

bajaj CONSUMER CARE

February 10, 2020

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Stock Code: 533229	Listing Compliance National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No. C/1, 'G' Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Stock Code: BAJAJCON
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Dear Sir/Madam,

Sub: Investor Presentation

Please find enclosed a copy of Investor Presentation for the quarter ended December 31, 2020.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours faithfully,
For **BAJAJ COSUMER CARE LIMITED**


Makarand Karnataki
Head - Legal & Company Secretary
Membership No. ACS 14509

Encl: as above

bajaj CONSUMER CARE

Q3 FY 2020

***MAKING PEOPLE FEEL
AND LOOK GOOD***





Key Indicators – Q3 FY 2020

SALES Growth: -7.44%
(Y-o-Y)

Gross Margin: 66.74%

ASP to Sales: 21.70%

Market Share (Val) = 10.4%
Household
Penetration % = 21.2%

EBITDA %:27.10%

NET PROFIT: 24.37%

*Source: HH Penetration Kantar, Dec 2019,
Nielsen Retail Audit Report, Dec 2019, All India*

STRATEGIC CHOICES



- Focus on Hair Oils
- Double our share in Hair Oils
- Micromarketing
- Focus on Alternate Channels
- Leveraging Digital platforms
- IT & Automation tools
- Developing Manpower



Strategic Choice 1: Focus on Hair Oils

STRATEGIC CHOICE # 1 - FOCUS ON HAIR OILS

Do More Of What We Are Known For

**LEVERAGE STRONG EQUITY OF
BAJAJ IN HAIR OILS**

**DRIVE GROWTH WITH ADHO
AND BUILD A STRONGER HAIR
OILS PORTFOLIO**



WHY HAIR OILS?

INDIAN IN NATURE

*PART OF THE LEGACY HANDED
OVER FROM ONE GENERATION
TO ANOTHER*

DEEPLY PENETRATED

*93% INDIAN HOUSEHOLDS
USING HAIR OILS*

PENETRATION ACROSS SEC

*SEC A/B/C HOUSEHOLDS IN
URBAN & RURAL*


FRAGMENTED CATEGORY

*TOP 10 Hair Oil BRANDs
CONTRIBUTE ONLY 75.2% of
total branded hair oil market*

LARGE & GROWING FAST

*13,633 CR CATEGORY
GROWING AT 4.7 % (YTD'19).
CAGR OF 11.1% OVER LAST 2
YEARS*





Strategic Choice 2: Double Share in Hair Oil

STRATEGIC CHOICE # 2 – Double market share within Hair Oils



**PORTFOLIO PLAY –
MORE SKUS, MORE
CATEGORIES WITHIN
HAIR OILS**



**EXPAND DIRECT
DISTRIBUTION**



**MAXIMIZE REACH
THROUGH 360 MEDIA
SUPPORT & Digital
Platform**



Strategic Choice 3: Micromarketing

STRATEGIC CHOICE #3 - MICROMARKETING

Strategy Not For States *But By Clusters*



**CLUSTER BASED APPROACH
CATERING TO UNIQUE NEEDS OF
CONSUMERS**

**PILOT IN 2 STATES SHOWS SIGNS
OF SUCCESS**

WHY MICROMARKETING?

- India is not a homogenous market
- India is a continent consisting of different markets across states
- Different cultural nuances across the country makes it difficult to make a single marketing plan for the product
- Hence different marketing plan across different states and districts



