

# Result Update

Q3 FY26

**Dabur India Ltd.**

Institutional  
Research

# Dabur India Ltd.

FMCG | Q3FY26 Result Update

30th January 2026

## Steady Growth with Improving Demand Outlook and Resilient Profitability

Dabur reported a healthy and broad-based Q3FY26 performance, reflecting steady demand recovery and strong execution despite input cost pressures. Consolidated revenue grew 6.1% YoY to Rs. 3,559 crores, driven by consistent market share gains across key FMCG categories and a ~6% growth in the India business. Profitability remained resilient, with net profit (before exceptional items) rising 10.2% YoY to Rs. 569 crores and operating profit increasing 7.7% YoY to Rs. 734 crores, supported by operating leverage and premiumization initiatives, with EBITDA margin of 20.6% and PAT margin of 16.0%. Demand trends remained encouraging, with rural markets outperforming urban for the eighth consecutive quarter, aided by Dabur's deep rural reach of over 1,33,000 villages and expansion of total distribution to 8.5 million outlets. Key categories delivered strong performance, led by hair oils (up 19.1% YoY) with significant market share gains, toothpaste (10% growth), and foods (up 14% growth), while beverages and air fresheners also saw healthy traction. The international business grew 11.1% YoY, driven by robust momentum in MENA, Turkey, the US and Bangladesh. Overall, management described the quarter as steady, with improving demand visibility, strong brand performance, and confidence in sustaining volume-led growth and resilient margins in the coming quarters.

## Valuation and Outlook

Management remains cautiously optimistic on Dabur's outlook post Q3FY26, expecting gradual improvement in demand conditions, with a sharper recovery visible from the coming quarters. Growth is likely to be volume-led, supported by easing input cost pressures, normalization in consumer sentiment, and potential policy support such as GST rate cuts, which could aid affordability across categories. Rural demand is expected to stay resilient, while urban markets should see a pickup driven by premiumization, modern trade and e-commerce. Margin trajectory is expected to improve sequentially, aided by softening commodity prices and a richer product mix, although pricing-led growth will remain limited. With strong brand equities, continued innovation, expanding distribution reach and healthy momentum in international markets, Dabur is well positioned to deliver high single-digit revenue growth with stable to improving profitability over the medium term.

**Sector Outlook** Positive

### Stock

CMP (Rs.)	510
BSE code	500096
NSE Symbol	DABUR
Bloomberg	DABUR IN
Reuters	DABU.BO

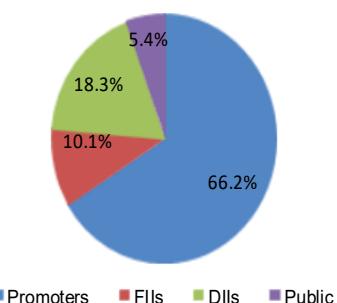
### Key Data

Nifty	25,419
52 Week H/L (Rs.)	577/433
O/s Shares (Crs.)	177
Market Cap (Rs. Crs.)	90,210
Face Value (Rs.)	1

### Average Volume

3 months	21,67,107
6 months	26,13,327
1 year	25,77,273

### Share Holding Pattern (%)

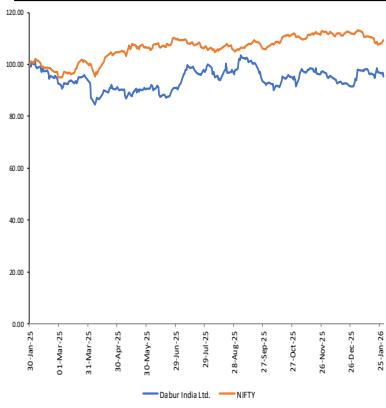


## Key Highlights

Particulars (Rs. Crs.)	Q3FY26	Q3FY25	YoY (%)	Q2FY26	QoQ (%)
Net Sales	3,559	3,355	6.1%	3,191	11.5%
Gross profit	1,722	1,612	6.8%	1,578	9.1%
Gross margin (%)	48.4%	48.1%	33 bps	49.4%	-106 bps
EBITDA	734	682	7.7%	588	24.8%
OPM (%)	20.6%	20.3%	31 bps	18.4%	220 bps
PAT	569	516	10.2%	445	27.8%
PAT Margin	16.0%	15.4%	61 bps	13.9%	204 bps

