.68	3.81
VI	**Maturity profile of defined benefit obligation**				
	Within the next 12 months (next annual reporting period)	16.76	14.76	0.43	0.64
	Between 2 to 5 years	20.17	21.95	30.47	20.34
	More than 5 years	47.13	41.38	19.57	27.84
VII	**Quantitative senstivity analysis for significant assumptions is as below**				
	a) Impact of change in discount rate				
	Present value of obligation at the end of the period	84.06	78.09	50.47	47.86
	Impact due to increase of 0.50%	(2.60)	(1.28)	(0.24)	(0.22)
	Impact due to decrease of 0.50%	2.77	1.34	0.25	0.22
	b) Impact of change in salary increase				
	Present value of obligation at the end of the period	84.06	78.09	50.47	47.86
	Impact due to increase of 0.50%	2.72	2.12	0.22	0.20
	Impact due to decrease of 0.50%	(2.58)	(2.02)	(0.22)	(0.19)

Sensitivities due to mortality and withdrawls are not material, hence the impact of change not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lumpsum benefit on retirement.

VIII	**The major categories of plan assets (as a percentage of total plan assets)**				
	Funds managed by insurer	100%	100%	N.A	N.A

Particulars			Gratuity		Post separation benefit of Directors	
			31 March, 2018	31 March, 2017	31 March, 2018	31 March, 2017
			Funded	Funded	Unfunded	Unfunded
IX	**Actuarial assumptions**					
	i)	Discount rate	8.00 % PA	7.50 % PA	8.00 % PA	7.50 % PA
	ii)	Future salary increase	10.00 % PA	9.00 % PA	12.00 % PA	12.00 % PA
	iii)	Retirement age (years)	58	58	60/70	60/70
	iv)	Mortality rates inclusive of provision for disability	100% of IALM (2006-08)		100% of IALM (2006-08)	
	v)	Age	**Withdrawl rate (%)**	**Withdrawl rate (%)**	**Withdrawl rate (%)**	**Withdrawl rate (%)**
		Upto 30 years	17	17	Nil	Nil
		From 31 to 44 years	14	14	Nil	Nil
		Above 44 years	5	5	Nil	Nil
	vi)	Expected best estimate of expense for the next annual reporting period				
		Service cost	5.57	5.15	1.30	1.36
		Net interest cost	0.20	(0.01)	4.04	3.59
		Net periodic benefit cost	5.77	5.14	5.34	4.95

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

(c) Provident Fund

The Group makes contribution towards provident fund which is administered by Dabur India Limited E.P.F Trust. The rules of the Group's provident fund administered by a trust, requires that if the trust is unable to pay interest at the rate declared by the Government under Para 60 of the Employees Provident Fund Scheme, 1972 for the reason that the return on investments is less or for any other reason, then the deficiency shall be made good by the Group making interest shortfall a defined benefit plan. Accordingly, the Group has obtained actuarial valuation and based on the below provided assumption there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contribution only.

Contribution made by the Group to the provident fund trust set-up by the Holding Company during the year is ₹ 9.04 crores (31 March, 2017 : ₹ 8.28 crores).

Particulars	31 March, 2018	31 March, 2017
Plan assets at period end, at fair value	257.49	212.86
Present value of defined obligation at period end	240.54	208.47

Assumptions used in determining the present value of obligation:

I	**Economic assumptions (actuarial)**		
	i) Expected statutory interest rate on the ledger balance	8.55%	8.65%
	ii) Expected short fall in interest earnings on the fund	0.05%	0.05%
II	**Demographic assumptions (actuarial)**		
	i) Mortality	IALM (2006 -08)	IALM (2006 - 08)
	ii) Disability	None	None
	iii) Withdrawal Rate (Age related)		
	Up to 30 Years	17%	17%
	Between 31 - 44 Years	14%	14%
	Above 44 Years	5%	5%
	iv) Normal retirement age	58	58

57 Disclosures required pursuant to Ind AS 102 - Share Based Payment

Under Employee Stock Option Scheme (ESOP) of the Group, share options of the Group are granted to the senior executives subject to achievement of targets as defined in ongoing vision of the Group. Vesting period ranges from 1 to 5 years. Each option carries the right to the holder to apply for one equity share of the Group at par. There has been no variation in the terms of options during the year. The share options are valued at the fair value of the options as on the date of grant using Black Scholes pricing model. There is no cash settlement alternative.

A The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	Weighted Average Price (₹)	Number of Options
Outstanding as at 01 April, 2016	**13.88**	**1,13,50,921**
Options granted during the year	1.00	1,37,031
Options forfeited / lapsed / expired during the year	1.00	3,10,300
Options exercised during the year	62.48	23,79,340
Options outstanding as at 31 March, 2017	**1.80**	**87,98,312**
Exercisable at the end of the period.		**87,98,312**
Outstanding as at 01 April, 2017	**1.80**	**87,98,312**
Options granted during the year	1.00	36,720
Options forfeited / lapsed / expired during the year	1.00	38,63,411
Options exercised during the year *	-	-
Options outstanding as at 31 March, 2018 #	**2.42**	**49,71,621**
Exercisable at the end of the period.		**49,71,621**

Subsequent to the financial year ended 31 March, 2018, the Nomination and Remuneration Committee of the Board of Directors of the Group in its meeting held on 19 April, 2018 has cancelled 15,55,900 stock options granted to the employees of the Group relevant to the financial year ended 31 March, 2018.

***** Nil Share options were exercised on a regular basis throughout the year. The weighted average share price during the period was Nil.

The options outstanding as at 31 March, 2018 were with the exercise price of ₹ 1.00 to ₹ 84.60. The weighted average of the remaining contractual life is 0.12 years.

B Fair value of the options has been calculated using Black Scholes pricing model. The following inputs were used to determine the fair value for options granted during the year:

i)	**Date of grant: 21 April, 2017**	**Vesting Date: 15 May, 2018**
	Market Price (₹)	291.25
	Expected Life (in years)	1.07
	Volatility (%)	22.55
	Risk free rate (%)	6.26
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.77
	Fair value per vest (₹)	287.93
	Vest (%)	100.00
	Option Fair Value (₹)	287.93
ii)	**Date of grant: 04 August, 2017**	**Vesting Date: 4 August, 2018**
	Market Price (₹)	307.30
	Expected Life (in years)	1.00
	Volatility (%)	19.90
	Risk free rate (%)	6.05
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.73
	Fair value per vest (₹)	304.12
	Vest (%)	100.00
	Option Fair Value (₹)	304.12

iii)	Date of grant: 31 October, 2017	Vesting Date: 31 October, 2018
	Market Price (₹)	332.85
	Expected Life (in years)	1.00
	Volatility (%)	20.09
	Risk free rate (%)	6.15
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.67
	Fair value per vest (₹)	329.69
	Vest (%)	100.00
	Option Fair Value (₹)	329.69

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Group's stock on NSE over these years.

Fair value of the options has been calculated using Black Scholes pricing model. The following inputs were used to determine the fair value for options granted during year ended 31 March, 2017:

i)	Date of Grant: 27 July, 2016	Vesting Date: 27 July, 2017
	Market Price (₹)	307.65
	Expected Life (in years)	1.00
	Volatility (%)	26.80
	Risk free rate (%)	6.66
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.73
	Fair value per vest (₹)	304.48
	Vest (%)	15.00
	Option Fair Value (₹)	303.01
ii)	**Date of Grant: 27 July, 2016**	**Vesting Date: 15 May, 2018**
	Market Price (₹)	307.65
	Expected Life (in years)	1.80
	Volatility (%)	26.65
	Risk free rate (%)	6.67
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.73
	Fair value per vest (₹)	302.75
	Vest (%)	85.00
	Option Fair Value (₹)	303.01
iii)	**Date of Grant: 01 December, 2016**	**Vesting Date: 01 December, 2017**
	Market Price (₹)	286.10
	Expected Life (in years)	1.00
	Volatility (%)	25.24
	Risk free rate (%)	5.88
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.79
	Fair value per vest (₹)	282.91
	Vest (%)	9.95
	Option Fair Value (₹)	282.02

iv)	Date of Grant: 01 December, 2016	Vesting Date: 15 May, 2018
	Market Price (₹)	286.10
	Expected Life (in years)	1.45
	Volatility (%)	25.49
	Risk free rate (%)	5.90
	Exercise Price (₹)	1.00
	Dividend yield (%)	0.79
	Fair value per vest (₹)	281.92
	Vest (%)	90.05
	Option Fair Value (₹)	282.02

58 Capital Management - Policies and Procedures

For the purpose of the Group's capital Management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Group.

