

bajaj CONSUMER CARE

February 2, 2022

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 Ltd. 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 Sirs/Madam,

Sub: Investor Presentation

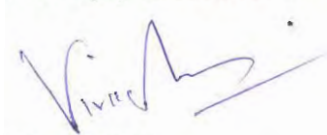
Please find enclosed a copy of Investor Presentation for the quarter ended December 31, 2021.

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

Thanking you,

Yours Sincerely,

For Bajaj Consumer Care Limited



Vivek Mishra
Head (Legal) & Company Secretary
Membership No.: A21901



Encl: as above

Bajaj Consumer Care Ltd
(Formerly Bajaj Corp Ltd)

Registered Office: Old Station Road, Sevashram Chouraha, Udaipur - 313 001 (Rajasthan). Tel.: +91 0294-2561631, 2561632
Corporate Office: 1231, Solitaire Corporate Park, 151, M VasANJI Marg, Opp Apple Heritage, Chakala, Andheri (E), Mumbai - 400 093.
Tel.: +91 22 66919477 / 78 | Fax : +91 22 66919476 | CIN : L01110RJ2006PLC047173 | Web : www.bajajconsumercare.com

bajaj GROUP
THINK TOMORROW

bajaj CONSUMER CARE

EARNINGS PRESENTATION Q3/9M-FY22



Company Snapshot



Legacy



“Bajaj” among India’s most trusted industrial houses



Products in existence since pre Independence



Bajaj Almond Drops, India’s Largest single hair oil brand

Positioning



63% Market share in Light Hair Oil segment



14 Brands, 100+ SKUs



8 new Hair Care products launched in Q3 FY22, more under Pipeline

Reach



Exporting to >30 countries



Close to 8500 Distributors across all states



Product reach - 4.2 Mn POS or retail outlets across India

Financials



Debt-free company



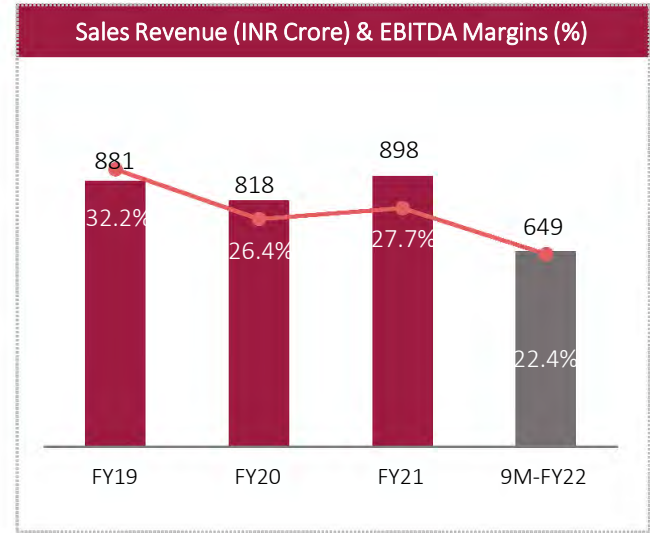
9M FY22 Gross Margin 57.6 %
PAT Margin 21.0 %



FY21 Net worth INR 7.8 Bn

Company Overview

- Bajaj Consumer Care Ltd. (BCCL) is part of the Shishir Bajaj Group of companies, with a rich history dating back to 1953 when Late. Kamalnayan Bajaj established Bajaj Sevashram to market and sell hair oils and other beauty products
- Today under the chairmanship of Mr. Kushagra Bajaj, BCCL has grown to become one of India's reputed consumer goods company
- The company is the leading player in Light Hair Oil category with the flagship brand Bajaj Almond Drops Hair Oil commanding more than 60%+ market share in its category
- The company also manufactures Hair Oils, Hair Serum, Hair conditioning mask, Face cream, Face soap, Face scrub and Sanitisers under various brands
- The company is expanding its hair oils portfolio in addition to launching two premium digital first brands across hair and skin care range
- The manufacturing plants are located at Himachal Pradesh, Uttarakhand & Guwahati with additional contract manufacturing facilities across the country
- The company markets and distributes its products in India and exports to over 30 countries, with primary focus in SAARC, Gulf & Middle East, ASEAN and African regions