STRATEGY IN ACTION – STATE 1



USE OF LOCAL CELEBRITY



**HIGH SOV = 20%
HIGHEST SOV IN THE CATEGORY**

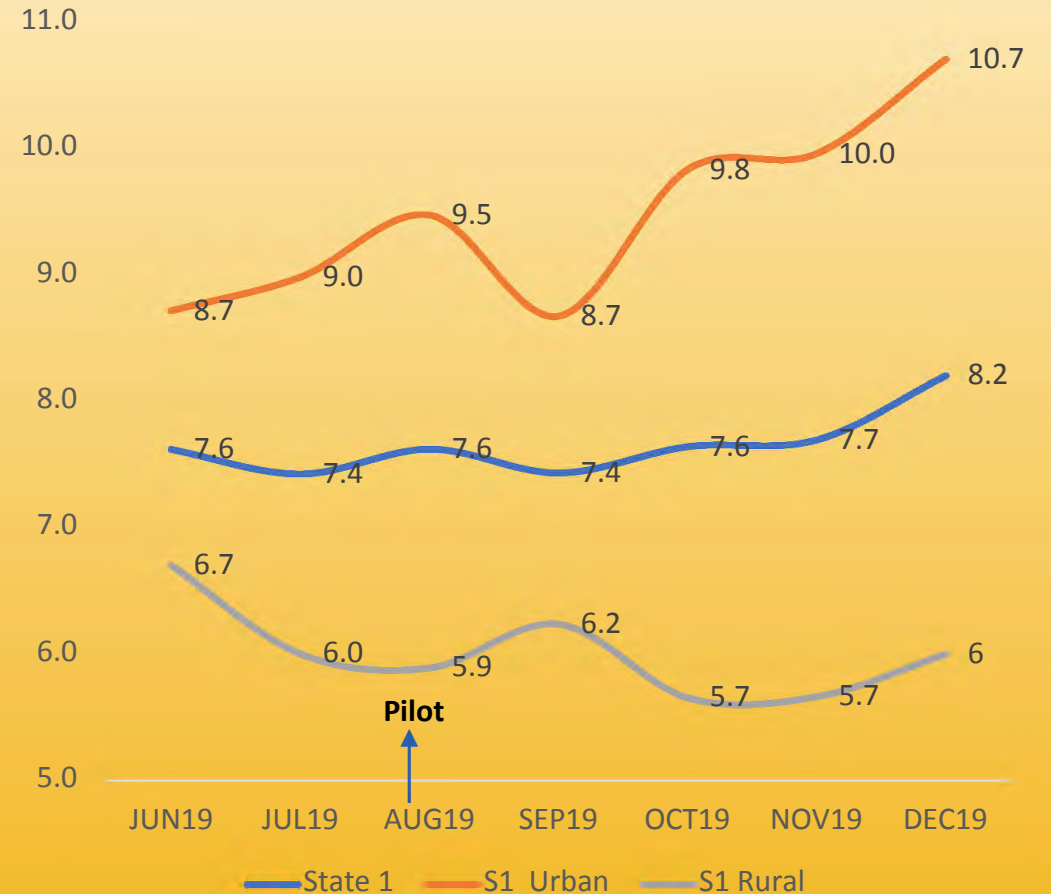


**FOCUS ON HERO SKUS
– 160ml & 50ml**



COVERAGE EXPANSION

MS VAL% - State 1



Source: Nielsen Retail Audit Report – Dec 19.

STRATEGY IN ACTION – STATE 2



HIGH SOV = 21%



COVERAGE EXPANSION



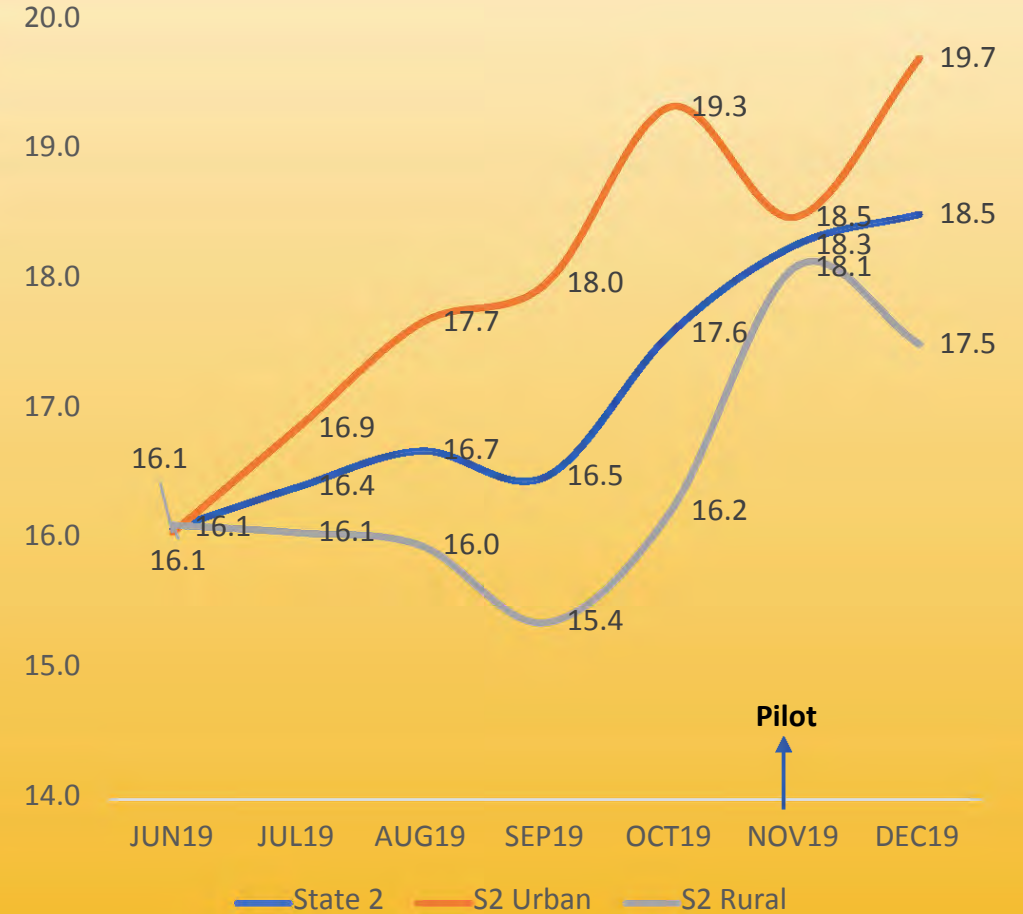
RURAL ACTIVATIONS



PORTFOLIO PLAY

ADHO + AHO+CAD

MS VAL % - State 2





Strategic Choice 4: Driving growth with Alternate Channels

GROWTH FUELLING CHANNELS– MT & E-COMMERCE



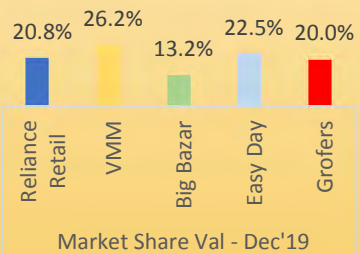
- 1. HIGH GROWTH CHANNEL (CAGR~ 20%)**
- 2.HAIR OIL STILL UNDERDEVELOPED**



**NASCENT
CATEGORY
EXPANDING FAST**

GROWTH IN ALTERNATE CHANNELS

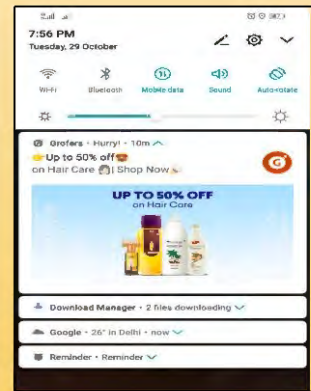
MS VAL - (DEC'19)