The Group' s capital Management objectives are:

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

by pricing products and services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	As at 31 March, 2018	As at 31 March, 2017
Current borrowings (refer note 28)	464.49	440.33
Non-current borrowings (refer note 24)	364.34	470.39
Other financial liabilities (refer note 25 and 30)	242.45	178.39
Trade payables (refer note 29)	1,410.32	1,310.03
Less: Cash and cash equivalents (refer note 16)	153.80	163.22
Net debt	**2,327.80**	**2,235.92**
Equity share capital (refer note 22)	176.15	176.15
Other equity (refer note 23)	5,530.37	4,671.24
Total capital	**5,706.52**	**4,847.39**
Capital and net debt	**8,034.32**	**7,083.31**
Gearing ratio	**28.97%**	**31.57%**

In order to achieve this overall objective, the Group's capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2018 and 31 March, 2017.

Loan Covenants

Under the terms of the major borrowing facilities, the Group is required to comply with certain financial covenants which include Debt Service Coverage Ratio (DSCR), Fixed Asset Coverage Ratio (FACR) etc. The Group has complied with these covenants throughout the reporting period.

59 Financial Risk Management - Objectives And Policies

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, loans, trade receivables, cash and cash equivalents, other balances with banks and other receivables.

The Group's financial risk Management is an integral part of how to plan and execute its business strategies.

The Group's activities expose it to market risk, interest rate risk and foreign currency risk. The Board of Directors ('Board') oversee the Management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Group formulated by the Risk Management Committee and approved by the Board, states the Group's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Group's Management, the structure for managing risks and the framework for risk Management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

A Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a Risk Management Committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Group's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the risk Management policy on a quarterly basis.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Group's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk Management. The Group is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign currency risk

The Group operates internationally with transactions entered into several currencies. Consequently the Group is exposed to foreign exchange risk towards honouring of export/ import commitments.

Management evaluates exchange rate exposure in this connection in terms if its established risk Management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

Foreign currency exposure as at 31 March, 2018	USD	EUR	GBP	CHF	Total
Export receivables	204.42	8.33	11.19	-	223.94
Overseas creditors	152.62	4.45	0.44	0.19	157.70
Advance to suppliers	3.66	-	-	-	3.66
Advance from customers	2.00	-	-	-	2.00
Bank balances in Exchange Earner Foreign Currency (EEFC) accounts	0.52	-	-	-	0.52
Packing credit loan (hedged through future contract)	45.62	-	-	-	45.62

Foreign currency exposure as at 31 March, 2017	USD	EUR	GBP	CHF	Total
Export receivables	207.66	5.95	12.73	-	226.34
Overseas creditors	165.39	2.78	0.39	0.18	168.74
Advance to suppliers	2.59	-	-	-	2.59
Advance from customers	2.95	-	-	-	2.95
Bank balances in Exchange Earner Foreign Currency (EEFC) accounts	2.12	-	-	-	2.12
Packing credit loan (hedged through future contract)	64.85	-	-	-	64.85

The above table represents total exposure of the Group towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 61A and the details of unhedged exposures are given as part of note 61B.

Foreign currency sensitivity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against ₹, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 1% represents Management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Change in foreign exchange rates	31 March, 2018		31 March, 2017	
	1% increase	1% decrease	1% increase	1% decrease
USD	0.54	(0.54)	0.44	(0.44)
EUR	0.04	(0.04)	0.03	(0.03)
GBP	0.11	(0.11)	0.12	(0.12)
CHF	(0.00)	0.00	(0.00)	0.00
Decrease/(increase) in profit or loss	**0.68**	**(0.68)**	**0.59**	**(0.59)**

iii) Price Risk

The Group's exposure to price risk arises from investments held and classified as FVTPL or FVTOCI. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher / lower prices of instruments on the Group's profit for the year:

Particulars	31 March, 2018	31 March, 2017
Price sensitivity		
Price increase by (5%) - FVOCI	52.58	62.16
Price decrease by (5%) - FVOCI	(52.58)	(62.16)
Price increase by (5%) - FVTPL	25.36	24.77
Price decrease by (5%) - FVTPL	(25.36)	(24.77)

B Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by Senior Management. Management monitors the Group's net liquidity position on the basis of expected cash flows vis-a-vis debt service fulfillment obligation.

Maturity profile of financial liabilities

The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March, 2018	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.15	0.63	10.72	11.50
Deposits payable	3.37	5.16	-	8.53
Non-current borrowings	108.62	363.11	-	471.73
Current borrowings	464.49	-	-	464.49
Trade payables	1,410.32	-	-	1,410.32
Other financial liabilities	126.07	-	-	126.07

As at 31 March, 2017	Less than 1 year/ on demand	1 to 5 years	More than 5 years	Total
Finance lease obligations	0.13	0.50	8.62	9.25
Deposits payable	4.37	3.54	-	7.91
Non-current borrowings	64.08	469.50	-	533.58
Current borrowings	440.33	-	-	440.33
Trade payables	1,310.03	-	-	1,310.03
Other financial liabilities	106.04	-	-	106.04

C Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occuring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group considers reasonable and supportive forward-looking information.

Financial assets are written-off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Group. The Group provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis. The Group's concentration of risk with respect to trade receivables is low, as its customer's base is widely spread across local as well as foreign markets.

Exposure to credit risks	As at 31 March, 2018	As at 31 March, 2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	3,091.78	2,499.41
Non-current loans	13.14	11.86
Others non-current financial assets	4.11	6.38
Current investments	713.39	740.75
Cash and cash equivalents	153.80	163.22
Bank balances other than cash and cash equivalents above	152.26	141.59
Current loans	34.88	3.80
Other current financial assets	28.27	38.12
Financial assets for which loss allowance is measured using Life Time Expected Credit Losses (LECL)		
Trade receivables	706.08	650.42

Summary of change in loss allowances measured using LECL

Particulars	31 March, 2018	31 March, 2017
Opening allowance	**15.62**	**26.08**
Provided during the year	2.99	2.39
Amounts written-off	2.99	12.85
Reversals of provision	-	-
Closing allowance	**15.62**	**15.62**

During the year the Group has recognised loss allowance of ₹ 1.25 crores (31 March, 2017 : ₹ Nil) under 12 month ECL model. No significant changes in estimation techniques or assumptions were made during the reporting period.

