

bajaj CONSUMER CARE

Investor Presentation

Q2 FY 2021

bajaj GROUP
THINK TOMORROW

Financial Highlights

	Q2 FY 21	H1 FY 21
Sales Growth	5.0%	- 6.9%
Gross Margin	65.8%	64.8%
ASP to Sales	18.1%	15.7%
EBITDA	28.9%	29.6%
PAT	25.8%	27.0%
MAT Market Share	10.1%	

Sales value Breakup by channel – Q2 and H1 FY21

Rs. in Crores

Channel	Q2 FY20	Q2 FY21	Growth %	H1 FY20	H1 FY21	Growth %
General Trade	177.1	194.1	9.6%	385.1	362.3	-5.9%
Alternate Trade	28.3	20.8	-26.7%	45.9	39.8	-13.3%
Total Domestic	205.4	214.9	4.6%	431.1	402.1	-6.7%
International Business	5.8	6.9	19.2%	12.6	11.1	-12.0%
Total For the Company	211.2	221.8	5.0%	443.7	413.2	-6.9%

Note: Alternate trade includes Modern Trade, E-Commerce and Canteen Stores

General Trade

- Rural markets doing well, van operations have helped scale up rural business
- Urban markets continue to be under stress; primary reasons being lockdown in various markets, migration of labour away from town centres and drying up of upcountry customers at wholesale markets
- Continuous media Presence for rural in Q2 in conjunction with Distribution drive
- New SKUs launched in Q2 for value seeking customers
 - Rs 20 pack in ADHO
 - 300ml/500ml/ Rs 1 Sachet in Amla

Initiatives and Activations in General Trade



Initiatives and Activations in General Trade



Modern Trade, Ecommerce and International Business

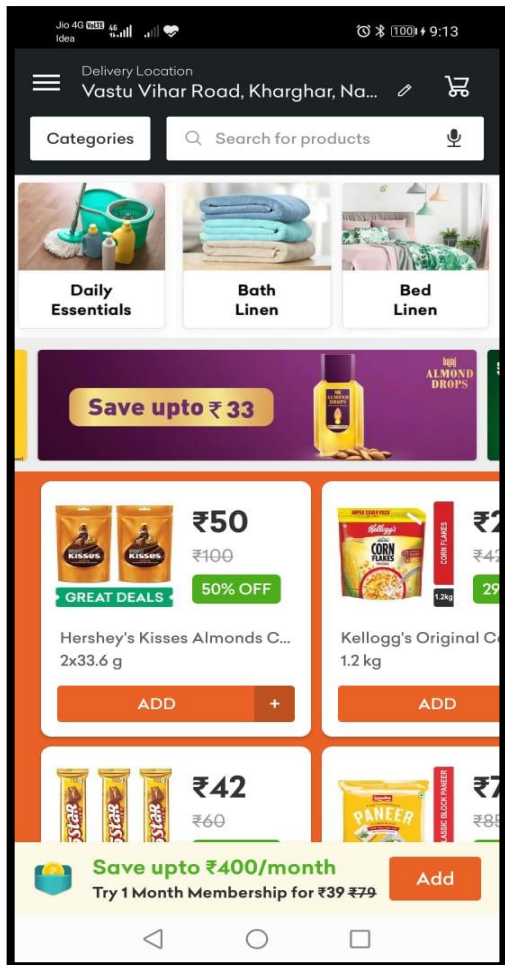
- Modern Trade business was affected due to entry restrictions in stores, closure of malls, local lockdown
- Ecommerce has been consistently doing well
 - The business grew by 4 times for the quarter over LY though on a small base
 - Strong growth on back of investments in Visibility, Search Marketing & Consumer Offer in select chains
 - Healthy market shares in BigBasket, Flipkart and Grofers
- CSD business has been under pressure for the last few quarters, attempt has been to minimise credit exposure
- International Business remains stable with recovery in Q2 due to ease of restrictions

