Dabur India Ltd.

Ref: SEC/SE/2025-26
Date: February 03, 2026

To,

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

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block, Bandra Kurla Complex
Bandra (E), Mumbai – 400051

BSE Scrip Code: 500096

NSE Scrip Symbol: DABUR

Sub: Transcript of Investors' Conference Call for Dabur India Limited – Q3 FY 2025-26 Financial Results

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of Investors` Conference Call organized on January 29, 2026, post declaration of Financial Results for the quarter and nine months ended on December 31, 2025. The aforementioned transcript is also available on the website of the Company at www.dabur.com.

This is for your information and records.

Thanking You,

Yours faithfully,
For **Dabur India Limited**

Ashok Kumar Jain

Digitally signed by Ashok Kumar Jain
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(Ashok Kumar Jain)
Group Company Secretary and Chief Compliance Officer

Encl: as above

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"Dabur India Limited Q3 FY'26 Investors Conference Call"

January 29, 2026

MANAGEMENT :

MR. MOHIT MALHOTRA - CHIEF EXECUTIVE OFFICER
MR. ANKUSH JAIN - CHIEF FINANCIAL OFFICER
MS. GAGAN AHLUWALIA - VP- CORPORATE AFFAIRS
MS. ISHA LAMBA - HEAD- INVESTOR RELATIONS AND M&A

Isha Lamba: Good evening, ladies and gentlemen. On behalf of the Management of Dabur India Limited, I welcome you to the Earnings Conference Call pertaining to the Results for the Quarter Ended 31st December 2025.

Present here with me are Mr. Mohit Malhotra - Chief Executive Officer; Mr. Ankush Jain - Chief Financial Officer; and Ms. Gagan Ahluwalia - VP - Corporate Affairs.

We will start with an overview of the Company's performance by Mr. Mohit Malhotra, and this will be followed by a Q&A session.

I will now hand over to Mr. Mohit Malhotra. Thank you.

Mohit Malhotra: Thank you, Isha. Good evening, ladies and gentlemen. We welcome you to Dabur India Limited's Conference Call pertaining to the Results for the Quarter Ended 31st December 2025.

Demand trends in India witnessed a gradual recovery following the GST rate cuts. While the month of October experienced transient headwinds due to GST transition, demand improved over the rest of the quarter. Rural markets continue to outperform urban markets, consistent with recent quarters. In Q3, consolidated revenue of Dabur grew by 6.1% year-on-year, with domestic FMCG business growing at 6% year-on-year on back of volume growth of 3% year-on-year.

In the India business, HPC portfolio continued its strong performance and recorded a double-digit 10.6% growth year-on-year. Within hair care, Hair Oil portfolio registered a robust growth of 19.1% year-on-year, with both perfumed and coconut oils growing in double digits.

We outpaced the category growth and gained market share of 193 bps, with overall volume market share touching all-time high of 20%. Shampoo posted 6.2% growth this quarter. We remain focused on premiumization and expansion into new-age offerings in both hair oils and shampoo.

The Toothpaste portfolio delivered a robust growth of 10%, with the flagship brand Dabur Red toothpaste sustaining its growth momentum. Meswak and Herbal registered strong growth of 25% each. The Herbal segment grew 530 basis points ahead of non-herbal segment, highlighting a strong and sustained consumer shift towards the natural and herbal oral care products. Capitalizing on this trend, our portfolio outperformed overall category growth, driving gains in market shares.

Skincare portfolio registered a mid-single-digit growth. Bleach portfolio and facial kits performed well during the quarter.

Within Home Care, Sanifresh recorded a high single-digit growth. Odonil Gel pockets and aerosols posted a high double-digit growth, resulting in market share gains of 131 bps in Air Freshener category.

In the Healthcare category, health supplements grew in low single digits. Honey recorded a strong volume-led growth of 10%. Chyawanprash remained flattish, primarily due to excess inventory in the trade. However, offtakes grew by 11% during the quarter, resulting in a higher secondary sale and gain of 52 bps in market shares. The premium portfolio of Gur Chyawanprash and Ratnaprash recorded a strong double-digit growth.