Concentration of financial assets

Concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Our historical experience of collecting receivables is that credit risk is low. The Group's exposure to credit risk for trade receivables is presented below:

A. Consumer care business	597.75	541.74
B. Food business	98.71	97.12
C. Other segments	5.29	7.05
D. Retail business	3.01	3.76
E. Unallocated	1.32	0.74
Total	**706.08**	**650.42**

60 Catergory wise classification of financial instruments

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2016-17. The following methods and assumptions were used to estimate the fair values:

i) The fair values of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) The fair values of other investments measured at FVTOCI and FVTPL are determined based on observable market data other than quoted prices in active market.

iii) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of the fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

A The carrying values and fair values of financial instruments by categories as at 31 March, 2018 are as follows: *

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at Fair Value through Profit and Loss ('FVTPL')				
Investments in debt instruments	254.97	-	254.97	-
Investments in mutual funds	252.14	252.14	-	-
Total	**507.11**	**252.14**	**254.97**	**-**

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at Fair Value through Other Comprehensive Income ('FVTOCI')				
Investments in debt instruments	1,051.43	-	1,051.43	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,051.50**	**-**	**1,051.43**	**0.07**
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	2,028.95	-	-	-
Investments in Joint Venture	11.33	-	-	-
(ii) Loans				
Security deposits	13.14	-	-	-
(iii) Others financial assets	4.11	-	-	-
Total	**2,057.53**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Current				
(i) Investments				
Investments in debt instruments	206.28	-	-	-
(ii) Loans				
Security deposits	34.88	-	-	-
(iii) Trade receivables	706.08	-	-	-
(iv) Cash and cash equivalents	153.80	-	-	-
(v) Bank balances other than (iv) above	152.26	-	-	-
(vi) Other financial assets	28.27	-	-	-
Sub-Total	**1,281.57**	**-**	**-**	**-**
Total	**3,339.10**	**-**	**-**	**-**
Non-current				
(i) Borrowings	364.34	-	-	-
(ii) Other financial liabilities	4.25	-	-	-
Total	**368.59**	**-**	**-**	**-**
Current				
(i) Borrowings	464.49	-	-	-
(ii) Trade payables	1,410.32	-	-	-
(iii) Other financial liabilities	238.20	-	-	-
Sub-Total	**2,113.01**	**-**	**-**	**-**
Total	**2,481.60**	**-**	**-**	**-**

***** During the year there were no transfers between Level 1 and Level 2 fair value measurements.

B The carrying values and fair values of financial instruments by categories as at 31 March, 2017 are as follows: *

Financial assets at Fair Value through Profit and Loss ('FVTPL')				
Investments in debt instruments	247.02	-	247.02	-
Investments in mutual funds	248.37	248.37		
Total	**495.39**	**248.37**	**247.02**	**-**
Financial assets at Fair Value through other Comprehensive Income ('FVTOCI')				
Investments in debt instruments	1,243.11	-	1,243.11	-
Investments in equity instruments	0.07	-	-	0.07
Total	**1,243.18**	**-**	**1,243.11**	**0.07**

Particulars	Carrying value	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Non-current				
(i) Investments				
Investments in debt instruments	1,245.13	-	-	-
Investments in Joint Venture	11.09	-	-	-
(ii) Loans				
Security deposits	11.86	-	-	-
(iii) Others financial assets	6.38	-	-	-
Total	**1,274.46**	**-**	**-**	**-**
Current				
(i) Investments				
Investments in debt instruments	245.36	-	-	-
(ii) Loans				
Security deposits	3.80	-	-	-
(iii) Trade receivables	650.42	-	-	-
(iv) Cash and cash equivalents	163.22	-	-	-
(v) Bank balances other than (iii) above	141.59	-	-	-
(vi) Other financial assets	38.12	-	-	-
Sub-Total	**1,242.51**	**-**	**-**	**-**
Total	**2,516.97**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
(i) Borrowings	470.39	-	-	-
(ii) Other financial liabilities	3.71	-	-	-
Total	**474.10**	**-**	**-**	**-**
Current				
(i) Borrowings	440.33	-	-	-
(ii) Trade payables	1,310.03	-	-	-
(iii) Other financial liabilities	174.69	-	-	-
Sub-Total	**1,925.05**	**-**	**-**	**-**
Total	**2,399.15**	**-**	**-**	**-**

***** During the year there were no transfers between Level 1 and Level 2 fair value measurements.

C Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

(a) **Investment in mutual funds:** The fair values of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date.

(b) **Investment in debt instruments:** The fair value of investments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

61 Details of hedged and unhedged exposure in foreign currency denominated monetary items

A Exposure in foreign currency - hedged

The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

Outstanding overseas exposure hedged by forward option/ contract against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Packing credit loan *	31 March, 2018	USD	0.70	INR	45.62
	31 March, 2017	USD	1.00	INR	64.85

***** The nature of risk hedged is adverse currency fluctuations

B. Exposure in foreign currency - unhedged

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency		Local currency	
Export receivables	31 March, 2018	EUR	0.10	INR	8.33
	31 March, 2017	EUR	0.09	INR	5.95
	31 March, 2018	USD	3.14	INR	204.42
	31 March, 2017	USD	3.20	INR	207.66
	31 March, 2018	GBP	0.12	INR	11.19
	31 March, 2017	GBP	0.16	INR	12.73
Overseas creditors	31 March, 2018	USD	2.34	INR	152.62
	31 March, 2017	USD	2.55	INR	165.39
	31 March, 2018	GBP	0.00	INR	0.44
	31 March, 2017	GBP	0.00	INR	0.39
	31 March, 2018	EUR	0.06	INR	4.45
	31 March, 2017	EUR	0.04	INR	2.78
	31 March, 2018	CHF	0.00	INR	0.19
	31 March, 2017	CHF	0.00	INR	0.18
Advances to suppliers	31 March, 2018	USD	0.06	INR	3.66
	31 March, 2017	USD	0.04	INR	2.59
Bank balances in Exchange Earner Foreign Currency (EEFC) accounts	31 March, 2018	USD	0.01	INR	0.52
	31 March, 2017	USD	0.03	INR	2.12
Advance from customers	31 March, 2018	USD	0.03	INR	2.00
	31 March, 2017	USD	0.05	INR	2.95

62 Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November, 2016 to 30 December, 2016, pursuant to Ministry of Corporate Affairs (MCA) notification GSR 308 (E) dated 30 March, 2017

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 8 November, 2016	0.96	0.37	1.33
Add: permitted receipts	-	0.61	0.61
Less: permitted payments	-	0.77	0.77
Less: amount deposited in banks	0.96	0.01	0.97
Closing cash in hand as on 30 December, 2016	-	0.20	0.20

63 Information on acquisition transactions pursuant to Ind AS 103 - Business Combinations

A *Acquisitions during the year ended 31 March, 2018*

i) Acquisition of certain assets from CTL Management and Personnel Services Proprietary Limited

On 03 April, 2017, the Group, through its wholly owned subsidiary Dabur South Africa (PTY) Limited, acquired certain assets of CTL Management and Personnel Services Proprietary Limited to synergize its fast-Moving Consumer Goods (FMCG) business with the fixed capital and business under acquisition. The acquiree was engaged in development, production, packaging and sale of personal care / hair-care products and creams in South Africa. The total consideration for the said acquisitions was ₹ 9.01 crores.

ii) Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities acquired from CTL Management and Personnel Services Proprietary Limited as at the date of acquisition were:

Assets	Fair value recognised on acquisition	
	(ZAR) *	(₹)
Land and building	1.25	6.10
Plant and equipment	0.27	1.29
Raw materials, packing materials and finished goods	0.15	0.73
Total identifiable net assets at fair value	**1.67**	**8.12**
Goodwill arising on acquisition		**0.89**
Purchase consideration transferred / paid		**9.01**

***** *ZAR - South African Rand*

iii) The transaction did not involve any inheritance of contingent liability.

iv) This acquisition gave rise to goodwill on consolidation amounting to ₹ 0.89 crores, being excess of consideration amount over fair value of assets under acquisition. The said goodwill being capital in the nature is not eligible for a deduction according not expected to be deductible for tax purposes in the Country of incorporation i.e. South Africa.