**Higher Share
in Key Chains**



**Use of
Visibility &
Activations**



**Focus on
Ecom: Doubled
Market Share of ADHO
in Grofers***



**Target
Independent MT
Chains
mushrooming in
Tier 2 and Tier 3
cities**

* Period: Oct-Dec'19





Strategic Choice 5: Leveraging Digital Platforms

WINNING CONSUMER MINDSPACE DIGITALLY



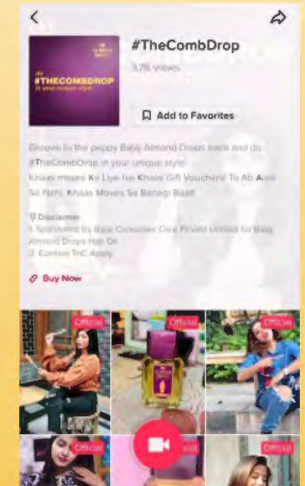
10% OF TOTAL INVESTMENTS ON DIGITAL



CURATED CONTENT TAILORED FOR SEGMENTS



PRESENCE ACROSS PLATFORMS FOR BUILDING REACH



IMPACTFUL USER GENERATED CONTENT FOR ENGAGEMENT – TIKTOK

CONSISTENT SUCCESS STORIES FROM DIGITAL

TIK TOK

YOUTUBE

User generated content with **#TheCombDrop** in December

3 Curated Videos on YouTube in Jan

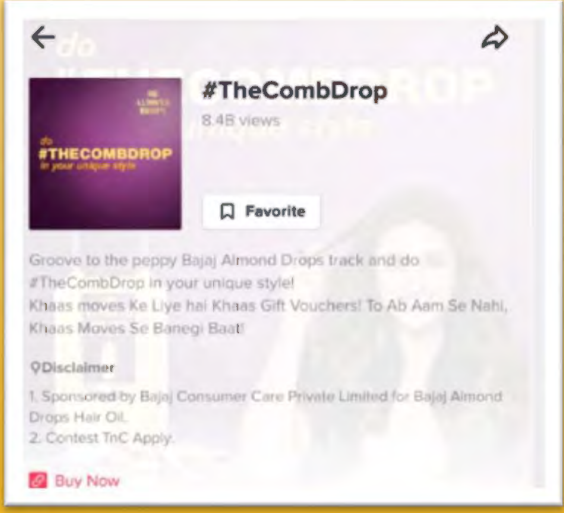
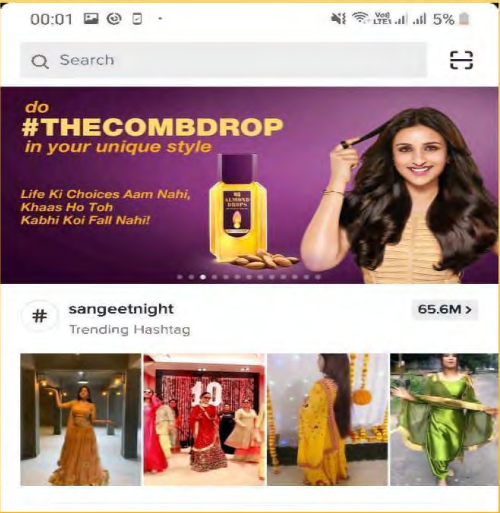
1 million
unique creators

3 million
videos uploaded

3.2 billion
total views

>50% VTR
no of users who
view the ad when
exposed

**~40% higher than
industry benchmark**





Strategic Choice 6: IT Initiatives & Automation

Strategic Choice 6: IT INITIATIVES & AUTOMATION



SAP S/4 HANA

REAL TIME DATA REPORTING TO ALLOW EASE OF DECISION MAKING



ARTIFICIAL INTELLIGENCE TOOL FOR SALES
SALES DATA ANALYSIS AND PREDICTIVE SALES TRENDS



HR Automation tool – Success Factor

One of the most reputed HCM solution used by over 100 Mn users globally, across 100 countries

Employee Central

- Employee Life-Cycle Processes
- Employee Self Service
- Manager Self Service



Recruitment

Sourcing to Onboarding

Performance Management

- Goal Setting
- Mid-Year Review
- Stakeholder Feedback
- Year-End Review



L&D

- Learning Plans
- Individual development plans
- Online learning
- Evaluation

Succession & Development

Succession Planning
Career Paths



***HR Automation Project initiated in Oct'19
Go-live by April 1, 2020***

HUMAN RESOURCES



Strategic Choice 7: Developing Manpower

Winning with People

Critical Hiring

- Mr. Jaideep Nandi joined BCCL as Chief Executive Officer effective January 2, 2020

Talent Management

- Mid-Year reviews completion
- Talent Assessment for front line sales team
- 360-degree feedback survey for employees at AGM & above levels
- Focused learning interventions for Sales

Coaching

- Personal coaching sessions were organized for high potential employees
- Group Coaching Sessions conducted for the front-line sales team

Engagement & Celebration

- Multiple initiatives like Joy of Giving, Health & Wellness Week, Yoga Day, Diwali & Christmas celebration were organized across the organization.