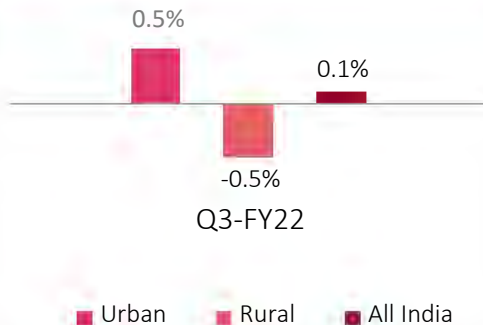


Macro Context

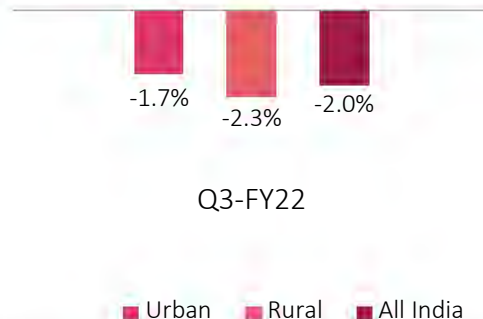


Hair Oil Market Growth Trends

Value Growth %

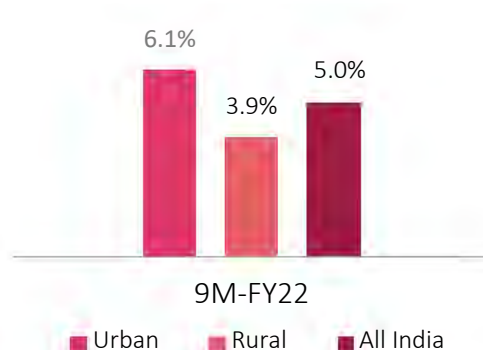
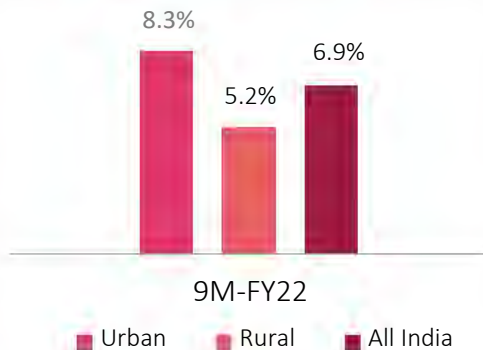


Volume Growth %



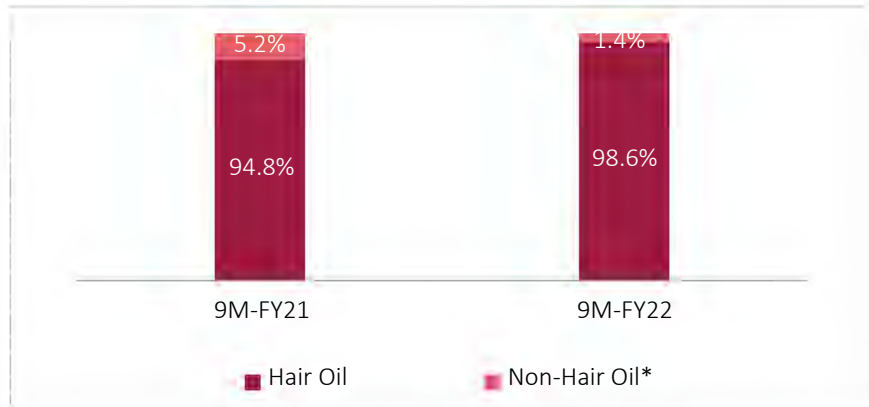
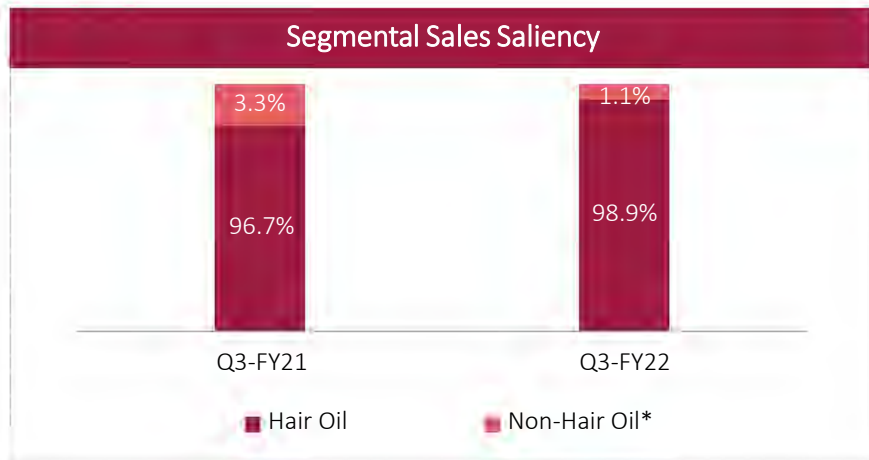
Key Highlights