Initiatives and Activations in Modern Trade

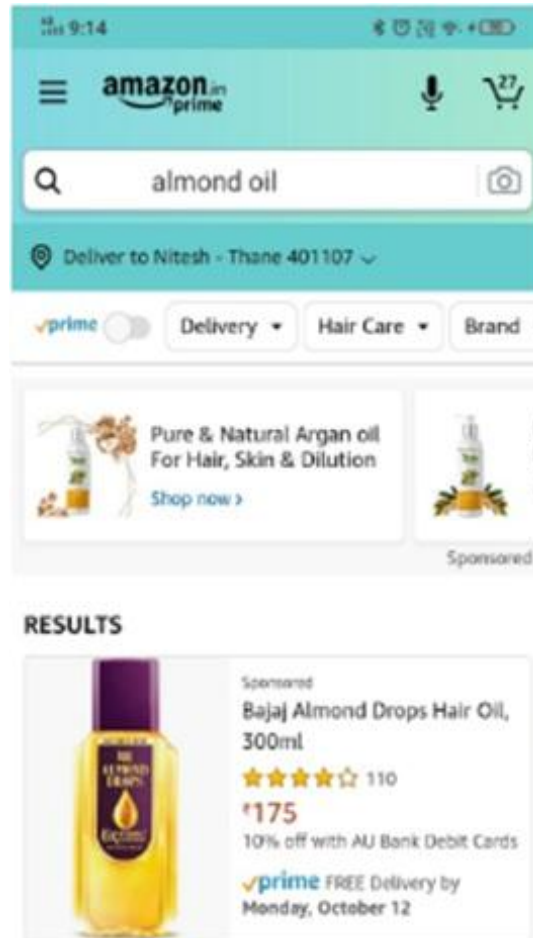


Initiatives in Ecommerce & International business

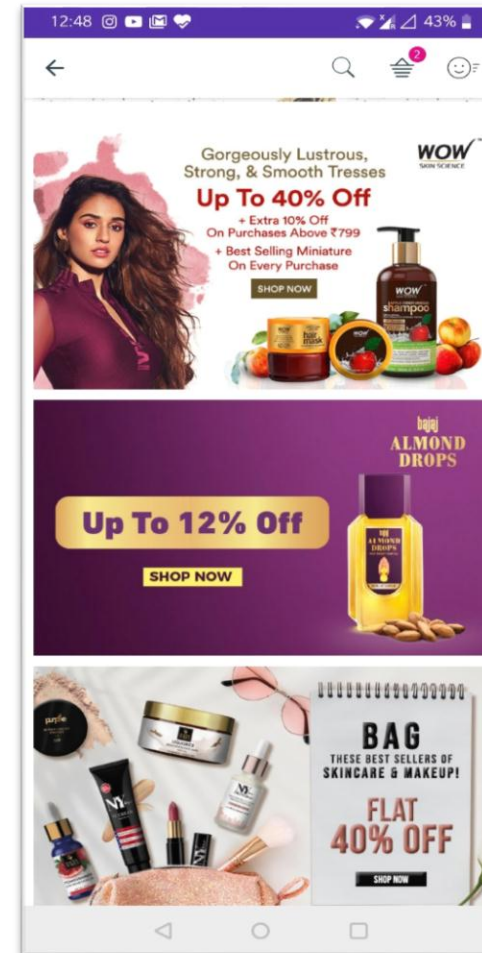
Grofers Home Page Banner



Amazon Search Page



Purple Home Page



Almond Drops Ads live on Radio with Sponsorship of IPL2020 in UAE

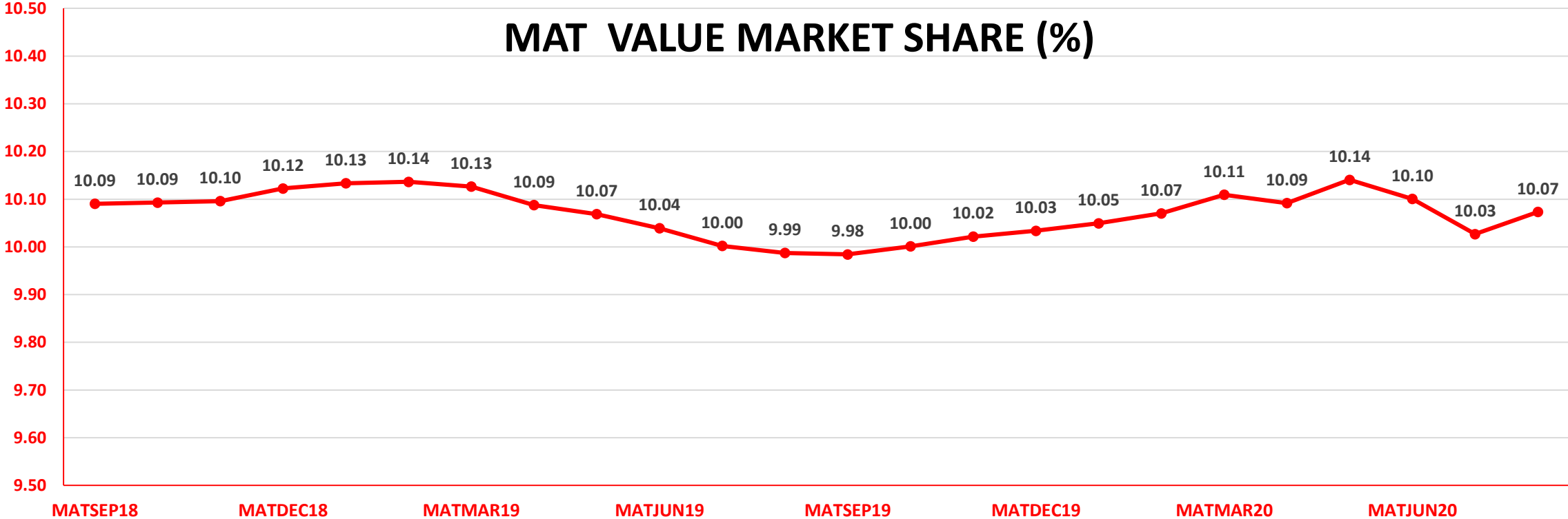


Hair Oil Category Growth

	Value Growth (%) vs YA				Volume Growth(%) vs YA			
	MAT MAR20	Q1'20	July- Aug'20	YTD AUG'20	MAT MAR20	Q1'20	July- Aug'20	YTD AUG'20
All India - Urban	2.4	-30.6	-6.4	-20.9	0.1	-26.9	-5.0	-18.1
All India - Rural	0.4	-18.5	9.7	-7.4	-2.1	-15.4	12.0	-4.7
All India (U+R)	1.5	-25.3	0.5	-15.0	-0.9	-21.5	2.7	-11.9

- Overall Hair oil offtake recovered in Q2 as the lockdown eased
- Demand is recovering at a healthy pace in Rural India, Urban Demand is still below last year levels
- Value seeking behaviour is increasing with clear indications of down trading

Market Share Trend – Hair Oils



➤ Market Share recovered in Jul-Aug after a Dip in Q1

New Best Ever Almond Drops Hair Oil



Building ADHO Equity on Nourishment

- ADHO Formulation upgraded in Q2 FY 20
- Vitamin E Content Doubled from Previous Formulation
- New Formulation helps reduce Hair fall
- Launch supported with 360° activation from September