Kushagra Nayan Bajaj
Chairman



Sumit Malhotra
Managing Director

He has been appointed as Managing Director of the company with effect from August 08, 2011. He holds a bachelors degree in pharmacy from IIT - Benaras Hindu University, Varanasi and a PGDBM from IIM - Ahmedabad. He has over 31 years of experience in the FMCG sector.



Jaideep Nandi
Chief Executive Officer

He has been appointed as CEO of the company with effect from January 02, 2020. He is a Mechanical Engineer from Jadavpur University and PGDBM from IIM - Bangalore. He joins us from Asian Paints where he has spent an extremely successful and well-rounded professional career of 29 years.



Ankit Chudiwala
Head - Internal Audit

Joined BCCL in Feb 2017. He is a qualified Chartered Accountant (ICAI), Company Secretary (ICSI) and L.L.B (Government Law College, Mumbai), with 15 years of core experience in Internal Audit, Risk Management, Financial Controlling and Managerial Finance.



Apoorv Nayan Bajaj
Executive President



Dilip Kumar Maloo
Chief Financial Officer

Joined BCCL on April 1991. He is a qualified CA & CS professional and has more than 30 years of experience across Finance, Accounts, Taxation & Secretarial



Devendra Jain
Head - Supply Chain and Procurement

Joined BCCL on Nov 2015. He is a Civil Engineer & MBA and has 15 years of experience in organizations like GSK, Johnson & Johnson. & Dabur



Dipankar Ghosh
Assistant Vice President - Human Resources

Joined BCCL on Aug 2018. He is Fullbright Fellow and holds a MBA from Jadavpur University and has 20+ years of experience in organizations like Diageo & Tata Motors.



Rajat Ghosh
Head - Sales

Joined BCCL on April 2016. He is a PGDBM from IMT, Ghaziabad and has 21 years of experience in organizations like Dabur and Britannia



Abhishek Prasad
Head - Marketing

Joined BCCL on May 2018. He holds a MBA from FMS, Delhi and has 20 years of experience in organizations like Reckitt Benkiser, Kraft Heinz & Pidillite.



Rohit Saraogi
Assistant Vice President - Finance

Joined BCCL on Mar 2019. He is a commerce graduate from St. Xavier's, Kolkata and a qualified CA & CS Professional and has 17 years of experience in organizations like Diageo India & Marico.



Dharmesh Sanghavi
Head - IT

Joined BCCL on Sep 2012. He is a computer Engineer and a diploma in Business Management from ICFAI University, Dehradun and has 14 years of experience in organizations like Yash Birla Group & The Loot India (P) Ltd



Makarand Karnataki
Head - Legal

Joined BCCL in Sep 2017. Makarand is Commerce and Law Graduate from Mumbai University and also a member of Institute of Company Secretaries of India. He has 20 years of experience and worked with organizations like Colgate-Palmolive (India) Ltd. & Godrej Agrovet Ltd.



Naresh Gehlaud
Head - Operations

Joined BCCL on May 2018. He is an Electrical Engineer and a MBA in Marketing and has 23+ years of experience in organizations like Emami & Marico.



Dr. Suman Majumder
Head - R&D

Joined BCCL on May 2019. He holds a Ph.D. in Organic Chemistry from Center of Advanced Studies, Kolkata and has over 15 years of rich experience in various R&D role in organizations like Avery Dennison India, L'oreal and Unilever.



Dipen P Dalal
Head - Alternate Trade Channels

Joined BCCL on May 2018. He has completed his PG Diploma in Supply Chain Management from Symbiosis Centre for Distance Learning, Pune and has 20 years of experience in organizations like Piramal Enterprises Ltd, Reliance Retail Ltd & Reliance Industries Ltd.