- Hair Oil Market Growth continued to be subdued in Q3, with volumes declining vs LY
- Sharp decline in rural impacted by inflationary pressure
- Downtrading resulting in inferior product mix in the category



Performance Highlights



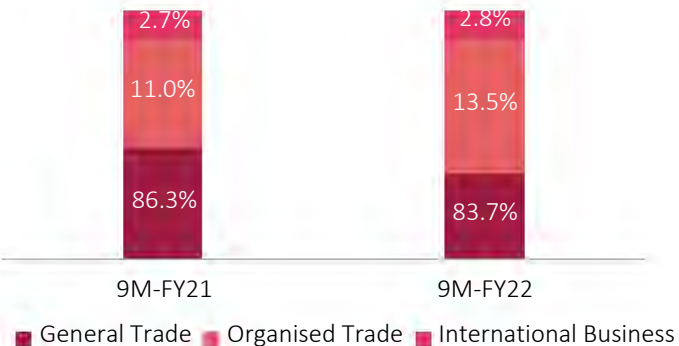
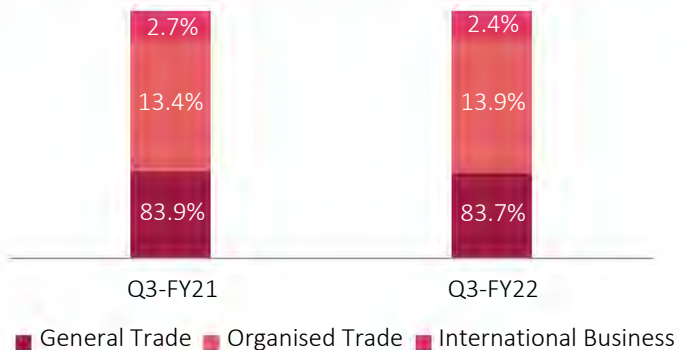


Value Market Share Total Bajaj Hair oils	MAT Dec-20	MAT Dec-21
All India (U+R)	10.4%	10.6 %
All India –Urban	10.9%	11.2 %
All India –Rural	9.7%	10.0 %

- Q3 FY22 sales declined by 7.2% on a high base of 18% growth last year with sales of Rs. 225.3 crore
- 2 Year value CAGR at 4.7% in Q3 FY22
- On a sequential quarter basis, Sales value was higher by 6.2% and volume was higher by 9.9% over Q2 FY22
- Amla sales growth was 27% in Q3 FY22 and 40% in 9M

* Includes Sanitisers

Channel-wise contribution to Revenue (%)



General Trade

- Clear slow down in demand coupled with downtrading being observed in rural, especially in key Hindi Speaking Markets
- Wholesale remains under stress due to impact of rural
- Retail performs the best. Being strengthened across top towns - New retail loyalty program rolled out to increase focus

Modern Trade

- Better offtake and footfalls in Diwali events across most chains
- Growth in B2C chains at 16% for the quarter and 19% for 9M
- Coconut oil launched across MT - seeing good traction in initial placements