Integrated Campaign for ADHO



High Impact TV campaign



Press Campaign

ATL



Digital

Social Media

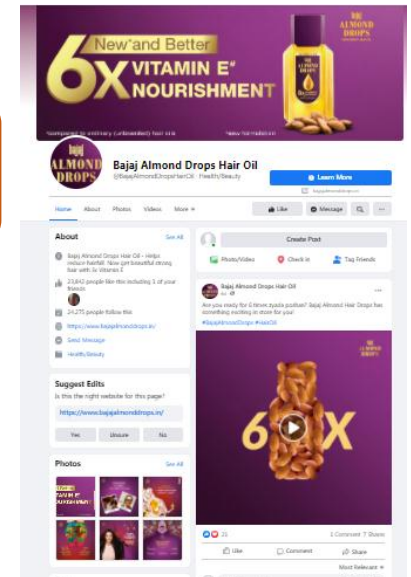
E-Commerce

Digital Amplification

Onground Visibility

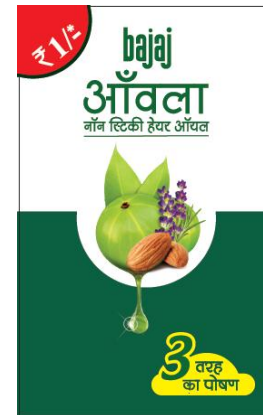
General Trade

Modern Trade



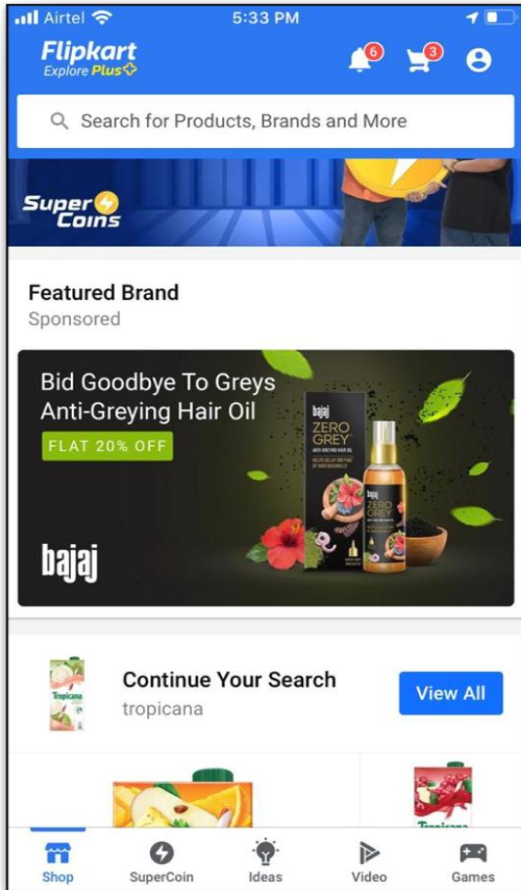
Bajaj Amla Hair Oil

- Amla Hair Oil is a Rs. 1600 crores category which is growing consistently
- Broad basing of price points with introduction of three new pack sizes in Q2
 - Rs 1 (3 ml Sachet)
 - Rs 75 (300ml)
 - Rs 125 (500ml)
- Consumer offer to drive trials supported in Q2
- Rural focus through van initiative

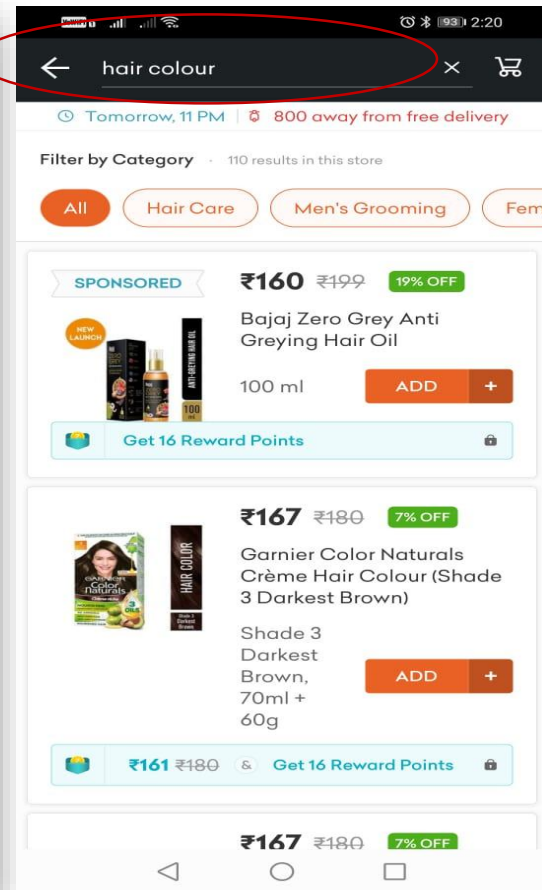


Bajaj Anti Grey Hair oil

Flipkart visibility




Grofers sponsored search



- Build a digital first Brand
- Listing in All Major Ecommerce Chains Completed, Also Available in 2 leading Pharmacy Chains (Wellness Forever + Apollo)
- Displays + Search Marketing Started from September on Flipkart and Grofers
 - 1 Mn Consumers reached out to in Sep.
- Sales is still low but beginning to pick up post activation
- Marketing Support will be Extended to Amazon and other sites in Q3

Digital Marketing Across Platforms



Hey bhagwaan!
Puja ki thaali mein bhi baal?