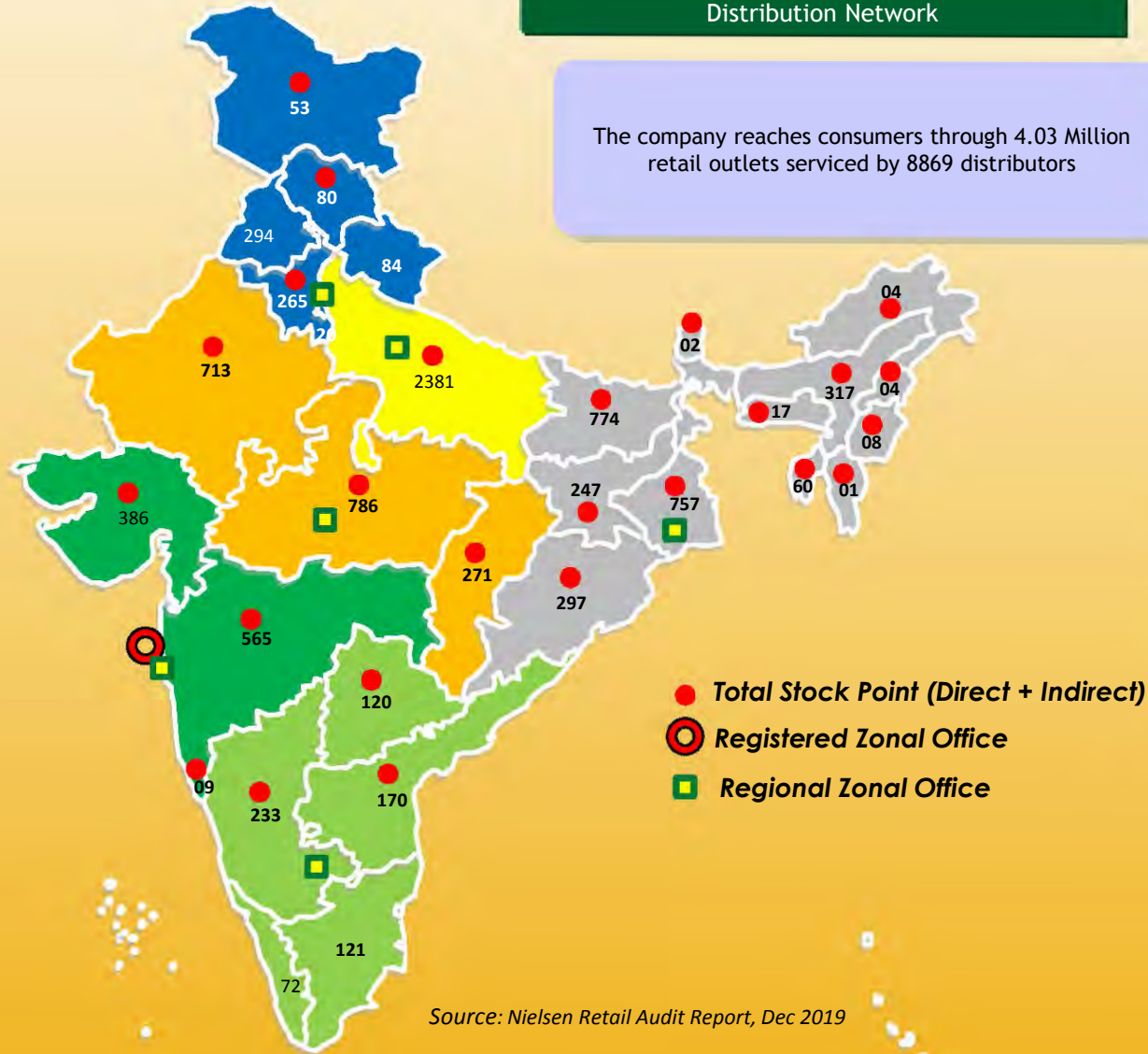


Key Indicators

Strong Distribution Network

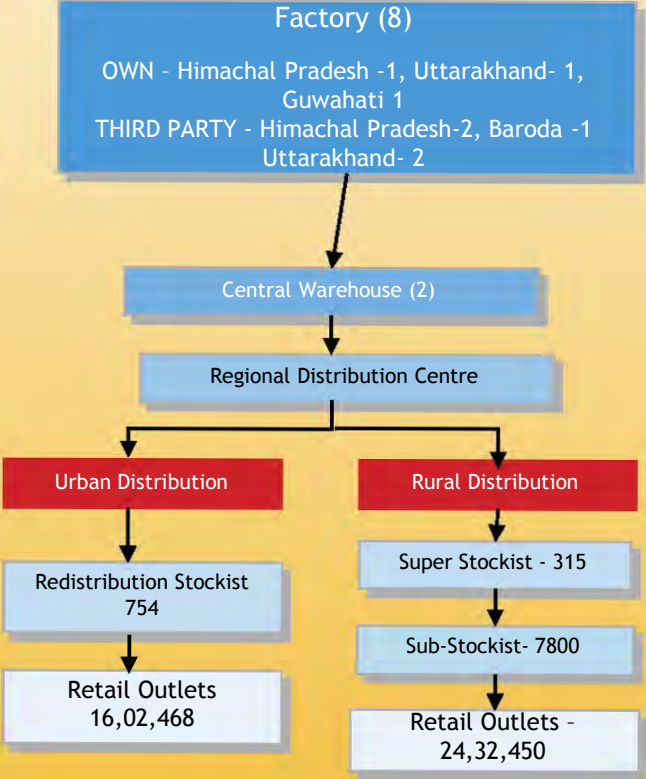
Distribution Network

The company reaches consumers through 4.03 Million retail outlets serviced by 8869 distributors