B *Acquisitions subsequent to the year ended 31 March, 2018*

Acquisition of D and A Cosmetics Proprietary Limited and Atlanta Body and Health Products Proprietary Limited

On 05 April, 2018, the Group, through its wholly owned subsidiary Dermovia Skin Essentials INC, acquired 100% of the equity shares of two consumer care Companies incorporated in South Africa namely D and A Cosmetics Proprietary Limited and Atlanta Body and Health Products Proprietary Limited. These Companies are engaged in development, production, packaging, sale and distribution of products of personal care, hair care and creams, with market in South Africa extending to Namibia, Swaziland, Botswana and Lesotho. They own the brand name 'Long and Lasting' which assumed turnover of ₹ 11.42 crores, ₹ 13.74 crores, ₹ 14.91 crores during calendar years 2014, 2015 and 2016 respectively. The total consideration for the above mentioned acquisitions was ₹ 18.97 crores and ₹ 0.86 crores respectively. Pending technical evaluation of the fair value measurement of business assets, possible goodwill, if any, is not ascertainable as on the balance sheet date and accordingly the complete disclosures required pursuant to Ind AS 103 – 'Business Combinations' has not been presented.

64 The Group intends to liquidate Dabur Tunisie, a wholly owned subsidiary, which is under process and is likely to be completed by 31 March, 2019. The liquidation was earlier expected to be completed by 31 March, 2018, but due to certain legal and regulatory compliances under the laws of Tunisia, the completion date was extended. The assets held by Dabur Tunisie are in the nature of plant and equipment, which it no longer intends to utilise in the next 12 months. A search for a buyer is underway. No impairment loss was recognised on reclassification of the plant and equipment as held for sale and the Group expects the fair value less cost to sell to be higher than carrying amount.

65 Previous year amounts have been re-grouped / re-casted wherever considered necessary, to make them comparable with those of the current year.

66 Disclosure relating to nature and extent of significant restriction on subsidiaries pursuant to Ind AS 112 - Disclosure of interests in other entities

Restrictions imposed by Reserve Bank of India (RBI), Foreign Exchange Management Act, 1999 (FEMA), contractual and regulatory obligations in India and in other jurisdictions where the Group holds interest:

A Capital contribution of ₹ 91.68 crores and non-fund based assistances of ₹ 641.93 crores by the Holding Company are subject to restrictive provision of FEMA and the Act respectively.

B Transfer of scrips of specified number of shares in Naturelle LLC, a wholly owned subsidiary is subject to restrictive provisions of the laws of Emirates of RAS Khaimah despite Group's financing against entire capital base of the subsidiary. This however, does not affect beneficial interest of the Group, as its 100% owner of the total stake.

C Board of Directors of Dabur International Limited, a wholly owned subsidiary incorporated in Isle of MAN and Dermoviva Skin Essential Inc incorporated in United States of America, have resolved against distribution of dividend in forseable future in the interest of strengthening of their intrinsic worth base.

D Other subsidiaries are not subject to material restriction under normal course of business except for monitoring of prudence of transactions, remittances by local central banks and normal restrictions applicable to domestic entities towards foreign direct investments.

E Protective rights of non-controlling interests are confined to the extent attributable to minority stakeholders which are more or less common in international context.

67 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Act:

Name of entity in the Group	Net assets (total assets minus total liabilities)		Share in profits or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or (loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
Holding Company								
Dabur India Limited	73.73%	4,226.86	78.96%	1,072.05	126.84%	(29.56)	78.12%	1,042.49
Subsidiaries								
Indian								
H & B Stores Limited	0.50%	28.78	0.12%	1.66	(0.24%)	0.06	0.13%	1.72
Foreign								
Dermovia Skin Essentials INC	1.17%	67.06	(0.33%)	(4.49)	(6.61%)	1.54	(0.22%)	(2.95)
Dabur International Limited	24.06%	1,379.64	16.97%	230.46	(22.96%)	5.35	17.67%	235.81
Naturelle LLC	0.30%	17.28	0.15%	2.01	(8.58%)	2.00	0.30%	4.01
Dabur Egypt Limited	1.82%	104.06	2.68%	36.37	(8.93%)	2.08	2.88%	38.45
African Consumer Care Limited	0.65%	37.12	0.10%	1.34	0.09%	(0.02)	0.10%	1.32
Dabur Nepal Private Limited	5.09%	291.86	3.63%	49.27	(0.89%)	0.21	3.71%	49.48
Asian Consumer Care Private Limited	1.08%	61.81	0.50%	6.82	9.01%	(2.10)	0.35%	4.72
Dabur (UK) Limited	0.05%	2.75	1.71%	23.27	(2.27%)	0.53	1.78%	23.80
Hobi Kozmetik	1.49%	85.42	0.73%	9.94	32.83%	(7.65)	0.17%	2.29
RA Pazarlama	0.23%	13.45	0.14%	1.85	4.94%	(1.15)	0.05%	0.70
Dabur Lanka Private Limited	1.27%	72.75	(0.03%)	(0.45)	7.55%	(1.76)	(0.17%)	(2.21)
Namaste Laboratories LLC	2.24%	128.46	0.67%	9.16	(1.63%)	0.38	0.71%	9.54
Urban Laboratories International LLC	(0.27%)	(15.76)	(0.05%)	(0.65)	(3.52%)	0.82	0.01%	0.17
Dabur Consumer Care Private Limited	0.05%	2.83	(0.02%)	(0.22)	0.30%	(0.07)	(0.02%)	(0.29)
Hair Rejuvenation & Revitalization Nigeria Ltd.	0.01%	0.61	0.02%	0.25	(0.60%)	0.14	0.03%	0.39
Dabur Tunisie	(0.02%)	(0.95)	(0.13%)	(1.81)	(5.79%)	1.35	(0.03%)	(0.46)
Asian Consumer Care Pakistan Private Limited	0.24%	13.53	0.06%	0.85	2.32%	(0.54)	0.02%	0.31
Dabur Pakistan Private Limited	0.01%	0.57	0.15%	2.01	0.21%	(0.05)	0.15%	1.96
Dabur Pars	0.10%	5.65	(0.13%)	(1.73)	(15.79%)	3.68	0.15%	1.95
Dabur South Africa (PTY) Limited	0.27%	15.62	(0.21%)	(2.90)	(13.05%)	3.04	0.01%	0.14

Name of entity in the Group	Net assets (total assets minus total liabilities)		Share in profits or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or (loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
1	2	3	4	5	6	7	8	9
Non-controlling interests								
Subsidiaries								
Foreign								
Dabur Nepal Private Limited	0.12%	7.02	0.09%	1.20	-	-	0.09%	1.20
Asian Consumer Care Private Limited	0.34%	19.51	0.16%	2.15	6.78%	(1.58)	0.04%	0.57
Joint Venture								
Indian								
Forum 1 Aviation Private Limited	0.08%	4.34	0.02%	0.24	-	-	0.02%	0.24
Inter-Company eliminations	(14.60%)	(837.26)	(5.96%)	(80.90)	-	-	(6.06%)	(80.90)
Total	**100.00%**	**5,733.06**	**100.00%**	**1,357.74**	**100.00%**	**(23.30)**	**100.00%**	**1,334.44**

68 In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known/expected liabilities have been made.

As per our report of even date attached.