In the Digestive portfolio, Hajmola franchise posted a 7% growth, driven by double-digit growth in candy. New variants such as Chatcola, Imli Chews, and Mr. Aam contributed to 20% overall franchise, registering a strong 23% growth. Pudin Hara grew by 6.6% year-on-year.

OTC and Ethical portfolio recorded a growth of mid-single digits. Honitus delivered a strong growth of 16.6%, supported by a favorable season.

Ayurvedic health juices continued their strong momentum, registering a growth of 17.9%. In Juices and Nectars, the premium portfolio, comprising 'Real Activ' 100% juices and coconut water, continued to scale up, delivering a robust growth of 38% and 52%, respectively. The Nectar portfolio remained muted on account of an unfavorable season. We continued to outperform the Juices and the Nectars category, gaining market shares of 195 bps in nectars and 650 bps in juices.

The Culinary portfolio grew by 14%, led by oils and fats and homemade portfolio.

The international business registered a growth of 11% in INR terms and 7.5% in CC terms. In INR terms, MENA grew by 12.5%, Sub-Saharan Africa grew by 30%, UK and European Union by 30%, and Namaste US grew by 19.3%. The export and emerging market businesses were impacted by tariffs and geopolitical disturbances.

In terms of profitability, operating profit grew by 7.7%, while PAT grew in double digits by 10.1% during the quarter. There is a one-time provision arising from changes in the labor laws. Adjusting for this exceptional item, PAT grew by 7.2%. In spite of GST transition, high inflation, and one-time provision due to labor laws, operating profit and PAT growth was ahead of the top line on back of calibrated price increases and prudent cost-saving measures.

Looking ahead, we remain optimistic on a sequential recovery in demand, supported by an improving macroeconomic environment and targeted investments in brand and distribution. This strategic focus strengthens our ability to deliver sustainable value and reinforce our leadership in the FMCG sector.

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

Abneesh Roy from Nuvama

Abneesh Roy: My first question is on hair oil. So, Q3, we have seen all the three listed companies see strong double-digit growth in hair oils, including you. So, I wanted to check, is there any one-off for the industry and for you, given such a strong double-digit growth? And is there something we can take away from here that some of your other FMCG categories could see some kind of a revival in the near term? And is this kind of hair oil growth possible to continue in the near term?

Mohit Malhotra: Hi, Abneesh. Yes, on hair oils, I think overall the growth of the category has been driven by value growth, which is price increases. If you look at a major contributor of hair oils, it has been coconut oils. In coconut oils, there has been a huge inflation of roughly around 100% odd. The coconut oil rates used to be around INR 120-INR 130, went up to a spike of around INR 400, and then down to around INR 250 odd. So, all companies have taken price increases in coconut.

So, if you look at the growth, growths are essentially price-driven growths, which I think is one-off till the time we lap over the base of the cost increases in coconut. As we see, the coconut prices are actually softening going forward. But the volume growths are pretty muted in the category, around 3%-4% is the kind of volume growth for the category. But overall, value growths are in the high double digits.

Abneesh Roy: One follow-up there. We have seen for Marico's VAHO and even for Bajaj Consumer, volume growth also has been quite impressive. So, is there any difference we are seeing in terms of volume growth in like-to-like categories? I understood on the coconut, but non-coconut, how has been the volume performance?

Mohit Malhotra: Yes, non-coconut also, because LLP prices have actually come down. The margin upside is there, and that is being invested in consumer communication. On back of that, even the perfume hair oil category or the value-added category that Marico nomenclatures it, it also has been doing well. For us also, there has been high double-digit growth in the perfumed hair oil category. And due to GST rate cuts, also there is a positive upside onto that.