Source: Company, BP Equities Research

### Relative Price Chart



### Research Analyst

Vyom Chheda

Vyom.chheda@bpwealth.com  
022-61596158

## Key Concill Highlights

### Demand Environment & Macro Commentary

Management highlighted a gradual recovery in domestic demand, with rural markets continuing to outperform urban markets.

Urban demand showed early signs of improvement and is expected to strengthen further aided by potential GST rate cuts, which could improve affordability across categories.

Demand traction is expected to pick up meaningfully from the next quarter, driven by normalization in consumption patterns.

*"Domestic demand is gradually recovering, led by resilient rural markets, with urban demand improving and a stronger pickup expected from next quarter."*

### Hair Care Portfolio (Hair Oils & Shampoos)

The company remains focused on premiumization in hair oils and shampoos to drive long-term value growth.

Hair oil performance in the quarter was largely value-led, supported by price increases, which management clarified as largely one-off in nature.

Volume growth remained subdued at ~3–4%, reflecting near-term demand pressures.

*"Hair care growth remained premiumization-led and price-driven in Q3, with one-off price hikes supporting value growth while volumes stayed muted at ~3–4%."*

### Oral Care Segment

Oral care continues to benefit from structural category tailwinds and is expected to sustain healthy growth going forward.

Management remains confident in the segment's medium-term growth prospects, supported by brand strength and consumer penetration.

*"Oral care is benefiting from structural tailwinds, with management confident of sustained healthy growth supported by strong brands and penetration."*

### Healthcare & Chyawanprash

Dabur is actively pursuing premiumization in Chyawanprash to support margin expansion.

Sugar-free variants are performing particularly well, reflecting evolving consumer preferences.

The company is also exploring new formats, including Chyawanprash gummies, aimed at widening consumption occasions and attracting younger consumers.

*"Chyawanprash growth is being driven by premiumization, strong traction in sugar-free variants, and innovation through new formats like gummies to expand consumption."*

### Beverages & Activ Portfolio

The Activ portfolio (including Juices and Coconut Water) continued its strong double-digit growth momentum, led by premium products.

Management indicated that this momentum is expected to sustain, given higher premium mix and improving distribution.

Beverage revenues for the quarter stood at ~Rs. 200 crores.

*"The Activ beverages portfolio saw strong double-digit growth with Rs. 200 crore revenue, supported by premiumization, strong out-of-home traction, and a double-digit growth outlook for juices."*

The out-of-home channel performed better than expected despite the winter season, and management expects continued traction in this channel.

For the next year, Dabur is targeting double-digit growth in the juice business, driven by portfolio expansion and improved channel performance.

### Outlook & Guidance

Q4FY26 revenue growth is expected to be in the high single digits, supported by improving demand trends.

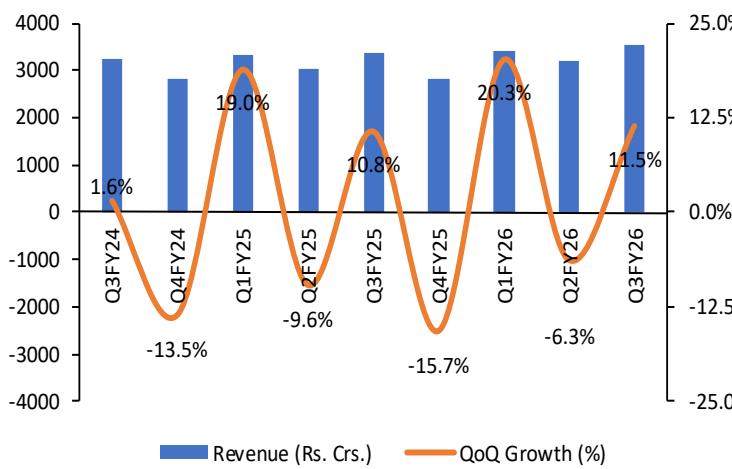
Management reiterated that FY27 growth will be volume-driven rather than value-led, given softer commodity prices and limited pricing levers.