For **Walker Chandiok & Co LLP**
Chartered Accountants

per **Anupam Kumar**
Partner

Place : New Delhi
Date : May 1, 2018

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Sunil Duggal
Whole Time Director
DIN: 00041825

P. D. Narang
Whole Time Director
DIN: 00021581

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

Lalit Malik
Chief Financial Officer

Form AOC-I

(Purusant to first proviso to sub Section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of financial statements of Subsidiaries / Associates / Joint Ventures

Part A : Subsidiaries

1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	16
				Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.												
Sl. No.	Name of Subsidiary	Date of Acquisition of Control (dd/mm/yyyy)	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	Currency	Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilitis	Invest-ments	Turnover	Profit before taxation	Provision for taxa-tion	Profit after taxation	Proposed dividend	% of share-holding
1	H & B Stores Ltd	14/05/2007	NA	INR	1.00	29.65	(0.88)	55.92	27.14		118.58	2.09	0.43	1.66	-	100%
2	Dermovia Skin Essentials INC	01/04/2009	NA	USD	65.17	140.96	(71.20)	497.65	430.59	469.59	7.24	(4.49)	-	(4.49)	-	100%
3	Dabur International Ltd	14/09/2003	NA	AED	17.76	12.95	1,366.69	1,658.14	278.50	1,138.70	939.40	230.45	(0.01)	230.46	-	100%
4	Naturelle LLC	12/12/2006	NA	AED	17.76	3.93	13.34	288.34	271.05	-	488.98	2.01	-	2.01	-	100%
5	Dabur Egypt Ltd	04/07/1994	NA	EGP	3.69	0.01	104.05	170.15	66.08	-	235.33	48.38	12.01	36.37	-	100%
6	African Consumer Care Ltd	11/06/2004	NA	NGN	0.21	48.18	(11.06)	64.19	27.07	-	48.87	1.42	0.08	1.34	-	100%
7	Dabur Nepal Pvt Ltd	11/09/1992	NA	NPR	0.63	4.99	294.02	519.10	220.22	-	622.37	62.07	11.61	50.46	-	97.5%
8	Asian Consumer Care Pvt Ltd	14/09/2003	NA	BDT	0.78	31.84	57.13	170.87	89.54	-	100.81	12.55	3.58	8.97	-	76%
9	Dabur UK Ltd	12/05/1994	NA	USD	65.17	1.62	1.14	2.75	-	0.92	23.29	23.27	-	23.27	-	100%
10	Hobi Kozmetik	07/10/2010	NA	TRL	16.41	41.02	44.40	146.28	60.86	-	200.34	10.59	0.65	9.94	-	100%
11	RA Pazarlama	07/10/2010	NA	TRL	16.41	2.48	10.97	33.43	19.98	-	141.79	2.42	0.57	1.85	-	100%
12	Dabur Lanka Pvt. Ltd	05/07/2011	NA	LKR	0.42	90.82	(18.06)	88.40	15.65	-	64.56	(0.45)	-	(0.45)	-	100%
13	Namaste Laboratories LLC	01/01/2011	NA	USD	65.17	-	128.45	223.24	94.78	-	373.13	9.15	(0.01)	9.16	-	100%
14	Urban Laboratories International LLC	01/01/2011	NA	USD	65.17	-	(15.76)	24.00	39.77	-	33.75	(0.65)	-	(0.65)	-	100%
15	Dabur Consumer Care Pvt. Ltd	19/04/2013	NA	LKR	0.42	6.01	(3.17)	4.69	1.86	-	2.16	(0.20)	0.02	(0.22)	-	100%
16	Hair Rejuvenation & Revitalzation Nigeria Ltd	01/01/2011	NA	NGN	0.21	-	0.61	2.87	2.26	-	14.22	0.48	0.23	0.25	-	100%
17	Dabur Tunisie	17/12/2013	NA	TND	26.85	7.26	(8.20)	2.75	3.70	-	0.00	(1.81)	-	(1.81)	-	100%
18	Asian Consumer care Pakistan Pvt. Ltd	11/05/2006	NA	PKR	0.56	5.40	8.12	51.04	37.52	-	44.19	3.23	2.38	0.85	-	100%
19	Dabur Pakistan Pvt. Ltd	24/08/2015	NA	PKR	0.56	0.31	0.26	4.10	3.53	-	14.66	2.29	0.28	2.01	-	100%
20	Dabur PARS	31/05/2016	NA	IRR	0.00	3.84	1.81	7.64	1.99	-	2.90	(1.73)	-	(1.73)	-	100%
21	Dabur South Africa (PTY) Ltd.	14/07/2016	NA	ZAR	5.49	17.59	(1.97)	50.32	34.70	-	13.49	(2.90)	-	(2.90)	-	100%
22	Healing Hair Laboratories International LLC	01/01/2011	NA	USD	65.17	-	-	-	-	-	-	-	-	-	-	100%

Part "B": Associates and Joint Ventures

(Statement purusant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

	Name of Joint Venture	Forum 1 Aviation Pvt. Limited
1	Latest audited Balance Sheet Date	31-Mar-17
2	Date on which the Joint Venture was acquired	28-Jul-08
3	Shares of Joint Venture held by the company on the year end (No.)	530,833
	Amount of Investment in Joint Venture	6.99
	Extent of Holding (%)	20.00
4	Description of how there is significant influence	Not Applicable
5	Reason why the Joint Venture is not consolidated	Not Applicable
6	Networth attributable to Shareholding as per lastest audited Balance Sheet	11.33
7	Profit/Loss for the year (Share of Group)	0.24
	i. Considered in Consolidation	0.24
	ii. Not Considered in Consolidation	-

For and on behalf of the Board of Directors

Dr. Anand Chand Burman
Chairman
DIN: 00056216

Place: New Delhi
Date : 01 May, 2018

Sunil Duggal
Whole Time Director
DIN: 00041825

Ashok Kumar Jain
VP (Finance) and Company Secretary
M. No.: FCS 4311

P. D. Narang
Whole Time Director
DIN: 00021581

Lalit Malik
Chief Financial Officer

Notice of Annual General Meeting

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the members of Dabur India Limited will be held on Thursday, 26th July, 2018 at 11.00 a.m. at Air Force Auditorium, Subroto Park, New Delhi – 110010 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended 31st March, 2018 and the report of Auditors thereon.
3. To confirm the interim dividend already paid and declare final dividend (including special dividend) on equity shares for the financial year ended 31st March, 2018.
4. To appoint a Director in place of Mr. Saket Burman (DIN 05208674) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Ramanath Iyer & Co., Cost Accountants, having Firm Registration No. 000019, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19, amounting to Rs.5.16 lac (Rupees five lac sixteen thousand only) plus applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Section 186 of the Companies Act, 2013, and other applicable provisions, if any, of the said Act and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, sanctions and permissions, as may be necessary, consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution) to give any loan to any person or other body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, as they may deem fit in the interest of the Company and at such time or times and in such form or manner as they may think fit, notwithstanding that the aggregate of loans or guarantees or any security in connection with a loan, or the acquisition of any securities, as aforesaid, proposed to be given/made together with loans or guarantees or any security in connection with a loan or the acquisition of any securities, as aforesaid, already given/ made by the Company, may exceed 60% of the aggregate of the paid up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account of the Company, whichever is more, provided however, that the aggregate of the loans or guarantees or any security in connection with a loan or the acquisition of any securities, as aforesaid, shall not exceed Rs.80,00,00,00,000/- (Rupees eight thousand crores only) at any point of time."

   "RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of giving of loans or guarantees or providing any security in connection with a loan or the acquisition of any securities, as aforesaid, and further to do all acts, deeds, matters and things and to execute all documents and writings as may be necessary, proper or desirable or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the

applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, Mr. R C Bhargava (DIN: 00007620), Non-Executive Independent Director of the Company, aged 83 years, whose present term of office as per the Companies Act, 2013 is for 5 (five) consecutive years with effect from the date of Annual General Meeting of the Company held on 22nd July, 2014 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019, and whose continuation in office with effect from 1st April, 2019 requires approval of shareholders by way of special resolution being more than 75 years of age, approval of the Company be and is hereby accorded to continue the appointment of Mr. R C Bhargava as a Non-Executive Independent Director of the Company, to hold office for his remaining term of office with effect from 1st April, 2019 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, Dr S Narayan (DIN: 00094081), Non-Executive Independent Director of the Company, aged 74 years, whose present term of office as per the Companies Act, 2013 is for 5 (five) consecutive years with effect from the date of Annual General Meeting of the Company held on 22nd July, 2014 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019, and whose continuation in office with effect from 1st April, 2019, after attaining the age of 75 years in June, 2018, requires approval of shareholders by way of special resolution, approval of the Company be and is hereby accorded to continue the appointment of Dr S Narayan as a Non-Executive Independent Director of the Company, to hold office for his remaining term of office with effect from 1st April, 2019 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019."