ALMOND DROPS

- **Social Media Campaigns** for Mumbai and Delhi
- Targeted at Younger Audience
- Industry beating View through Rates (8%)



- **Influencer Campaigns** on Instagram
- Theme of "OIG", Oiling is Good

IT Initiatives & Automation – SAP Hana and Sellina

SAP Hana

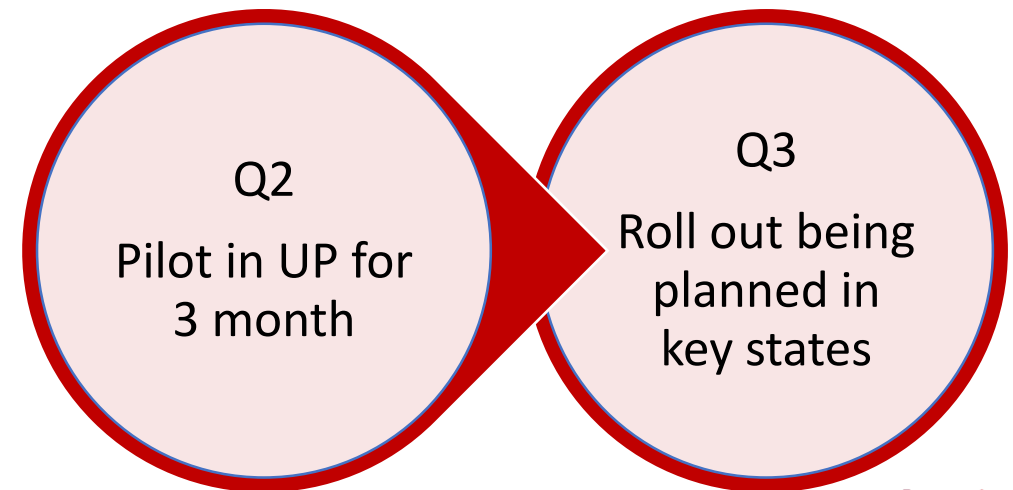
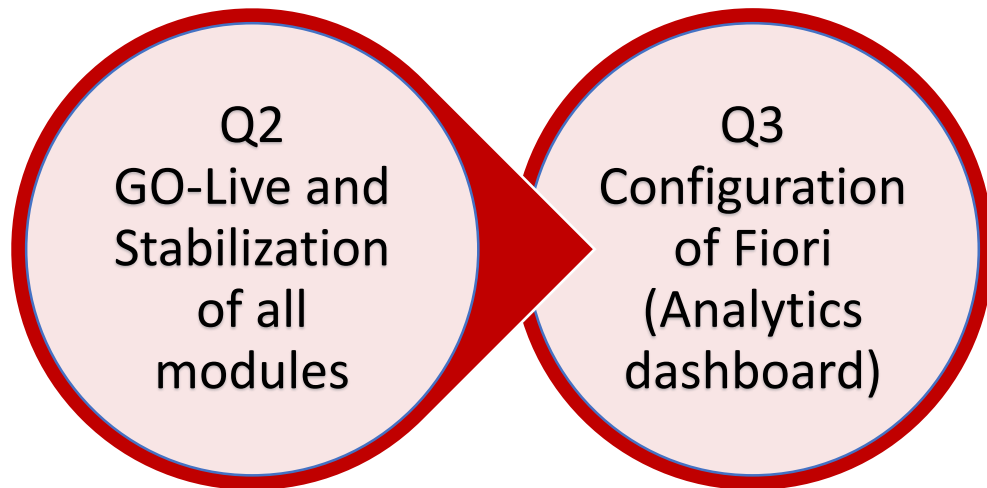
Five modules implemented –

- Finance and Costing
- Sales and Distribution
- Material Management
- Production planning
- Quality Management

Sellina

Artificial intelligence tool for front end sales team

- Real time sales analytics data available with front line sales team
- Chat with bot for sales opportunities
- Performance trends and data analysis for senior sales management



Human Resource Management

Health & Wellness

- Corona Kavach Policy - Customer facing employees covered under Corona specific health insurance
- Regular online fitness sessions for employees and their family members