Abneesh Roy: Second question on, in terms of toothpaste, your performance has been quite impressive since past few quarters, including this quarter. But when I see your growth, it seems that Meswak and Herbal seem to be growing much faster than Red. Is there any base effect which is leading to that? Is there any specific consumer promotion which has led to those two segments growing faster than your main brand of Red toothpaste?

Mohit Malhotra: Not really. I think overall, oral care is doing exceedingly well for us. I think there is a tailwind, like I mentioned. There is a 500 bps gap between the growth of the non-herbal category and the herbal category. Herbal category is growing by 500 bps higher as compared to the non-herbal category. The natural segment is actually doing far better than the non-natural segment.

Meswak and Herbal don't have any base effect, so base itself is pretty low. Both the brands are showing great traction in the marketplace on back of a lot of advertising work that we guys are doing on digital marketing front. I think brands are resilient and continuing to do well both on distribution expansion, as well as on the consumer franchise front.

As far as Dabur Red is concerned, our flagship brand is doing very well and growing in double digits for us. So, there is no issue. We have done a pack change and complete revamp of Dabur Red which is also yielding dividends in the marketplace, and it is doing well.

Now, where we have not done well in oral care is Babool. Babool has not done very well for us, and we are in the process of revamping our entire portfolio of Babool for that also to get into the growth trajectory.

Abneesh Roy: Mohit, one follow-up on toothpaste. Last 3-4 quarters, competitive intensity in this category across the 3-4 players has been on the higher side. So, if you could tell us, are you seeing some level of abatement there? Given that, how are the margins in the toothpaste business given the higher intensity?

Mohit Malhotra: Yes, so I think competitive intensity in oral care has been inching up, especially in the modern trade side, with the main market leader being very aggressive on the modern trade. And of late, a bit of abatement was seen in the previous quarter, but not so much so that I can say that it is going to be sustained. So, the competitive intensity has always been high in oral care for us. I think modern trade is where the shoe pinches more as compared to the general trade for us. But overall, oral care will continue on a growth trajectory, and I don't see a reason why this should go down. Also, the tailwind on natural herbal is actually helping us.

Ankush Jain: So, Abneesh, on the margin front, we have protected the margins because we have saved some bit of cost on consumer promotions and invested that into more advertisement. And hence, overall margins are actually protected despite the competitive intensity.

Mohit Malhotra: Yes, because, there was a high degree of inflation in oral care with SLES and SLS prices also moving up. But we took calibrated price increases before the GST rate cuts happened, and that follow-through impact is also there in our oral care. Margins are as robust or higher than what they used to be before.

Abneesh Roy: Last quick question. So, on Chyawanprash, one or two questions. One is if you could update us on contemporization of the category because that has been a key challenge. Second, there is a big divergence between the primary and secondary. Does that mean that in Q4, the growth in Chyawanprash could be better because season is favorable? I do understand Q4 is the second half of the season ends. So, Q3 is more important, Q4 is not. But given primary and secondary, there is a big gap. Do you think there is some kind of recovery in Q4?

Mohit Malhotra: Absolutely right. I think you got the analysis perfectly right. Our tertiary sales have improved by 11%, our market share on MAT basis is also up. So, tertiary in terms of offtake, I think the season has favored us, and the brand has been doing exceedingly well. But why the primary has been low is because last year there were some carry-forward stocks which we had to liquidate in the marketplace. Therefore, we did not do too much of pre-season loading in Chyawanprash and that is why you see an impact in terms of primary sales.

And the Quarter 4 is going to be better because last year we did the loading and the season did not favor us. So, there were some stocks which came back to us. But this time, we haven't done the loading and hence the anomaly is not going to happen. And therefore, Quarter 4 will give you very high double-digit growth albeit on a very lower base of Chyawanprash. So, that way, the business has been okay on Chyawanprash.

As far as premiumization is concerned, premiumization percentage of Chyawanprash is roughly around 13% to 14% of premiumization. We are continuously adding variants for premiumization in Chyawanprash. Gur has done exceedingly well for us. Ratnaprash has done well for us. So, all the newer variants that we have added in Chyawanprash have done.