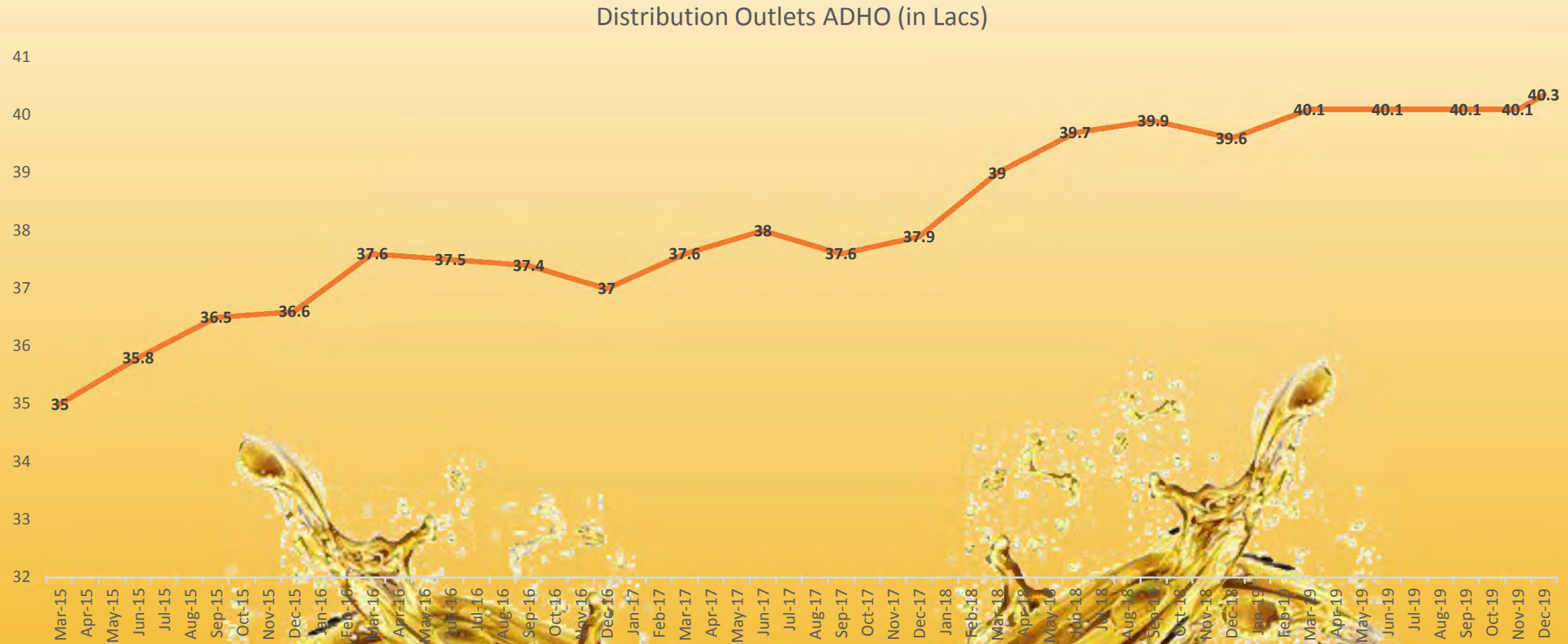
Source: Nielsen Retail Audit Report, Dec 2019

Distribution Structure



Sales & Distribution

✓ Our distribution has reached 40.3 lakh outlets as per Nielsen data



Sales Value Breakup by Channel (Q3 FY 20)

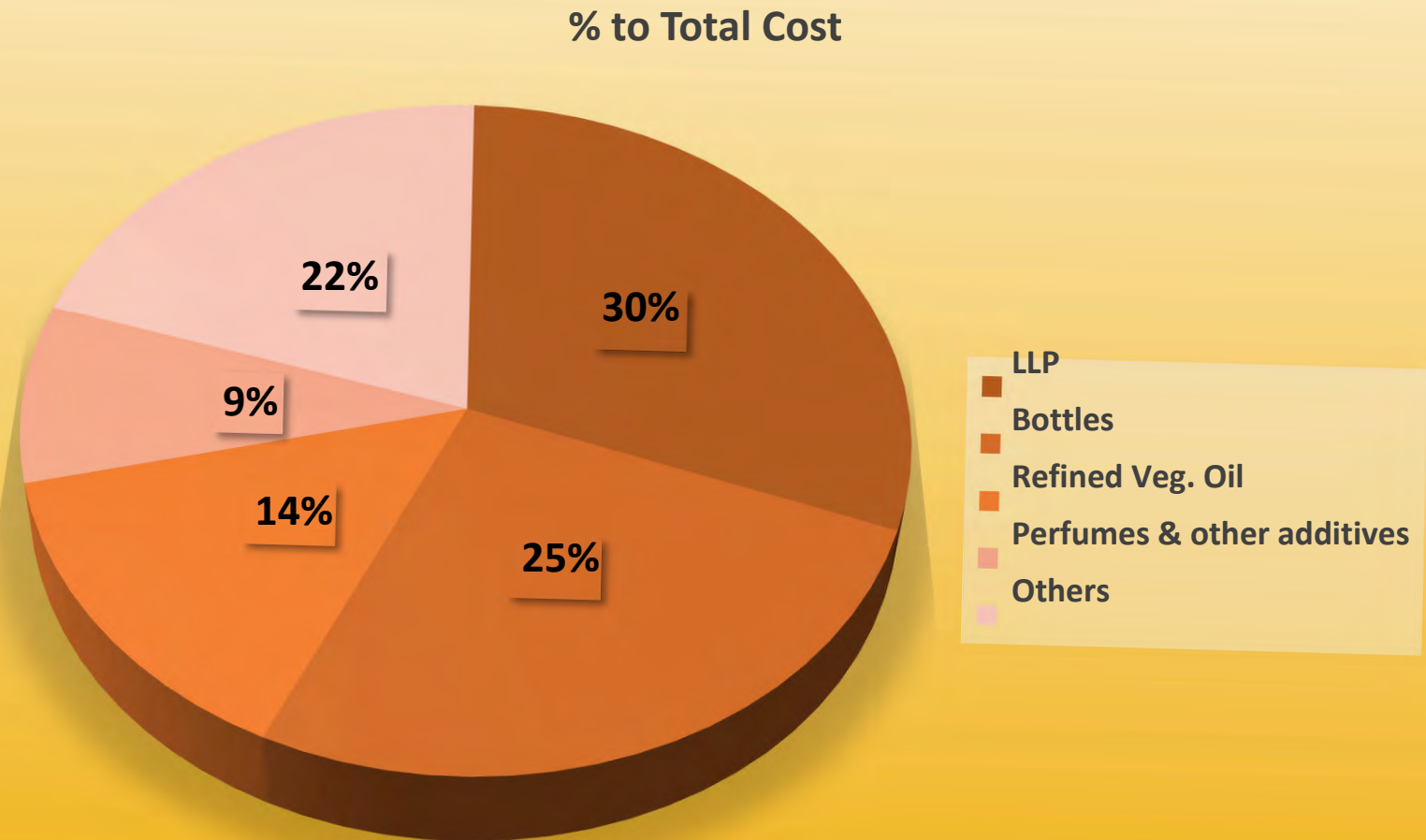
Channel	Q3 FY20 Salience%	Growth Q3 FY20
General Trade	84.61%	-7.67%
Modern Trade	9.62%	8.50%
Total Domestic excluding CSD	94.23%	-6.24%
Canteen Stores Department	3.06%	-30.77%
Total Domestic	97.29%	-7.27%
International Business	2.71%	-13.01%
Total For the Company	100.00%	-7.44%