Employee Engagement

- “Aaj Ki Charcha”, an online platform for employees on diverse topics like Hair Science, E-Commerce, 5S & Kaizen, Interviewing Skills etc
- Multiple online engagement sessions with employees and their family members

Technology

- Digital Selection and onboarding of new hires leading to enhanced experience
- Recruitment, Onboarding, Performance Management, Learning Management and Payroll are now conducted online through Success Factors platform

Talent Management

- A comprehensive “100 Day” Induction Plan launched for new hires to ensure seamless assimilation even during remote working

Awards & Recognitions



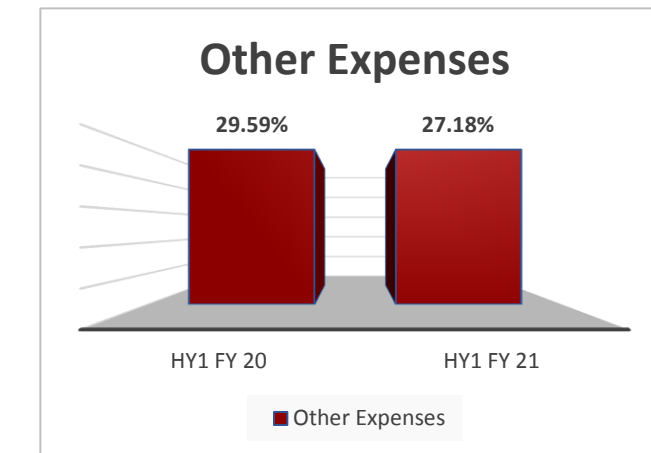
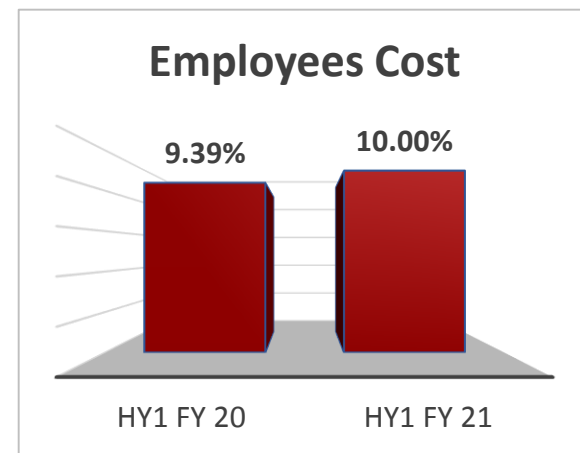
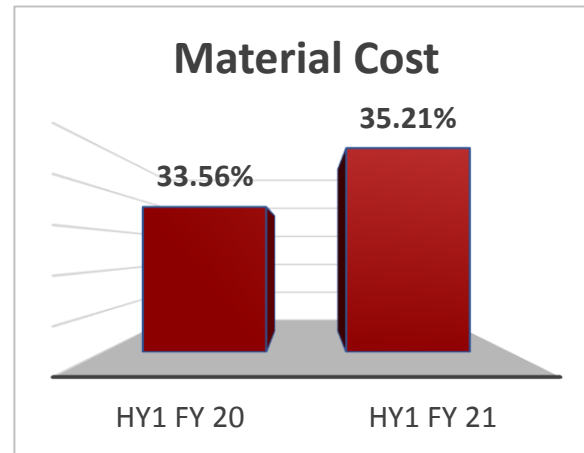
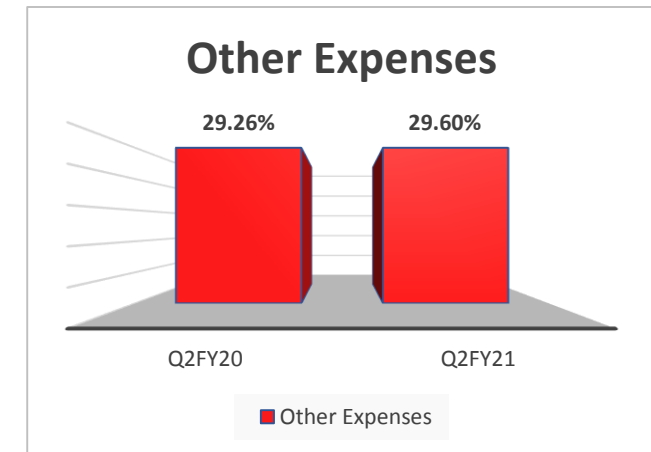
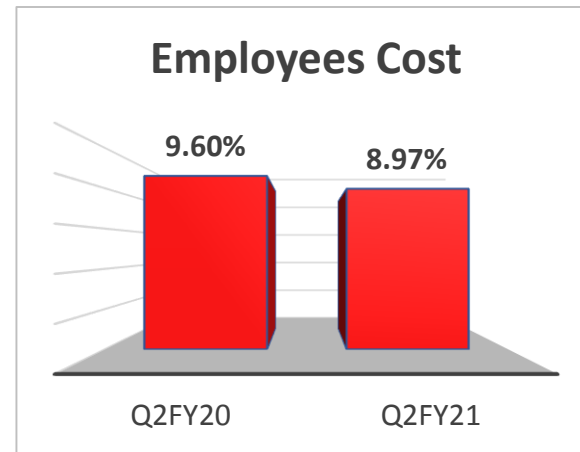
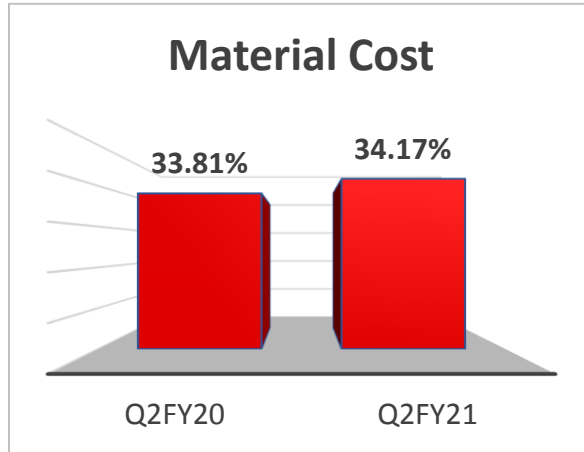
Financials