Date: June 5, 2018
Place: New Delhi

By Order of the Board
for **DABUR INDIA LIMITED**

Regd. Office:
8/3, Asaf Ali Road,
New Delhi - 110 002

(**A K JAIN**)
V P (Finance) & Company Secretary
(Membership No. F4311)

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of item no. 5 to 8 of the Notice set out above is annexed herewith.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF AGM.

3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

4. EVERY MEMBER ENTITLED TO VOTE AT THE MEETING, OR ON ANY RESOLUTION TO BE MOVED THEREAT, SHALL BE ENTITLED DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, TO INSPECT THE PROXIES LODGED, AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED THAT NOT LESS THAN THREE DAYS NOTICE IN WRITING OF THE INTENTION SO TO INSPECT IS GIVEN TO THE COMPANY.

5. The Share Transfer Books and Register of Members of the Company will remain closed from Friday, 6th July, 2018 to Friday, 13th July, 2018 (both days inclusive).

6. A. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower- B, Plot No 31 & 32., Gachibowli, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032, India:

   i) their bank account details in order to receive payment of dividend through electronic mode,

   ii) their **email id**, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,

iii) any change in their address/e-mail id/ECS mandate/ bank details,

iv) share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.

B. Members holding shares in dematerialized form are requested to notify to their Depository Participant:

i) their email id.

ii) all changes with respect to their address/ email id/ ECS mandate/ bank details.

C. Kindly note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(hereinafter referred to as `Listing Regulations`)* it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/ RTA/Depository Participant, as the case may be.

7. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) shall send certified true copy of the Board Resolution/Authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company to attend the AGM.

8. As per Listing Regulations, for securities market transactions and/or for off-market or private transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) (including joint holders) shall furnish copy of PAN card to the Company for registration of such transfer of securities. Accordingly, all the shareholders/ transferor(s) / transferee(s) of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.

9. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.

10. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 11.00 AM to 1.00 PM up to the date of AGM and copies thereof are also available at Company`s Corporate office at Dabur Corporate Office, Kaushambi, Sahibabad, Ghaziabad 201010. These documents along with the Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts & Arrangements in which Directors are interested shall be open for inspection at the meeting to any person having right to attend the meeting.

11. Securities and Exchange Board of India (SEBI) & Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative soft copy of the Annual Report 2017-18 is being sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in accordance with Listing Regulations and Section 136 of the Companies Act, 2013 including Rules made thereunder, hard copy of Abridged Annual Report 2017-18 is being sent to all other members who have not registered their email address(es).

Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest by submitting the duly filled in "e-Communication Registration Form" (available on Company`s website www.dabur.com in the `Investor` Section) to the Company/RTA. Members can also submit their form along with attendance slip at the Registration Counter at the AGM. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

The Notice of 43rd AGM and the Annual Report 2017-18 will also be available on the Company's website www.dabur.com for download by the members. The Notice of AGM will also be available on the website of RTA-Karvy Computershare Pvt. Ltd. at https://evoting.karvy.com. Physical copies of the aforesaid documents will also be available at the Company's Registered Office and Corporate Office for inspection during business hours.

12. Shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent along with the Annual Report 2017-18, duly completed and signed, for admission to the meeting hall. The route map for the AGM venue is given as `Annexure 2` to this Notice.

However, in case of non-receipt of attendance slip, members may download the same from Company`s website www.dabur.com or write to the Company at its Registered Office for issuing the duplicate attendance slip.

13. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the

Company at least 10 days before the date of AGM so as to enable the Management to keep the information ready for replying at the meeting.

14. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unclaimed and unpaid amount pertaining to dividends declared up to the financial year 2010-11 (only interim for FY 2010-11). Members who have not yet encashed their dividend warrants for the financial year 2010-11 (final dividend) onwards are requested to make their claims to the Company immediately. Members may please note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.

    Further, the information regarding unclaimed dividend in respect of dividends declared up to the financial year 2016-17 and updated up to the date of 42nd AGM held on 26th July, 2017 has been uploaded on the website of the Company www.dabur.com under 'Investor' Section. The said information was also filed with MCA which is available on their website at www.iepf.gov.in. Further, as per the requirement of Section 124 (2) of the Act, the Company has uploaded the details of unclaimed dividend in respect of interim dividend declared during the financial year 2017-18, on the website of the Company. Shareholders may kindly check the said information and if any dividend amount is appearing as unpaid against their name, they may lodge their claim, duly supported by relevant documents to the Company.

    Also, in terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, have been/ shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at www.dabur.com. Shareholders may kindly check the same and claim back their shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

15. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are, therefore, requested to bring their own copies of the Annual Report to the meeting.

16. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.

17. As required under Listing Regulations and Secretarial Standards-2 on General Meetings, details in respect of Directors seeking re-appointment/continuation of appointment at the AGM, is separately annexed hereto as `Annexure 1`. Directors seeking re-appointment/ continuation of appointment have furnished requisite declarations under Section 164(2) and other applicable provisions of the Act, including rules framed thereunder.

18. The certificate from Auditors of the Company certifying that the Employee Stock Option Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed in the General Body Meetings will be placed at the AGM.

19. Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit to the RTA of the Company the prescribed Form SH.13 for nomination and Form SH.14 for cancellation/ variation, as the case may be. The Forms can be downloaded from Company`s website www.dabur.com. Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.

20. Voting through electronic means

i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and the Listing Regulations a member of the Company holding shares either in physical form or in dematerialized form, may exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice.

ii) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).

iii) Facility for voting through ballot/ polling paper shall also be made available at the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

iv) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case vote is cast by both the modes, then vote casted by e-voting shall prevail.

v) The Board of Directors have appointed CS Navneet Arora, Company Secretary in practice (Certificate of practice No. 3005 and Managing Partner of M/s Navneet K Arora & Co LLP (Registration No. LLPIN-AAJ-0972) and failing him Mr. Arvinder Singh Kindra, Company Secretary in practice (Certificate of practice No. 17737 and Partner of M/s Navneet K Arora & Co LLP) as the Scrutinizers, for conducting the voting/ poll and remote e-voting process in a fair and transparent manner.

vi) **The cut-off date for the purpose of voting (including remote e-voting) is 19th July, 2018.**

vii) Members are requested to carefully read the instructions for remote e-voting before casting their vote. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

viii) The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	**09:00 a.m. (IST) on 23rd July, 2018**
End of remote e-voting	**05:00 p.m. (IST) on 25th July, 2018**

ix) **The procedure and instructions for remote e-voting are as under:**

a. Open your web browser during the voting period by typing the URL: https://evoting.karvy.com

b) Enter the login credentials (i.e. User ID and password mentioned in the email forwarding the Notice of AGM or mentioned on the attendance sheet accompanying the physical copy of Annual Report in case email id is not registered. **The said login credentials shall be valid only in case you continue to hold the shares on the cut-off date)**. Your Folio No./DP ID Client ID will be your User ID. However, if you hold shares in demat form and you are already registered with Karvy for remote e-voting, you shall use your existing User ID and password for casting your vote.

c) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut- off date i.e.19th July, 2018, may obtain the User ID and password in the manner as mentioned below:

- If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD <space> DP ID Client ID to 9212993399

  Example for NSDL: MYEPWD <SPACE> IN12345612345678

  Example for CDSL: MYEPWD <SPACE> 1402345612345678

- If the mobile number of the member is registered against shares held in physical form, the member may send SMS: MYEPWD <space> Event number+ Folio No. to 9212993399

  Example for Physical: MYEPWD <SPACE> XXXX1234567

- If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- Member may call Karvy's toll free number 1-800-3454-001.