Standalone Financials

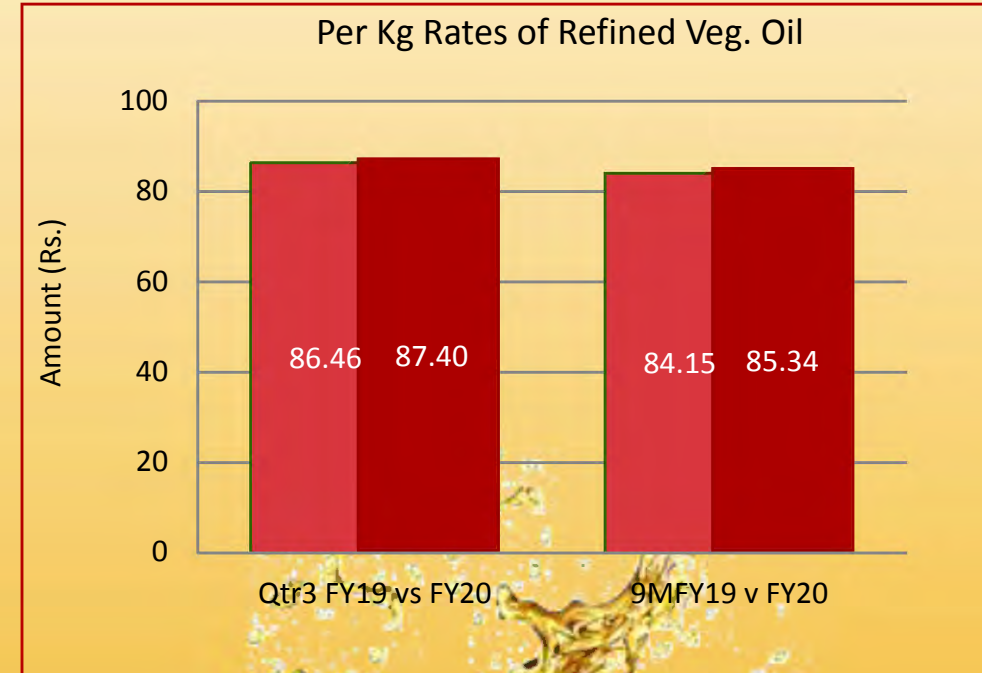
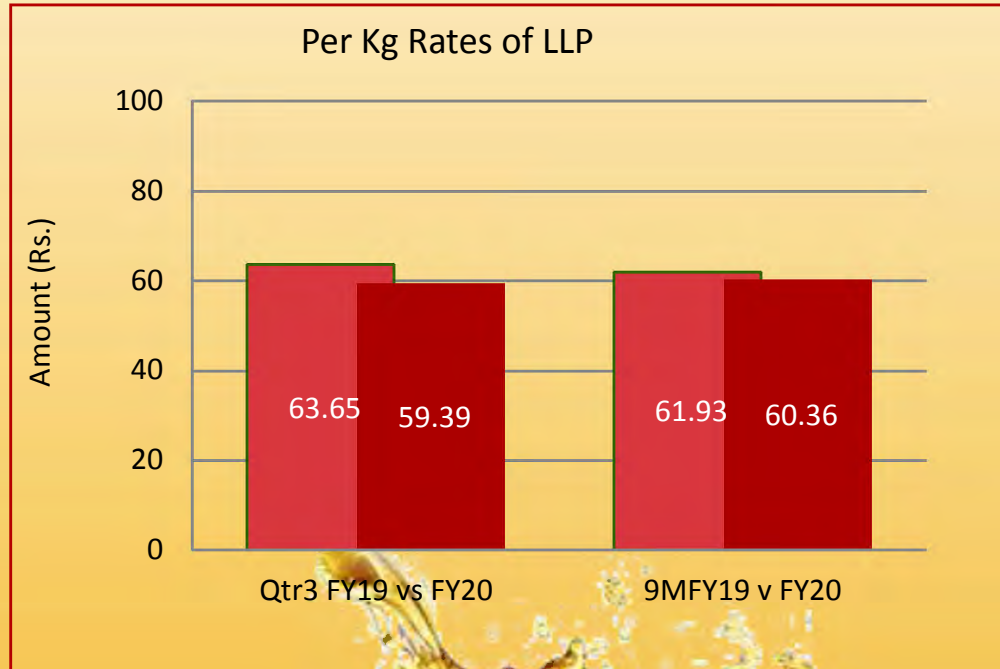
Rs. Crs