Sugar-free is doing exceedingly well. We have almost doubled our distribution in sugar-free also. So, that is doing well. And we got a little late. We will be introducing gummies and bars in Chyawanprash also going forward. And that is the modernization of the formats that we are doing on Chyawanprash.

Abneesh Roy: That's all from my side.

<u>Prakash Kapadia from Kapadia Financial Services</u>

Prakash Kapadia: Two questions from my end, Mohit. Any thoughts on the upcoming summer season? How does the beverage and juice business look like? Because it has been volatile for some external factors over the last many, many quarters. One quarter, we see growth. Then there is some season change. So, what is the outlook for that? And as we progress, how does the mid-term growth look from here on? And if you could dissect that for rural and urban demand, is it now set for higher teens growth? How does the next few quarters look like? So, those were my two questions.

Mohit Malhotra: On the beverage and juices business, we are also keeping our fingers crossed. Because the season did not favor us in the last summers, there were some stocks and we are in the process of liquidating all that stock in the marketplace so that we start the new season afresh without old stocks, and we are able to do billing. Keeping our fingers crossed. I just hope the season favors us in the coming summers and the weather gods favor us. I think that is what we sit and pray.

The whole category should surge on the back of the category tailwind. We should also ideally do well because the bases are low. Last year, we had in the first quarter around -14% business growth. Sequentially, the business has improved going forward, and we are almost flushing out the inventories in the trade. So, hopefully, the next year for beverages, we will target a double-digit growth for ourselves. Next quarter, the pre-season loading should be good. So, hopefully, I think the season should be good.

As far as the overall FMCG growth is concerned, this quarter has actually seen a little depression in the FMCG numbers. Last year, sequentially, the business FMCG numbers are down from 13% to around 7.8%. That depression is, I think, only optical because of GST rate cuts. The pricing and the value is down, and that is why you see. But even the volumes are down. Volumes are down because people are waiting for the new price stocks to hit the market and then do the purchases. So, therefore, they will postpone the purchases till the time inventory actually liquidates in the marketplace.

But if you look at the MAT numbers, MAT numbers are pretty stable from 11.5%-11.8% to around 11% now. And gradually, slowly, there will be only improvement on account of the sentiment improving. Consumer confidence levels are improving. Even the CPI inflation has reined in. So, I think the subsequent quarters are going to be better, because the 1st quarter was hit by season, 2nd Quarter was hit by GST, 3rd Quarter has been significantly better, and the 4th Quarter would even be better. And I think we will start on a firm footing as far as the next year is concerned.

Prakash Kapadia: Any specific categories you would want to call out or any urban or rural insight you would want to share? How is that demand looking? Because both urban and rural areas were doing pretty okay for us as compared to industry where rural was doing better. So, any thoughts on that?

Mohit Malhotra: So, as far as urban and rural is concerned, the difference between urban and rural has narrowed a little bit. That means urban has started also doing well while rural continues its consistent performance. And rural is outsmarting urban by around 300 basis points, but this 300-basis point is down to half from what it used to be last year.

So, I think the urban performance is kind of inching up. The rural performance is kind of steering up also. So, I think both urban and rural are doing well, and GST rate cuts are only helping this consumer sentiment. So, I think overall is doing well, and this will be across categories. So, whether it is food or it is OTC or it is personal care, beauty care, it should be across categories.

Beverage, which is very season-dependent, is something that we have to wait for and watch. And glucose, which is also very summer season-dependent, is what we will have to see. So, that is a little caveat, which is very weather god dependent. The rest, I think overall things are seemingly all right.

As far as inflation is concerned, we saw huge inflation in Quarter 3. The inflation is ebbing a little bit as we see. As I told you, coconut oil prices are softening, SLES prices are softening, vegetable oil prices are also softening. So, the next year growth is going to be more volume-driven growth and not so much price-driven or value-driven growth. So, that is a little remark. And volume-driven growth is a little harder to get as compared to a combination of a value and a volume.