Overall, the company is targeting high single-digit revenue growth, with improving volume momentum and steady margin recovery.

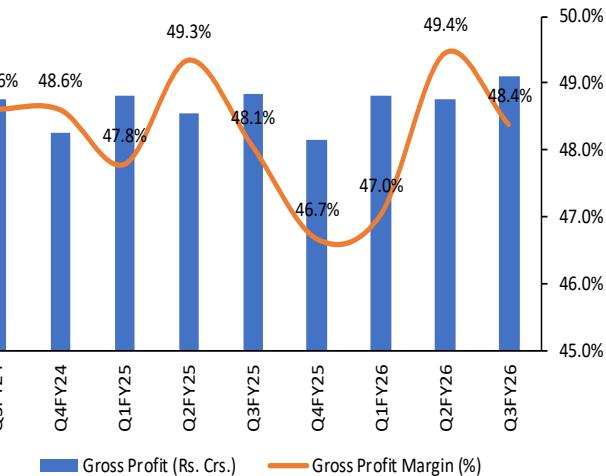
*"Management guides for high single-digit growth in Q4FY26 and beyond, with FY27 expected to be volume-led amid softer commodity prices and gradual margin recovery."*

## Quarterly Snapshot

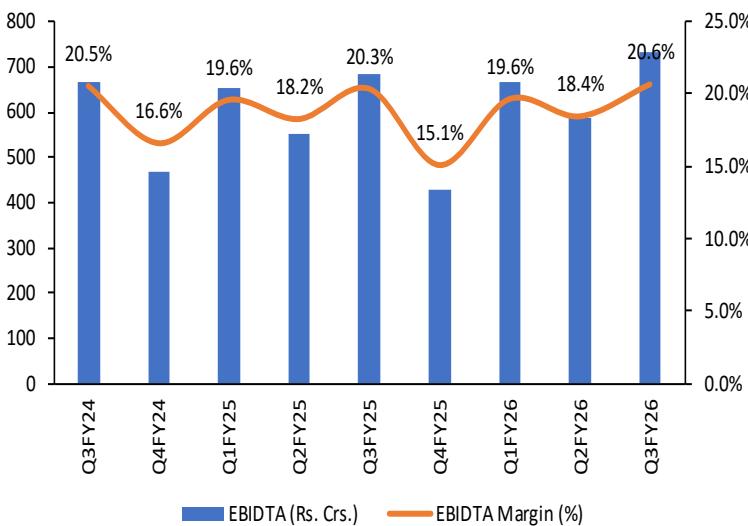
### Robust revenue growth driven by market share gains