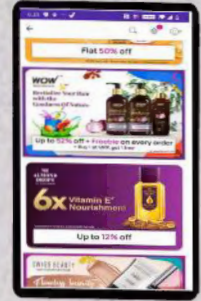
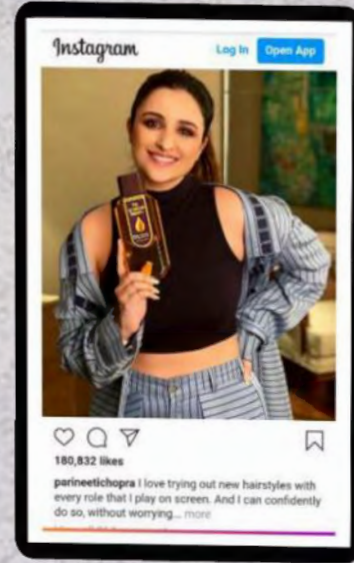
E-Commerce

- Continuous focus on the channel and improvement in digital marketing footprint continues to drive growth
- Growth at 45% for the quarter and 95% for 9M
- Natyv Soul off to a good start - Hair serum now ranked amongst top 50 in the category. Recently listed in Nykaa
- Bajaj 100% Pure listing went live in Dec end

International Business

- Nepal & Bangladesh continue to do well growing at high double digits
- Infrastructure corrections underway in UAE and Saudi

Marketing



Bajaj Almond Drop: Marketing Support in Q3

Media Support Increased Across Mediums:

- TV: SOV up by 4% in high teens
- Digital: Social + Influencers tying with Localized Festive occasions
- Print: Media Support for Diwali in Maharashtra
- E – Commerce: Search / Displays in Amazon + Flipkart

Consumer Offers: Promotional Support on Select SKUs

Print Inserts



Influencers For Durga Pooja + Diwali + Navratri



76 Influencers reaching out to ~ 49 Lakh Consumers

Social Media Campaigns



50 Lakh Consumers Reached through Social Posts

New Communication and Claims

- Dial up Element of “ Style “ as Younger Consumers are looking for Enhancement Along-with Nourishment



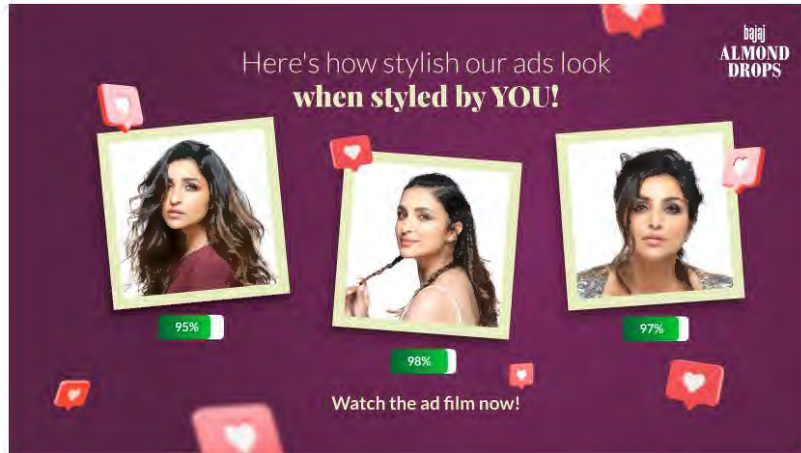
New Campaign of , “Style Fearlessly” that appeals to the youth



New Claim of “ 2X Hairfall Reduction “ to keep strengthening Nourishment Equity

Engagement-driven activity

Audience gets a chance to choose the **hairstyle for Parineeti’s look** .



#Stylefearlessly Stylebook

Audience gets a chance to feature along side with Parineeti in #stylefearlessly Style Book on Instagram Followed by Film and tutorials on **How to Style** the same hairstyle as Parineeti in the film.