Prakash Kapadia: I will join back the queue if I have more questions.

Mihir Shah from Nomura

Mihir Shah: Sir, firstly, just some clarification. You highlighted post-November demand saw some improvement. How much of this improvement can be attributed to restocking? Also, given the quarter was partially impacted earlier, can one expect growth to improve on a quarter-on-quarter basis in 4Q or probably remain at a similar range because we had both up and down levers in 3Q playing out? So, that is my first question.

Mohit Malhotra: So, I think overall, if you look at the quarter, October had a cascade impact of the GST old stock liquidation in the trade and therefore October was not so good. November also got impacted a little bit because of that. But December has been far better as compared to October and November also.

I think going forward, demand should only improve in Quarter 4 as compared to Quarter 3. And that is what the MAT numbers also tell us on account of restocking, to your point. So, I think that going forward, the business should only inch up.

Mihir Shah: Sir, secondly, while juices is one of the lowest margin portfolio, it seems the mix within juices is changing towards Nectars and Activ, which are relatively higher margin than the rest of the portfolio. So, wanted to understand, has the change been so significant? Can it improve the overall margins of the Juices portfolio and thus the overall company margins?

Also, if you recollect, usually 4Q is one of the lowest margin quarters because of this since past few years. But last year was, the margins were really low. Is there any way that the margins can see material improvement in 4Q? And also, the impact on the U.S. litigation, any update on that? That probably can see some reversal on margins because of that. So, essentially on the margin basically.

Mohit Malhotra: So, in juices, you are right, Nectars is a lower margin portfolio for us, whereas Activ and coconut water are the higher margin portfolio for us. The higher margin portfolio has done significantly better. If you look at the Activ business, Activ business has grown by 38% for us, which is the 100% pure juice business, although it is a smaller base. And the coconut water have, again, grown by around 50% for us.

So, high margin portfolio is inching up far higher as compared to the low margin portfolio. And we expect this to continue that trajectory going forward also. So, on Quarter 4 being a low margin quarter, yes, as compared to Quarter 3, it is a relatively lower margin because of glucose being quite salient in the Quarter 4 and also being a juice quarter.

So both ways, I think it is a little low margin. But as the premium portfolio should inch up, I think margins should be a little bit better compared to last year. If last year Quarter 4 to this year Quarter 4, I will expect the margins to be higher on back of lower inflation and on back of premium portfolio also inching up going forward.

As far as the third part of your question on U.S. litigation is concerned, the cost over a period of past 2 to 3 years has come down drastically. In Quarter 3, we had a lower base last year. So, this time in Quarter 3, you see a spike in terms of the litigation cost because of some insurance reimbursement happening onto us. But next quarter, the U.S. litigation cost again will be on lower side. But significant reduction in the litigation cost is happening year-on-year for us overall.

Mihir Shah: Sorry if I get this question once again.

Ankush Jain: So, litigation cost has reduced by almost 25% over the last 3 years since we started, and we expect it to stabilize from next year onwards at these lower levels.

Mihir Shah: Given that there is a tailwind of this and the margin, so just on the margin bit for FY '27, what would be a fair range of margin that one should think about for 4Q specifically and for FY '27 specifically?

Mohit Malhotra: So, while we expect sequential improvement in margins as we go along, but we are still in the budgeting process and working on the exact margins because the commodity prices, all the numbers are just flowing in. And we don't expect too much of inflation coming in. So, margins sequentially should be better. But exact range of margin, I can't tell you right now. How much is that I think Ankush can tell?

Ankush Jain: Next year margin should be better than this year. But exact range, I think we will have to see.

Mihir Shah: Thank you very much and wishing you all the best.