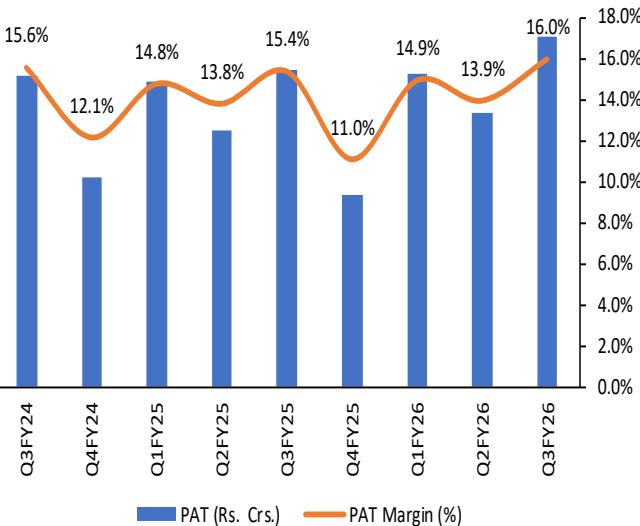
### Gross margins declined sequentially



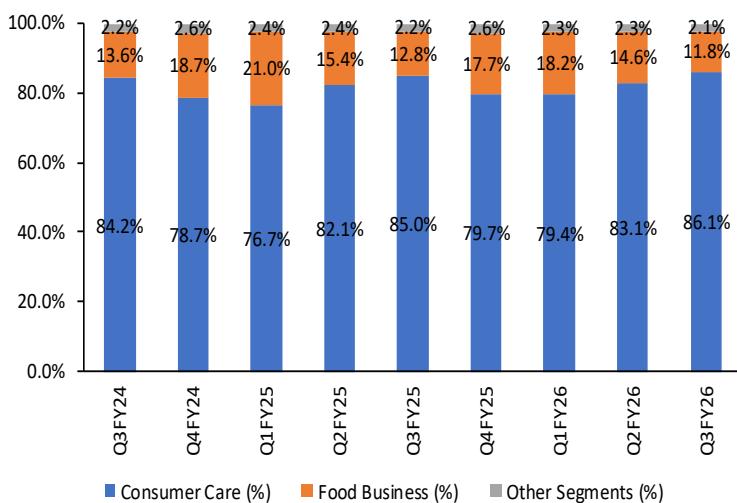
### Improved cost discipline resulted in higher EBIDTA margins



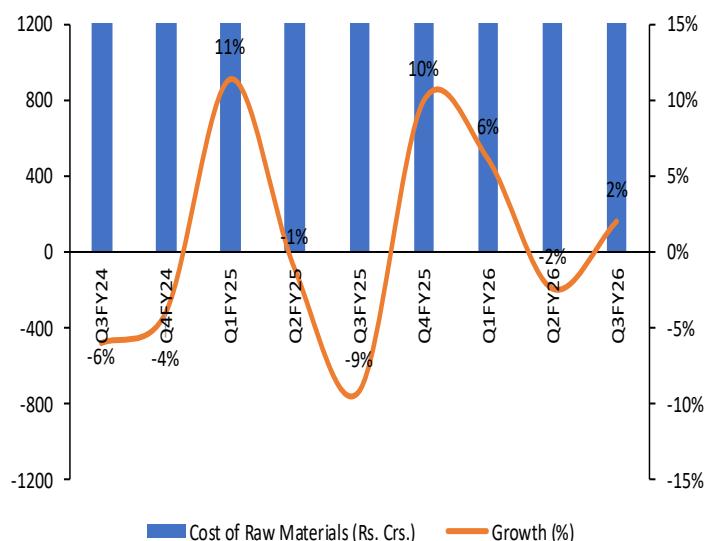
### PAT margins witnessed an improvement sequentially