Amla Oils Portfolio

- Bajaj Amla Aloe Vera has made steady progress with share in Amla Category at ~3%
- Sarson is a Rs 300 Cr market , ~ 15% of the Amla category. Sells primarily in rural markets of HSM. This variant has a 2-year CAGR of 10%
- Bajaj Sarson Amla Launched in Dec '21 to leverage the Equity of Bajaj and Rural Distribution strength



Sarson Amla : 2 In 1 Benefits



Stronger
Hair



More
SHINE

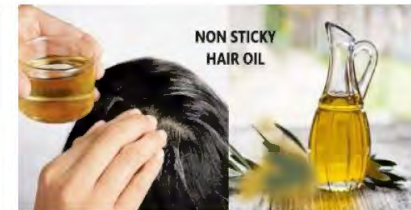
Sarson Amla : Distinctive Sensorials



Sarson
Fragrance



Dark Brown
Colour Of
Sarson Oil



Non-Sticky
Hair
Oil

TV Commercial

- First time supported the brand with TVC
- Played in all Hindi leading channels
- Special Focus on P1 Markets
- Running at both prime & non-prime spot

YouTube Digital Campaign (UP) - Delivered 3.2Mn completed video views and 33,221 clicks

ShareChat Digital Campaign (UP) - Delivered 3.9Mn impressions and ~1.1Mn video views.



100 % Pure Coconut

- Rs 20 SKU launched in December - this SKU contributes to 10% of category sales
- 175 ml wide mouth jar launched for winter months
- Launched across E Com in Nov - December 2021
- Good repeats coming in from West



New Launches: Bajaj 100% Pure Oil



Bajaj 100% pure Castor Oil

- 100% Pure Castor Oil
- Virgin and Cold Pressed. No Additives
- Prevents hair breakage & gives shiny Hair
- Moisturizes Skin
- All three products launched in Dec-2021



Bajaj 100% pure Olive Hair Oil

- 100% Pure Olive Oil
- Virgin and Cold Pressed
- Prevents hair loss due to breakage
- Makes skin supple and smooth



Bajaj 100% pure Jojoba Oil

- 100% Pure Jojoba Oil
- Virgin and Cold Pressed
- Moisturizes and conditions Hair
- Helps makes skin supple and smooth

Hair Serum with French Sea Beet



2x Frizz Control*

2X Softer Hair*

Hair Serum with Peruvian Sacha Inchi Oil



24 Hours Frizz Control*

24 Hours Long Lasting
Conditioning *

Hair Masque with Buriti Oil from Brazil



Damage Repair of
chemically treated hair up
to 98%**

Up to 10X Better
Conditioning*

Hair Masque with West African Shea Butter



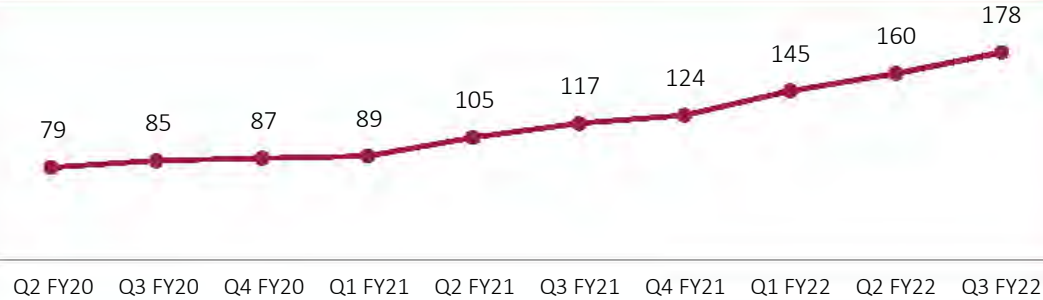
4x Better Conditioning*

Revives Dry, Damaged
Hair *

Business Operation



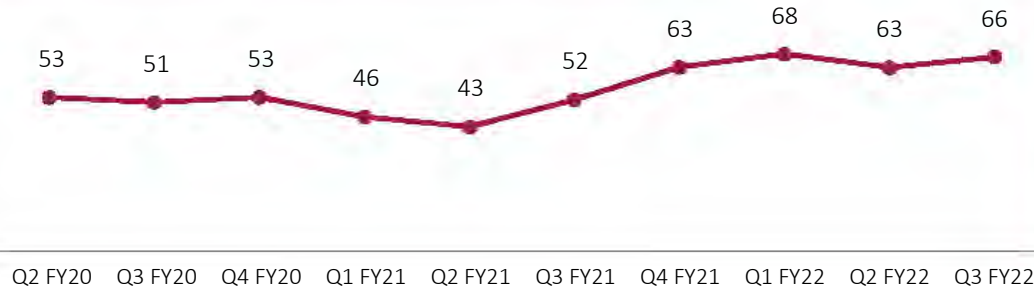
Refined Mustard Oil (INR/Litre)