Percy from IIFL

Percy: My first question is on Q4. So, over the last 3 years we are seeing in Q4, there is some or the other sort of negative surprise either on the top line or the margin or both. So, just wanted to understand Q4 this year. One is, can we expect the sales growth to be at least in line with what we have delivered currently?

Secondly, can we expect on a Y-o-Y basis, the EBITDA growth for Q4 to be higher than Q4? Sorry, the Y-o-Y EBITDA growth for Q4, would it be higher than the sales growth for Q4? So what I am trying to say is, would there be an EBITDA margin expansion in Q4 after accounting for whatever one-offs, etc., that you might have? Because Q4 is typically a quarter in which maybe the full year tuning up, etc., happens, and there are some one-offs. So, including that, is there some level of confidence that we can show a Y-o-Y EBITDA margin expansion combined with a normative level of sales growth that we are clocking currently?

Mohit Malhotra: So, I think in terms of the top line first, I think top line Q4, we expect because of some one-offs which happened last year and the season not favoring us, we expect the season to favor us, and the top line should be better than what the Q4 was last year, definitely. And we expect the growth to be in high single digits in Quarter 4.

That is what we are aspiring to deliver, a high single-digit growth, which will be either in line with Quarter 3 growth or will be a little higher than what we have delivered in Quarter 3. That is what we expect. And we are all aspiring. I don't know what happens. India is such an unpredictable environment on regulatory front. This time labor code came as a surprise in Quarter 3. That is not going to happen in Quarter 4. And last year, there were some one-offs which will not happen in the current year.

So, in EBITDA margins also, we anticipate expansions on EBITDA margins Y-o-Y. From last year to this year, there should be expansion. While the Quarter 3 is the highest EBITDA margin for us, that will be lower than Quarter 3. But Y-o-Y, there will be improvement. Keeping Ankush, you want to add anything.

Ankush Jain: So, our operating margin will definitely be higher than the revenue. And we expect PAT growth to be higher even from operating profit growth.

Percy: Very helpful. Secondly, just wanted to understand for FY '27, as you mentioned earlier, that it is going to be a volume-led growth, and therefore at an overall value level, there is no price contribution, and therefore that would sort of put a damper on the sales growth.

Just trying to understand on the EBITDA how it works out, because while there is an input cost benefit, and that is the reason for the pricing growth to be absent, does it mean that we should be looking at a slightly higher margin expansion on a lower sales growth.

So, has the absolute EBITDA growth that we would be looking at should remain unchanged, or do you think that the absolute EBITDA growth will also suffer a little bit given that the absolute sales growth will sort of be on the lower side? I hope I am clear in my question. If not, please let me know.

Ankush Jain: So, Percy, what we are thinking is while this year it was a combination of price and volume, next year it should be more volume given the GST tailwinds. However, having said that, price increase will not be absent because certain price increases which we took in earlier part pre-September, they will also have a rollover impact. And further, wherever there are inflation categories, we will definitely take more price increases. So, there will be a combination, but it will be more volume and slightly lesser value.

Having said that, since we will be moving into lesser inflation, and therefore we will have headroom to improve our operating margins. And whatever upside in gross margins we will get, a significant portion of that we may want to reinvest in advertising and balance around 20%-25% of that expansion in gross margin we will give back as operating margin expansion.

So, we see that tailwinds in volume with some price increases and some inflation at a lower level, things should be better than this year at least is what we think. While we are still in the budgeting process and more clarity will emerge over next three to four months.

Mohit Malhotra: Yes, but just to summarize, I think we are targeting a growth of high single digit on top line and EBITDA improvements over this year and next year. That is what in summary I think it is.

Percy: So, this high single-digit top line growth would be like 80% to 90% of that would be volume-led, right?

Mohit Malhotra: We don't really know. We are supposed to be making budgets because what has happened in Quarter 3 is that we have not taken any price increases because of GST regime change.

So, what I am saying is that during the GST transition, we postponed a lot of price increases wherever there was inflationary raw material. We had to postpone the price hikes due to the anti-profiteering issue, which we will be taking in the current quarter and which should follow through next year as well. So, there will be price increase to that extent. Plus, there will be volume growth.