Particulars	Q3FY20	Q3FY19	Growth%	9M FY20	9M FY19	Growth%
Sales	205.47	221.98	-7.44%	649.12	642.68	1.00%
Revenue from Operations	211.48	229.57	-7.88%	668.81	663.70	
EBITDA	55.69	72.39	-23.07%	191.20	204.80	-6.64%
EBITDA %	27.10%	32.61%		29.45%	31.87%	
Other Income	9.02	7.38		21.53	15.67	
Profit before Tax	60.69	76.60	-20.77%	201.20	210.97	-4.63%
Tax	10.61	16.51		35.16	45.46	
Profit after Tax	50.08	60.09	-16.66%	166.03	165.51	0.31%
PAT %	24.37%	27.07%		25.58%	25.75%	

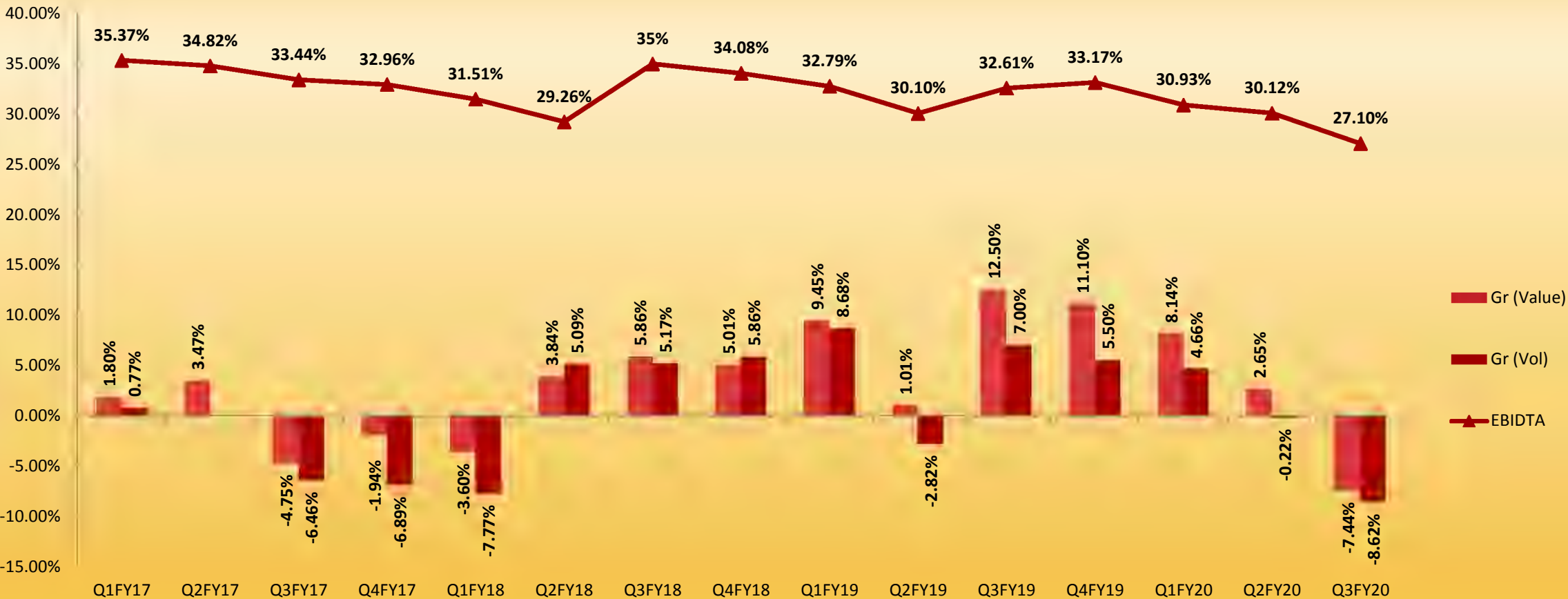
Breakup of Material Costs (for Q3 FY 20)



Change in prices of Key Ingredients



Performance over the last 15 quarters



Dividend Payout History

Year	No. of Shares (in Lacs)	Face Value	Dividend Payout (Rs in Lacs)	% to Capital	Dividend per share(Rs.)
2018-19	1,475	1	20,650.00	1400%	14.00
2017-18	1,475	1	17,700.00	1200%	12.00
2016-17	1,475	1	16,962.50	1150%	11.50
2015-16	1,475	1	16,962.50	1150%	11.50
2014-15	1,475	1	16,962.50	1150%	11.50
2013-14	1,475	1	9,587.50	650%	6.50
2012-13	1,475	1	9,587.50	650%	6.50
2011-12	1,475	1	5,900.00	400%	4.00
2010-11	295	5	2,802.50	190%	9.50

Thank you

For more information & updates

Contact:

Mr. Kushal Maheshwari

kushal@bajajconsumer.com

