

Research Report

Dabur India Limited



Prepared By-

ANUJ SHARMA

EQUITY RESEARCH ANALYST

About

Dabur is India's leading FMCG, Ayurvedic and natural health care company with wide network distribution across world. The company is one of India's leading FMCG companies, with products reaching 8 out of 10 Indian households. Its portfolio comprises 3 brands with revenues above Rs. 1,000 Cr, 3 brands above Rs. 500 Cr, and 16 brands in the Rs. 100-500 Cr revenue range.

Business Segments

1) India FMCG Business (70% in FY26 vs 71% in FY25):

- a) Consumer Care (55% in FY26 vs 55% in FY25)
- b) Foods & Beverages (15% in FY26 vs 16% in FY25)

2) International Business (27% in FY26 vs 26% in FY25): [2] [6]

The company's international operations include its organic overseas business along with acquired entities such as Hobi Group and Namaste Laboratories LLC. Its products are available across 120+ countries across the Middle East, Africa, South Asia, the USA, and Europe.

Segmental Revenue Mix:[4] [3]

Hair Care: 20% in FY26 vs 18% in FY25

Oral Care: 19% in FY26 vs 19% in FY25

Beverages: 15% in FY26 vs 16% in FY25

Health Supplements: 14% in FY26 vs 15% in FY25

OTC and Ethicals: 8% in FY26 vs 9% in FY25

Home Care: 8% in FY26 vs 7% in FY25

Others: 16% in FY26 vs 16% in FY25

Synopsis of Financials

Q1 FY27 Performance Snapshot (Quarter ended Jun 30, 2026)

- Profitability: Despite input inflation and international cost pressure, management stated they delivered “healthy margin performance” via premiumization, productivity, and disciplined cost management. Reported:
 - “Operating margin grew by 11%”
 - “PAT increased by 15%” (both ahead of topline)

Source: Company Annual Report

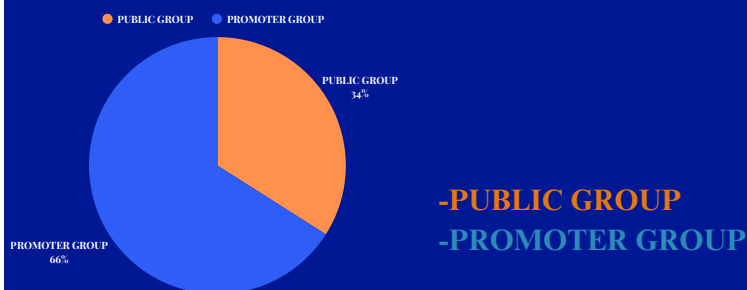
Stock data (as 29th October 2026)

Nifty Price	: 22,795.20
52 week High (in Rs.)	: 534.00
52 week Low (in Rs.)	: 354.30
Market Cap. (in Crore)	: 64,758.30
NSE Code	: INE016A01026

Stock data



Shareholding Pattern (Sep. 2026)



Financial Summary

Particular	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
Sales -	10,889	11,530	12,404	12,563	13,193
Sales Growth %	13.88%	5.89%	7.58%	1.28%	5.01%
Expenses +	8,637	9,367	10,004	10,247	10,743
Operating Profit	2,252	2,162	2,400	2,316	2,450
OPM %	21%	19%	19%	18%	19%
Net Profit +	1,742	1,701	1,811	1,740	1,869
EPS in Rs	9.84	9.64	10.4	9.97	10.68
Dividend Payout %	53%	54%	53%	80%	77%

Quarterly Results

Particular	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
Sales -	2,830	3,405	3,191	3,559	3,038	3,764
YOY Sales Growth %	0.55%	1.66%	5.37%	6.06%	7.35%	10.57%
Expenses -	2,403	2,737	2,603	2,825	2,577	3,024
Material Cost %	53%	53%	51%	52%	52%	53%
Employee Cost %	10%	10%	11%	10%	11%	10%
Operating Profit	427	667	588	734	461	741
OPM %	15%	20%	18%	21%	15%	20%
Other Income -	141	144	140	126	175	173
Other income normal	141	144	140	141	175	173
Interest	39	35	40	31	40	37
Depreciation	117	114	115	117	122	121
Profit before tax	412	663	573	711	474	756
Tax %	24%	23%	22%	22%	24%	22%
Net Profit +	313	508	445	554	362	586

Source: Screener

Key Ratios

Ratio	Numerator	Denominator	As at 31 March 2026 Ratio	As at 31 March 2025 Ratio	% Change
Current ratio (in times)*	Current assets	Current liabilities	1.56	1.28	21.82%
Debt-equity ratio (in times)	Non-current borrowings + Non-current lease liabilities + Current borrowings + Current lease liabilities	Total equity	0.08	0.05	59.16%
Debt service coverage ratio (in times)	[Profit before tax, finance costs, depreciation and amortisation expense]	{Finance costs + Principal repayment for Non-current borrowings and Non-current lease liabilities (including current maturities of non-current borrowings and non-current lease liabilities)}	19.64	17.14	14.57%
Return on equity ratio (in %)	Profit after tax	Average of total equity	19.95%	19.57%	1.92%