Refined Mustard Oil (RMO)

- Prices at multi year high due to increase in other edible oils prices as well as limited availability of mustard crop. Price of RMO in Q3 FY22 is **11%** higher over Q2 FY22
- The cost of RMO for the quarter has increased by **54%** in Q3 FY22 and by **47%** in 9M FY22 over same period last year

Light Liquid Paraffin (INR/Litre)



Light Liquid Paraffin (LLP)

- Prices have started moving up in Q3 which is around **6%** higher over Q2
- The cost of LLP for the quarter has increased by **27%** in Q3 FY22 and by **38%** in 9M FY22 over same period last year



- **Reduce** consumption of packaging material to reduce carbon footprint and GHG emissions
 - ✓ **Initiatives taken:** Optimization of specifications resulting in
 - **Glass:** Reduction in consumption of glass bottles by 16%
 - **Paper:** Reduction in consumption of paper by 7%
 - **Laminates:** Reduction in consumption by 14%. (Reduced Poly film thickness & reduced height).
 - Key focus areas being reduction in usage of natural resources like water, reduction of carbon footprint and reduction in wastages
 - We have started work in the area of water conservation by measuring the water consumption sources, installation of controls at critical places. We have reduced 24% of our water consumption in Q3 FY 22 over last year
 - Reduction in distance travelled per litre of finished product by 10% in FY22 over last year by ensuring linkage of each sales location to the most optimum plant

- **Recycle-** Currently bulk of the material in our packaging is recyclable
 - ✓ **Initiatives taken:**
 - We have achieved initial success with recyclable laminates and the project will be implemented by Mar'22
 - We are committed to effectively collect and dispose off 100 % of plastic - Collected and disposed 90% of our yearly commitment so far

- **Reuse** – We would be taking initiatives in using recycled material in our containers
 - ✓ **Initiatives taken:**
 - Initial success with use of 40% regrind PET in our plastic bottles



- **Bajaj Consumer Care Ltd.** received a special recognition for "**Commitment To Being a Great Place to Work**" from 'Great Place to Work Institute'
The honor is given to celebrate the consistency in seeking employee feedback and acting on the same over the years and building a High-Trust, High-Performance Culture™



- **Bajaj Consumer Care Ltd.** won the '**Silver Award**' in 'Excellence in Business partnering' category at the '**Economic Times Human Capital Awards**' event held in Nov'21 . More than 100 companies participated in this event.
- The award was a recognition to our '**One Bajaj**' program where each employee participated during the peak of pandemic in Q1 FY21, connecting and assuring our **5,00,000 channel partners** & binding the entire organization with a common purpose

RECOGNITIONS

Our Guwahati & Paonta plants won **Par Excellence Award** in 46th International Convention on Quality Control Circles – 2021 (ICQCC-2021) (Highest Category Award) in November'21. More than 3000 teams from various sectors of manufacturing/service/ IT sectors participated from across the globe



A photograph of a paved road stretching into the distance towards a bright sun on a hillside. The sun is low on the horizon, creating a strong lens flare effect across the road. The road has white lane markings. To the left, there are trees and a dirt shoulder. To the right, there is a grassy hillside. The overall scene is bathed in warm, golden light.