So, we are targeting a high single-digit to a low double-digit growth next year with operating margin improvement over current year. We want to go back to our erstwhile 20% operating margin. So, there will be attempt to have saving initiatives and price increases even if there is no inflation. So, there are brands in which we are market leaders. So, we will take price increases proactively despite being not so inflationary environment.

Percy: That's all from me.

Nihal Mahesh Jham from HSBC

Nihal Mahesh Jham: Mohit, as you mentioned about the growth improvement in hair oil, one of the key reasons was also GST cut for the category. With a similar thought, toothpaste has obviously seen a higher relative cut in GST. So, have we not seen an acceleration in growth in that category because of the GST cut?

Mohit Malhotra: Yes. So, there has been acceleration in the growth in toothpaste also, as you know. Our toothpaste have also grown by double digits in the quarter. And there has been a tailwind in oral care. And as I told you, in oral care, also herbal and natural segment is growing 500 basis points ahead of the non-natural segment. So, that is the double whammy. Meswak has grown by 25%-26% and so, has herbal toothpaste and Dabur Red toothpaste grown.

So, there has been an impact on the sentiment improvement on purchase of the consumers in oral care also. And we have taken some price increases when we revamped our portfolio also because of the inflation in SLES price increases. So, there has been an impact in oral care as well. Home and skin, there has been no GST impact. So there, sale growth is in the range of around 6% or 6.6% for skincare.

Nihal Mahesh Jham: Sir, I was just coming from the fact that if I look at, say, the Q1 growth for oral care, Q2 obviously had the base impact. It is cumulatively last year, this year combined sort of similar even in Q3, whereas in hair oil, that has accelerated. So, hence, I was asking that you have not seen a big step up in growth like the Hair Oil category has seen for you. That is where I was coming from.

Mohit Malhotra: Yes, oral care step up is not as high because the price increase element in oral care is not as much as in hair oils. Like I told you, in hair oils, there is coconut oil, and there was an inflation of around 100% plus. So, there is a price increase element which is playing out in hair oils, which is not the case in oral care. Oral care is largely driven volumetrically as compared to hair oil, which is both value and volume mix.

Nihal Mahesh Jham: The second question was on the beverage category. If you could just comment on how the competitive intensity is. And also, the Drinks portfolio, we had an aspiration of sort of reaching a Rs. 500 crore top line there. What is the current scale of that, if you could just give a sense of that?

Mohit Malhotra: So, Drinks portfolio, approximately the revenue is around Rs. 200-odd crores ballpark. So, we are in a good space in drinks, and the out-of-home portfolio is sequentially doing well. And out-of-home portfolio was the one which was impacted by the season not favoring us. In the summer of first quarter, there were unprecedented rains, which impacted out-of-home portfolio. But if we look at the current quarter, the sequential improvement in out-of-home has been better. Out-of-home portfolio has grown by around 5% in the current quarter despite being acute winters.

So, we expect our drinks portfolio, PET bottles also, to do well. To bolster the impact of season, we have also introduced a Rs. 10, Rs. 20, Rs. 50, and Rs. 100 price points also in drinks. So, that should also help us in the season going forward. And with the GST cuts, which have actually happened for the beverage category as compared to the carbonated category, the relative price index premium of juices over the carbonated has also significantly reduced. That should also be a sort of helping factor.

Nihal Mahesh Jham: That was it from my side.

Harit Kapoor from Investec

Harit Kapoor: I just had two questions. First one is on this GST bit again. So, would it be fair to say, Mohit, that going into Quarter 4, you should realize the full kind of volume growth benefits on lower unit tax, etc., in Q4 because October still had a transition? And if yes, how much could that kind of contribute to as far as volume growth is concerned? That is the first question.

And the second question was on gross margin. So, you did mention that there was some pricing that you couldn't take because obviously you don't want to be looked at as profiteering. Going into next year, what is the quantum of pricing that you think you will need?