Source: Company Annual Report

Yearly Results

Particulars	March 2022	March 2023	March2024	March2025	March2026
Equity Capital	177	177	177	177	177
Reserves	8,205	8,796	9,689	10,623	11,242
Borrowings	1,030	1,174	1,365	950	1,287
Other Liabilities	2,872	3,505	3,885	4,479	4,773
Total Liabilities	12,284	13,652	15,116	16,230	17,480
Fixed Assets	2,308	3,579	3,815	3,990	3,938
CWIP	168	175	232	169	139
Investments	6,220	6,265	6,933	7,468	8,947
Other Assets	3,589	3,633	4,136	4,603	4,456
Total Assets	12,284	13,652	15,116	16,230	17,480

Synopsis Quarter Results

Concall Notes - Aug-2026: Key Highlights

Q1 FY27 Performance Snapshot (Quarter ended Jun 30, 2026)

- Consumption + demand mix: Management described the Indian environment as “stable... despite weather-related disruptions, inflationary headwinds and geopolitical disturbances,” with rural demand outperforming urban. Rural outperformance was quantified later as ~550 bps ahead of urban for Dabur in GT (general trade), while category rural was said to be ~170 bps ahead of urban (per Nielsen, as cited).
- Geopolitical impact: “War-related disturbances in the Middle East impacted input cost trends and supply chain efficiency across our businesses,” including India—framed as the key variable behind inflation and margin risk.
- Consolidated growth: +10.6% revenue growth in Q1 FY27, described as broad-based across India and international.
 - India FMCG: +9.5% revenue, +5% volume.
 - International: +15.5% growth in INR terms.
- Profitability: Despite input inflation and international cost pressure, management stated they delivered “healthy margin performance” via premiumization, productivity, and disciplined cost management. Reported:
 - “Operating margin grew by 11%”
 - “PAT increased by 15%” (both ahead of topline)

Highlights

Q1 FY27 | Performance Highlights

CONSOLIDATED

Revenue
10.6%
YoY
INR 3,764 Cr

Operating Profit
11.0%
YoY
INR 741 Cr

Profit After Tax
15%
YoY
INR 591 Cr

DABUR INDIA LIMITED (STANDALONE)

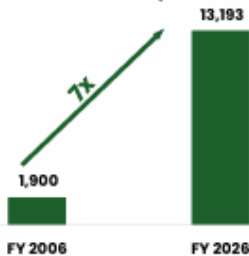
Revenue
8.8%
YoY
INR 2,687 Cr

Operating Profit
10.4%
YoY
INR 536 Cr

Profit After Tax
11.0%
YoY
INR 452 Cr

Consistent Financial Upside Across Key Financial Metrics

Revenue from Operations



Revenue from Operations

10%

20 Year CAGR

PAT



PAT

11.5%

20 Year CAGR

Market Cap



Market Capitalization

10x

In last 20 Years

Peer Comparison

Peer Stock Performance (2021-2026) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
Godrej Consumer	823.0	40.6	84230.9	2.4	504.5	10.6	4225.5	15.4	18.8
Dabur India	367.6	32.6	64678.5	2.3	586.2	15.0	3764.4	10.6	20.3
Colgate-Palmoliv	1608.0	31.6	43733.9	3.0	341.6	4.3	1705.8	12.3	108.0

Source: Screener

Final Outlook

DABUR: HOLD | LTP: 367.60

Summary

Dabur is an established FMCG company with a diversified product portfolio, a wide distribution network and a growing international business. Its FY26 performance showed moderate sales growth, while Q1 FY27 delivered a stronger result, with revenue growing 10.6% and net profit increasing 15%.

The balance sheet shows rising reserves and investments, while the quarterly operating margin improved to 20%. However, inflationary pressures, geopolitical uncertainty and the need to sustain revenue growth remain important considerations. Its P/E of 32.6x also means investors should assess whether future growth justifies the valuation.

Recent Performance – Q1 FY27

What does this mean?

- Revenue growth improved: Sales increased 10.57% year-on-year to ₹3,764 crore.
- Profit grew faster than sales: Net profit increased approximately 15% year-on-year, reaching ₹586 crore.
- Operating margin improved: The quarterly operating margin reached 20%, compared with 15% in the same quarter of the previous year.
- The business showed resilience: Despite input-cost inflation and international cost pressure, management highlighted premiumization, productivity and cost discipline as factors supporting profitability.

Dabur's strong brand portfolio, diversified product categories and encouraging Q1 FY27 performance support a positive long-term business outlook. The latest quarter indicates improved sales momentum and profitability.

However, the stock's valuation, historical moderation in sales growth and exposure to input-cost and geopolitical pressures justify a balanced approach

Disclaimer: The information provided on this blog is for general informational purposes only and is not intended as financial advice. While we aim to provide accurate information, please conduct your own research before making any investment decisions. This content is for informational purposes only and should not be construed as financial advice. Always consult with a financial advisor before investing.

This blog may contain links to external websites for your convenience. We do not endorse the content or views expressed in these external sites and are not responsible for their accuracy or reliability.

By using this blog, you acknowledge that you have read and understood this disclaimer and agree to its terms.