- Member may send an e-mail request to evoting@karvy.com

If the member is already registered with Karvy for remote e-voting, he can use his existing User ID and

password for casting the vote without any need for obtaining a new User ID and password.

d) After entering these details appropriately, click on "LOGIN".

e) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You will also be required to enter a secret question and answer of your choice to enable you to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

f) You need to login again with the new credentials.

g) On successful login, the system will prompt you to select the Event Number for Dabur India Limited.

h) On the voting page you will see the Resolution Description and the options "FOR/AGAINST/ ABSTAIN" for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.

i) You may then cast your vote by selecting an appropriate option and click on "Submit".

j) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

k) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: info@navneetaroracs.com with a copy to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

m) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. **Further, the Members who have cast their vote through remote e-voting shall not be allowed to vote again at the Meeting.**

n) In case of any query pertaining to e-voting, please contact Karvy`s toll free no. 1-800-3454-001 or visit the FAQ's Section available at Karvy's website https://evoting.karvy.com.

o) In case of grievances connected to the remote e-voting, please contact Mr. G. Ramesh Desai., Manager at Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 at email id ramesh.desai@karvy.com, contact no. - 040-67161528.

21. Polling at the Meeting

After the items of Notice have been discussed, voting through ballot/ polling paper will be conducted under the supervision of the scrutinizer appointed for voting. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date of 19th July, 2018 and who have not cast their vote by remote e-voting, and being present in the AGM, either personally or through proxy, only shall be entitled to vote at the AGM.

22. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date being 19th July, 2018.

23. The Scrutinizer shall after the conclusion of voting at AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or in his absence to the Group Director – Corporate Affairs, who shall countersign the Scrutinizer's Report and shall declare the result forthwith.

24. The Scrutinizer`s decision on the validity of the vote shall be final and binding.

25. The result declared along with the Scrutinizer`s report shall be placed on the website of the Company (www.dabur.com) and on Karvy`s website (https://evoting.

karvy.com) immediately after the result is declared and shall simultaneously be forwarded to the Stock Exchanges where the Company`s shares are listed.

26. The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

EXPLANATORY STATEMENT PURSUANT TO Section 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors of the Company on the recommendation of Audit Committee, approved the appointment and remuneration of M/s Ramanath Iyer & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2018-19.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rules thereunder, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2018-19 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors and Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the members.

Item No.6

In terms of the provisions of Section 186 (3) of the Companies Act, 2013, prior approval of the members by means of a special resolution passed at a general meeting is necessary where the giving of any loan to any person or other body corporate, giving of any guarantee, or providing of security in connection with a loan to any other body corporate or person and acquiring, by way of subscription, purchase or otherwise the securities of any other body corporate, exceeds 60% of the aggregate of the paid up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account of the Company, whichever is more.

Further as per Sub Rule 16 of the Rule 22 of the Companies (Management and Administration) Rules, 2014, the matter regarding giving loans or extending guarantee or providing security in excess of the limit specified under Sub-Section (3) of Section 186 of the Companies Act, 2013, shall be transacted only by means of voting through a postal ballot. However, the recent amendment (as per Companies (Amendment) Act, 2017) in Section 110 of the Act provides that, any item of business required to be transacted by means of postal ballot under Clause (*a*) of the said Section 110, may be transacted at a general meeting by a Company which is required to provide the facility to members to vote by electronic means under Section 108, in the manner provided in that Section. In accordance with the provisions of Section 108 of the Act, the Company, as required, is providing the facility to its members to vote by electronic means.

The shareholders of the Company had, in March, 2015 passed necessary resolution under Section 186 of the Act, through postal ballot, approving an overall limit of Rs.4000 crore to be exercised by the Board (at the time when overall allowed limit, without passing of special resolution in general meeting, was Rs.1612 crores, being 100% of free reserves and securities premium account of the Company as on 31/3/2014). Since then, the Company has been judiciously utilizing these limits and as on 31/3/2018 approximately 81% of the limit stands utilized. This leaves a marginal limit of 19% which is likely to exceed the present overall limit of Rs.4000 crore. Keeping in view the opportunities for investment of surplus funds available with the Company and the obligations of the Company towards business requirements and growth plans of its subsidiaries, Joint Ventures or associates etc., it is considered desirable to enhance the existing aggregate limit by another Rs.4000 crores, whereby the overall enhanced limit shall be Rs.8,000 crore (Rupees eight thousand crores only), (the overall allowed limit, without passing of special resolution in general meeting, is Rs.3931 crores, being 100% of free reserves and securities premium account of the Company as on 31/3/2018). The proposed overall limit of Rs.8000 crore is moreover, an enabling limit up to which the Board of Directors shall be authorized to give any loans or guarantees or any security in connection with a loan or the acquisition of any securities, for investment of surplus funds, or otherwise.

Further the loan(s), guarantee(s) or security(ies) in connection with loans, or investment(s), as the case may be, shall be made in accordance with applicable provisions of the Companies Act, 2013 including Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable laws.

Accordingly, the Board of Directors of your Company at its meeting held on 1st May, 2018 had approved this proposal subject to approval of shareholders. As required by the provisions of Section 186 (3), 110 and other applicable provisions of the Act, including Rules made there under the resolution is placed for your approval by way of special resolution.

None of the Directors and Key Managerial Personnel (including relatives of the Directors or Key Managerial Personnel) of the Company is concerned or interested, financially or otherwise, in this resolution, apart from their shareholding, if any, in the Company.

The Board of Directors recommends the resolution, set out at Item No. 6 of the Notice for your approval by way of a special resolution.

Item No.7 & 8

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`), with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Mr. R. C Bhargava, aged 83 years (date of birth 30th July, 1934) and Dr S Narayan, aged 74 years (date of birth 20th June, 1943) were appointed as Non-Executive Independent Directors of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years with effect from the date of Annual General Meeting held on 22nd July, 2014 upto the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019. Mr R C Bhargava, is more than 75 years of age and Dr S Narayan shall attain the age of 75 years on 20th June, 2018 and accordingly their continuation as Non-Executive Independent Directors with effect from 1st April, 2019 shall require approval of shareholders by way of special resolution.

A brief justification for their continuation as Non-Executive Independent Directors on the Board of the Company with effect from 1st April, 2019 is as under:

Mr. R C Bhargava – He is MA in Development Economics, MS in Mathematics, IAS retired. He served in Indian Administrative services and has held the post of Joint Secretary in the Ministry of Energy and in the Cabinet Secretariat. He held various prestigious positions in Maruti Suzuki India Limited since its inception including its CEO and presently he is Chairman of Maruti Suzuki India Ltd.

Mr. Bhargava is an eminent personality and his professional profile and proven experience in business domain is a valuable asset to the Company which adds diversity and enriched points of view in the Board`s discussions. He has all round experience in various functions of managing large business enterprises like ours.

Dr. S Narayan, who is M.Sc -Physics, MBM Finance, M. Phil- Cambridge, Ph.D. IIT Delhi, IAS (Retd.) is associated with the Company as Independent Director. For nearly 4 Decades (1965 to 2004) he was in public service in the State and Central Government and retired as economic advisor to the Prime Minister of India. He has rich experience in formulation of macro–economic policy for the Government tariff and taxation policies as well as initiatives for modernizing the capital markets.

Dr Narayan`s rich and diverse experience are very important elements in the discussions and business decisions taken by the Board.

The Board of Directors is of the opinion that Mr. R C Bhargava and Dr S. Narayan are persons of integrity, possess relevant expertise and vast experience and their association as Non-Executive Independent Directors will be beneficial and in the best interest of the Company. Their presence on the Board of the Company adds more value and gives confidence to the Board in its decisions. Moreover, under their able guidance the Company has delivered good payoffs to all stakeholders in the form of improved valuations, sound governance practices, good dividend, etc. Further, their association supports a good balance in the composition of the Board.

Mr. R C Bhargava and Dr S. Narayan fulfils all conditions specified by applicable laws for the position of an Independent Director of the Company. The Company has also received necessary declarations from Mr. R C Bhargava and Dr S. Narayan that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Regulations, presently applicable. Further, they have also confirmed that they are not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013.