Also, it seems like the India gross margins are actually going to be the base is quite comfortable. So, going into, say, Q4, Q1, Q2, at least standalone numbers as you report. So, is there still a belief that you need to take kind of incremental pricing going forward? So, those are my questions.

Mohit Malhotra: So, on account of GST, we will definitely see volume growth moving up in the category, and the inflation is also coming down. So, we will see volume growth moving up in Quarter 4 and sequentially going forward in Quarter 1 and Quarter 2 also. And as far as pricing is concerned, I think pricing growth will also be better as compared to last year, and the gross margin improvement will also be better on account of pricing coming in, which we have pushed out (due to anti-profiteering law), and which will be followed through into next year also.

Harit Kapoor: Could you just give a sense of what the weighted pricing would be that you are either pushed out or looking to push out into Q4, which will carry forward into FY '27 as well?

Ankush Jain: What you are asking is in Q1 and Q2, the price increases, correct?

Harit Kapoor: Yes, I am asking how much of pricing are you planning to put out?

Mohit Malhotra: There are 2% price increases, which is what will happen in Quarter 4, which will be carried forward in next year as well. Yes, broadly.

Ajay Thakur from Anand Rathi Shares and Stock Brokers Limited

Ajay Thakur: So, I wanted to just check on the hair oils growth. If you were to get a bit more color in terms of how the coconut oil versus the non-coconut hair oil volumes have trended during the quarter, so that can give us maybe some sense of how the growth has been in the two different segments.

Mohit Malhotra: So, both the segments, whether it is coconut oil or it is perfumed hair oil, both have grown well for us, and we have registered a market share increase of around 193 bps in overall hair oils. The perfumed hair oils also have grown in double digits for us, around 16%-17% growth. And coconut oils have grown in the range of around 29% for us.

And within the Hindi-speaking belt, one out of every two households is now a Dabur hair oil user. And we have got an exit market share of 20% in hair oils now. So, it is ever highest market share that we have registered in hair oils, in both perfumed as well also in coconut. So, that is where we are.

Ajay Thakur: That is quite helpful. The second question was more on the NPDs that we had launched maybe around 1/1.5/2 years back. Wanted to get a sense on how they are kind of performing, if there is any update on them, and what are the plans for scaling them up further. Some details would be helpful.

Mohit Malhotra: So, NPD percentage for the business is roughly in the range of around 2% to 3%. As you know, we had engaged McKinsey, and we have done an exercise. So, we have rationalized a lot of tail products which were there. That has been rationalized.

That said, a couple of NPDs are really doing very well for us. One is health juices that we had launched. Health juices are giving a growth of around 17% to 18% for us. And all the variants in health juices are doing well.

Drinks have performed exceedingly well for us. But for the season backlash, I think the drink portfolio is doing well. Ghee, which we had launched as an NPD a couple of years back, is giving a growth of 33%. Edible oils that we had launched are giving a growth of roughly around 50% for us.

So, I think across the board, our NPDs are doing well. Our RED Gel, which we had launched, is also showing a good traction in the marketplace. That said, Cool King is what we had launched in the hair oil piece is doing well.

In healthcare, we had launched variants of Chyawanprash a couple of years back. Sugar-free is doing exceedingly well. Now, the variants' contribution to the Chyawanprash business is around 13% to 14%, and they are growing at 2x, 3x of what Chyawanprash is doing. Gur Chyawanprash is doing very well.

In honey, two variants of Sundarban and Organic Honey are again trending exceedingly well for us. In glucose, the variants are doing well, but again, the season did not favor us. So, therefore, I can't comment upon how they will do on account of the season, basically.

And we have more plans in the OTC range. Like in Shilajit, we had launched resins and drops. Both are growing in very high double digits for us. And E-commerce is actually the platform where they are doing exceedingly well. These are some of the examples of NPDs that I talked about.

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