



Serving  
**India's**  
Rural Supermarket

Dabur India Limited  
Annual Report 2012 - 13





# Serving India's Rural Supermarket

RURAL MARKETS HAVE EMERGED AS AN IMPORTANT GROWTH ENGINE IN INDIA'S CONSUMPTION STORY. Housing some 70% of India's 1.2 billion population, the hinterland can be best termed as a vast 'supermarket' that is ushering in a new impetus into India's overall economic progress. Thrust on rural development and infrastructure; an increased rural investment scenario; farm-loan waivers and growing disposable income in the pockets of Rural Indians - are all key factors in stimulating overall rural consumption.

As demand for everyday products gains momentum in the hinterland, rural consumers are climbing up the value chain, with the result that incremental consumption expenditure in rural India is significantly ahead of urban India. In fact, with an increase in income and awareness levels, consumption in rural India is converging with the larger, more affluent towns. **MOREOVER, RURAL CONSUMERS ARE EXHIBITING AN INCREASED PROPENSITY TO SPEND ON HIGH-QUALITY BRANDED PRODUCTS THAT ARE BACKED BY STRONG VALUES, SIGNALING CONTINUED BUOYANCY IN INDIA'S CONSUMPTION STORY.**

As a leading FMCG player with a wide portfolio of brands, robust distribution network and deep-rooted understanding of consumer behavior, Dabur India is well-positioned to penetrate the immense rural supermarket. **WE ARE TAKING A FRESH LOOK AT OUR RURAL MARKETING STRATEGIES; STRENGTHENING OUR DISTRIBUTION REACH; SHARPENING OUR MARKETING TOOLS; AND CHARTING OUT FRESH COMMUNICATION PLANS.** We intend to take continuous proactive measures for optimising our portfolio, products and channels. We aim to synchronise this goal with our broader aim of connecting with the rural masses through affordable price points and relevant product offerings. By touching the lives of India's 800+ million rural consumers, we are activating a powerful growth engine for our company and creating long-term sustainable value for our stakeholders.





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Dr. Anand Burman  
Chairman

Mr. Amit Burman  
Vice Chairman

Mr. Saket Burman  
Director

Mr. Mohit Burman  
Director

Mr. P. D. Narang  
Director

Mr. Sunil Duggal  
Director

Mr. R. C. Bhargava  
Director

Mr. P. N. Vijay  
Director

Dr. S. Narayan  
Director

Mr. Albert Wiseman Paterson  
Director

Mr. Sanjay Kumar Bhattacharyya  
Director

Dr. Ajay Dua  
Director

## SR. GM (FINANCE) & COMPANY SECRETARY

Mr. A. K. Jain

## AUDITORS

M/s G. Basu & Co.  
Chartered Accountants

## INTERNAL AUDITORS

PriceWaterhouseCoopers Pvt. Ltd.

## BANKERS

Punjab National Bank  
Standard Chartered Bank  
The Hongkong & Shanghai  
Banking Corporation Ltd.  
The Royal Bank of Scotland  
Citibank N.A.  
HDFC Bank Ltd.  
IDBI Bank Ltd.

## CORPORATE OFFICE

Dabur India Limited  
Dabur Tower, Kaushambi,  
Sahibabad  
Ghaziabad – 201 010 (U.P.), India  
Tel: 0120 – 39412525, 3982000  
Fax: 0120 – 4374935  
Website: [www.dabur.com](http://www.dabur.com)  
Email: [investors@dabur.com](mailto:investors@dabur.com)

## REGISTERED OFFICE

8/3, Asaf Ali Road,  
New Delhi – 110 002, India  
Tel.: 011 – 23253488



# PERFORMANCE INDICATORS



GOOD GROWTH MOMENTUM WAS WITNESSED ACROSS CATEGORIES AND GEOGRAPHIES WITH THE DOMESTIC FMCG BUSINESS REPORTING STRONG VOLUME-DRIVEN GROWTH.



**SALES**  
**₹ 6,146.4** crores  
**UP 16.3%**



**PROJECT DOUBLE**  
**30,000 +**  
villages



**RETAIL FOOTPRINT**  
**5.8 million**  
outlets





**NET PROFIT**  
**₹ 763.4** crores

**UP 18.3%**

ROBUST PROFITABLE GROWTH  
TRANSLATED INTO SUPERIOR  
SHAREHOLDER RETURNS WITH  
DABUR'S MARKET CAP TOUCHING  
AN ALL TIME HIGH.



**MARKET  
CAPITALISATION**  
crossed  
**US\$ 5 billion**  
mark



**FIELD RESOURCES**

over **2-FOLD**  
increase



**TOTAL EMPLOYEE COUNT**

**6,154**  
employees

## OUR MASTER BRANDS



MORE THAN 25 NEW PRODUCTS AND VARIANTS WERE INTRODUCED ACROSS CATEGORIES AND GEOGRAPHIES, BASED ON OUR DEEP-ROOTED UNDERSTANDING OF EVER-CHANGING NEEDS AND ASPIRATIONS OF CONSUMERS.







# SUSTAINABLE GROWTH THROUGH RURAL ACTIVATION



RURAL CONSUMERS ACROSS INCOME SEGMENTS ARE EXHIBITING MARKED PROPENSITY TOWARDS SPENDING ON HIGH QUALITY PRODUCTS BACKED BY STRONG BRAND VALUES.

Gone are the days when the rural consumer was content with using mustard oil and plain soap on her hair and skin. Today, she seeks special branded products for her daily skin and healthcare needs. Aided by a steady growth in income, the rural consumers today have more disposable income in their pockets, which is fuelling demand for branded consumer products.

While the steady growth in income has surely improved their affluence and standards of living, bringing the aspirations of rural consumers closer to their urban counterparts, the market still behaves differently. Last mile availability of

brands is the key factor for growth in rural India. Dabur rolled out **Project Double**, an initiative to double its rural footprint and increase direct reach to villages of 3,000 plus population. This initiative has been rolled out across 10 key states that account for 72% of India's rural FMCG potential.

Companies need to move beyond the traditional media options like radio, television and cinema, and enter into direct engagement with consumers. With this in mind, Dabur rolled out initiatives like **Dabur Amla Asli Amla Star** beauty & talent hunt, **Dabur Chyawanprash Immune India School Challenge** and Dabur Lal Dant Manjan