Strategic Priorities

- Broad basing of hair oil portfolio to continue with further expansion in Q4
- Premium range of hair and skin care products launch planned under Almond Drops brand from Q4
- Thrust on digital first brands with more product introductions in Natyv Soul & Bajaj 100% Pure with elevated investments in these brands
- Building an **organisation structure** to enable the below imperatives for success
 - **Agility** in product launches
 - Faster **GTM speed**
 - Scale up **digital marketing**

Financial Overview



Quarterly Financial Performance – Q3 FY22 Standalone

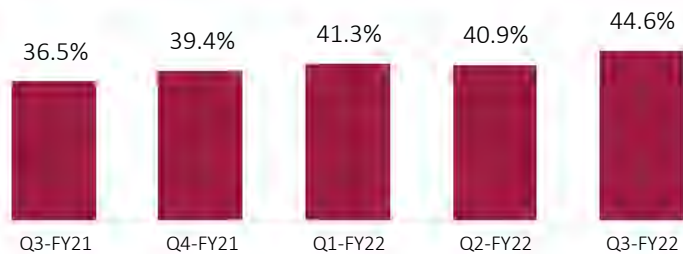
Particulars (In Crore)	Q3 FY21	Q2 FY22	Q3 FY22	Y-o-Y	Q-o-Q
Sales (Value)	242.8	212.2	225.3	-7.2%	6.2%
Total Operational Income	247.3	215.1	228.6	-7.6%	6.2%
Gross Contribution	154.1	125.3	124.7		
Total Expenses (excl. Material cost)	94.1	78.2	86.5		
EBITDA	64.5	50.0	41.6	-35.6%	-16.9%
Other Income	9.2	10.2	9.5		
Depreciation	1.5	1.1	1.2		
Finance Cost	0.3	0.5	0.0		
CSR	1.3	1.3	1.3		
Profit Before Tax	70.6	57.3	48.5	-31.2%	-15.3%
Tax	12.3	10.0	8.5		
Profit after Tax for the Period	58.2	47.3	40.0	-31.2%	-15.3%
Gross Margin %	63.5%	59.1%	55.4%		
ASP to Sales %	19.2%	15.9%	17.8%		
EBITDA %	26.6%	23.6%	18.4%		
PAT%	24.0%	22.3%	17.8%		

YTD Financial Performance – 9M FY22 Standalone

Particulars (In Crore)	9M FY21	9M FY22	Y-o-Y
Sales (Value)	656.0	649.5	-1.0%
Total Operational Income	668.6	659.0	-1.4%
Gross Contribution	421.8	374.4	
Total Expenses (excl Material cost)	247.7	238.7	
EBITDA	186.7	145.2	-22.2%
Other Income	28.2	28.0	
Depreciation	4.3	3.4	
Finance Cost	1.0	0.8	
CSR	4.0	4.0	
Profit Before Tax	205.6	165.0	-19.8%
Tax	35.9	28.8	
Profit after Tax for the Period	169.7	136.2	-19.7%
Gross Margin %	64.3%	57.6%	
ASP to Sales %	17.0%	15.8%	
EBITDA %	28.5%	22.4%	
PAT%	25.9%	21.0%	

Expenses To Sales Trend

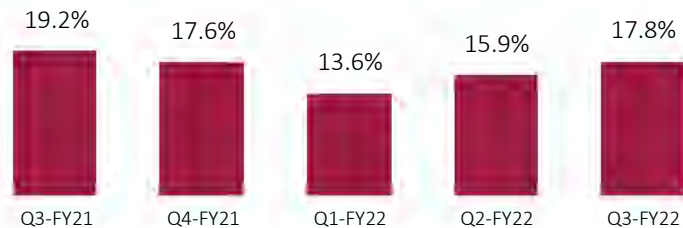
Material cost



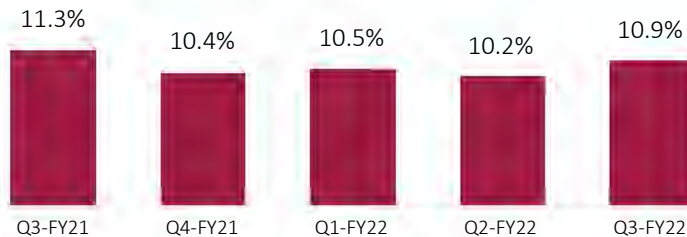
Employee cost



ASP cost



Other expense



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Thank You