### Revenue split in each segment



### Raw material prices going to ease in coming quarters



Source: Company, BP Equities

Key Financials						
YE March (Rs. Crs.)	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Revenue</b>	<b>11,530</b>	<b>12,404</b>	<b>12,563</b>	<b>13,277</b>	<b>14,430</b>	<b>15,673</b>
<i>Revenue Growth (Y-o-Y)</i>	5.9%	7.6%	1.3%	5.7%	8.7%	8.6%
<b>EBITDA</b>	<b>2,160</b>	<b>2,396</b>	<b>2,312</b>	<b>2,505</b>	<b>2,787</b>	<b>3,075</b>
<i>EBIT Growth (Y-o-Y)</i>	(4.0%)	10.9%	(3.5%)	8.4%	11.2%	10.3%
<b>Net Profit</b>	<b>1,701</b>	<b>1,811</b>	<b>1,740</b>	<b>1,909</b>	<b>2,139</b>	<b>2,380</b>
<i>Net Profit Growth (Y-o-Y)</i>	(2.4%)	6.5%	(3.9%)	9.7%	12.0%	11.3%
<b>Diluted EPS</b>	<b>7.8</b>	<b>10.8</b>	<b>28.7</b>	<b>10.8</b>	<b>12.1</b>	<b>13.4</b>
<i>Diluted EPS Growth (Y-o-Y)</i>	(51.4%)	38.7%	164.8%	(62.4%)	12.0%	11.3%
Profitability Ratios						
<b>EBITDA (%)</b>	<b>18.7%</b>	<b>19.3%</b>	<b>18.4%</b>	<b>18.9%</b>	<b>19.3%</b>	<b>19.6%</b>
<b>NPM (%)</b>	14.8%	14.6%	13.9%	14.4%	14.8%	15.2%
<b>ROE (%)</b>	<b>18.0%</b>	<b>17.6%</b>	<b>15.5%</b>	<b>16.1%</b>	<b>16.9%</b>	<b>17.5%</b>
<b>ROCE (%)</b>	17.5%	17.1%	15.4%	15.5%	16.6%	17.6%
Valuation Ratios						
<b>P/E (x)</b>	<b>65.3x</b>	<b>47.1x</b>	<b>17.8x</b>	<b>47.3x</b>	<b>42.2x</b>	<b>37.9x</b>
<b>EV/EBITDA</b>	42.3x	38.1x	39.4x	36.3x	32.5x	29.4x
<b>P/BV (x)</b>	<b>9.6x</b>	<b>8.8x</b>	<b>8.1x</b>	<b>7.6x</b>	<b>7.1x</b>	<b>6.7x</b>
Market Cap. / Sales (x)	7.8x	7.3x	7.2x	6.8x	6.3x	5.8x

Source: Company, BP Equities

Research Desk

Tel: +91 22 61596138

Institutional Sales Desk

Tel: +91 22 61596403/04/05

## Disclaimer Appendix

**Analyst (s) holding in the Stock : Nil**

### Analyst (s) Certification:

We analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the BP Equities Pvt. Ltd. (Institutional Equities).

### General Disclaimer

This report has been prepared by the research department of BP EQUITIES Pvt. Ltd, is for information purposes only. This report is not construed as an offer to sell or the solicitation of an offer to buy or sell any security in any jurisdiction where such an offer or solicitation would be illegal.

BP EQUITIES Pvt. Ltd have exercised due diligence in checking the correctness and authenticity of the information contained herein, so far as it relates to current and historical information, but do not guarantee its accuracy or completeness. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time. Prospective investors are cautioned that any forward looking statement are not predictions and are subject to change without prior notice.

Recipients of this material should rely on their own investigations and take their own professional advice. BP EQUITIES Pvt. Ltd or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. BP EQUITIES Pvt. Ltd. or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

BP EQUITIES Pvt. Ltd and/or its affiliates and/or employees may have interests/ positions, financial or otherwise in the securities mentioned in this report. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by any person in any locality, state and country or other jurisdiction where such distribution, publication or use would be contrary to the law or regulation or would subject to BP EQUITIES Pvt. Ltd or any of its affiliates to any registration or licensing requirement within such jurisdiction.

### Corporate Office:

4th floor,  
Rustom Bldg,  
29, Veer Nariman Road, Fort,  
Mumbai-400001  
Phone- +91 22 6159 6138  
Fax-+91 22 6159 6160  
Website- [www.bpwealth.com](http://www.bpwealth.com)

### Registered Office:

24/26, 1st Floor, Cama Building,  
Dalal street, Fort,  
Mumbai-400001  
BP Wealth Management Pvt. Ltd.  
CIN No: U67190MH2005PTC154591  
BP Equities Pvt. Ltd.  
CIN No: U67120MH1997PTC107392