A brief resume of the said Directors, the nature of their expertise in specific functional areas, names of Companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are separately annexed hereto.

The Board of Directors recommend the special resolutions as set out at Item No. 7 & 8 for your approval.

The said Independent Directors are not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company (including relatives of Directors or Key Managerial Personnel) other than the respective Non-Executive Independent Director himself, is concerned or interested, financially or otherwise, in these resolutions.

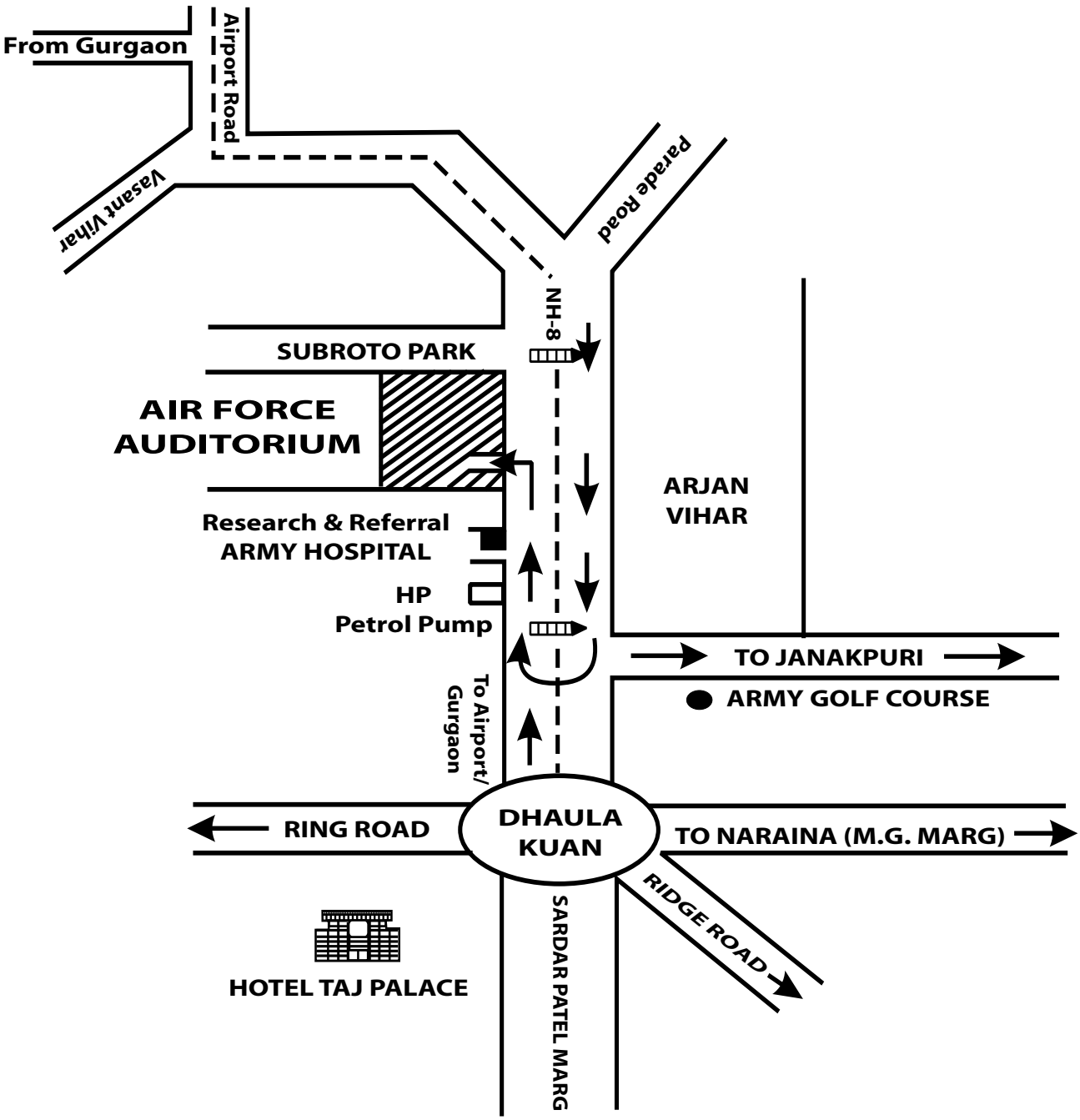
Annexure 1

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT/ CONTINUATION OF APPOINTMENT IN ANNUAL GENERAL MEETING FIXED FOR 26TH JULY, 2018

Name of the Director	Mr. Saket Burman	Mr. R C Bhargava	Dr. S Narayan
Director`s Identification Number (DIN)	05208674	00007620	00094081
Date of Birth	10.03.1977	30.07.1934	20.06.1943
Date of appointment	31.01.2012	27.01.2005	26.07.2005
Qualification	BBA in Marketing and Finance from the University of Wisconsin, Madison	MA in Development Economics, MS in Mathematics, IAS retired.	M.Sc -Physics, MBM Finance, M.Phill-Cambridge, Ph.D. IIT Delhi, IAS (Retd.)
Experience & Expertise in specific functional areas	Has started up a number of Companies in different industries in the UAE in sectors viz I.T, Real Estate and General Trading. He also serves as a member or as an advisor on a number of entrepreneurial and angel investing groups.	He served in Indian Administrative services and has held the post of Joint Secretary in the Ministry of Energy and in the Cabinet Secretariat. He held various positions in Maruti Suzuki India Limited since its inception including its CEO. At present he is Chairman of Maruti Suzuki India Ltd.	For nearly 4 Decades (1965 to 2004) he was in public service in the State and Central Government and retired as economic advisor to the Prime Minister of India. He has rich experience in formulation of macro –economic policy for the Government tariff and taxation policies as well as initiatives for modernizing the capital markets.
Terms and conditions for re-appointment	As per Company Policy on appointment of Board members		
Remuneration last drawn	Nil	Nil	Nil
Shareholding in the Company as on 31.03.2018	3,00,000 equity shares of Re.1/- each	Nil	Nil
Relationship with other Directors and KMPs of the Company	None	None	None
Number of Board meetings attended during the year	Five out of five	Five out of five	Five out of five
List of Companies in which outside Directorships held	Chowdry Associates Dabur International Ltd Dabur Egypt Ltd. Naturelle LLC	IL&FS Ltd. Intellect Commerce Limited Maruti Suzuki India Ltd. Thomson Press Ltd. RCB Consulting Pvt. Ltd. Taj Asia Ltd.	Apollo Tyres Ltd. Seshasayee Paper and Boards Ltd IIFL Holdings Limited Artemis Medicare Services Limited Artemis Global Life Sciences Limited IIFL Wealth Finance Limited Andhra Pradesh Urban Infrastructure Asset Management Ltd. Castlewood Trading Pvt Ltd. Yogya Systems Pvt Ltd Shanti Narayan Foundation
Chairman/member in Committees of Board of Directors of Indian Companies	Nil	**IL&FS Ltd.** - Audit Committee - Chairman **Maruti Suzuki India Ltd.** - Stakeholders Relationship Committee- Chairman **Thomson Press Ltd.** - Audit Committee - Chairman	**Apollo Tyres Ltd.** - Audit Committee- Chairman - Stakeholders Relationship Committee – Chairman **Artemis Medicare Services Limited** - Audit Committee- Chairman **Seshasayee Paper and Board Ltd** - Audit Committee- Member **Artemis Global Life Sciences Limited** - Stakeholders Relationship Committee – Chairman - Audit Committee- Chairman

Annexure 2

Route map to the venue of the 43rd AGM of Dabur India Limited



Venue : Air Force Auditorium, Subroto Park, New Delhi – 110 010
Landmark : Adjacent to Research & Referral, Army Hospital

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