Highlights Q2 & H1 FY21 - Standalone

Rs. in Crores

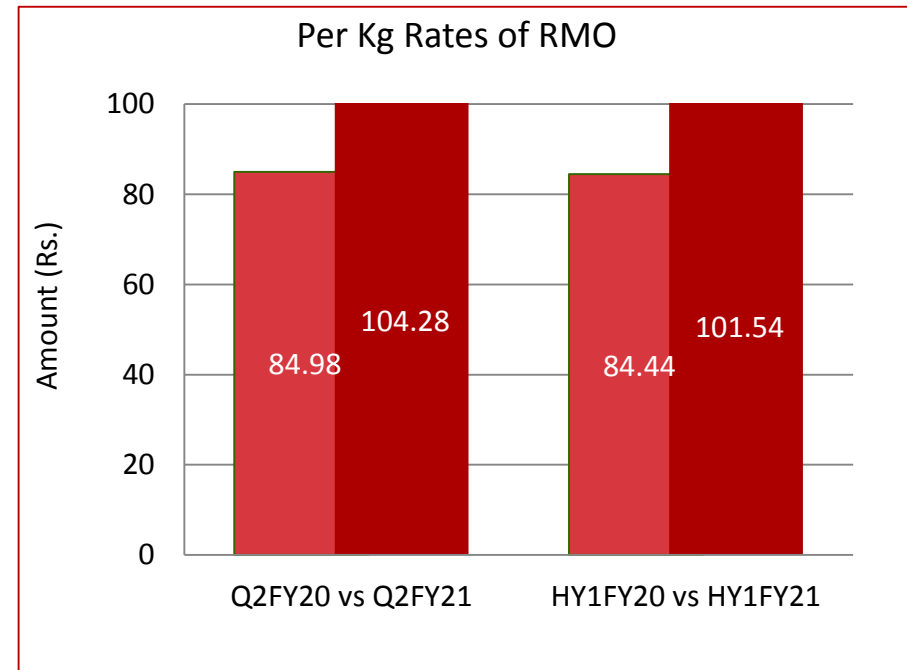
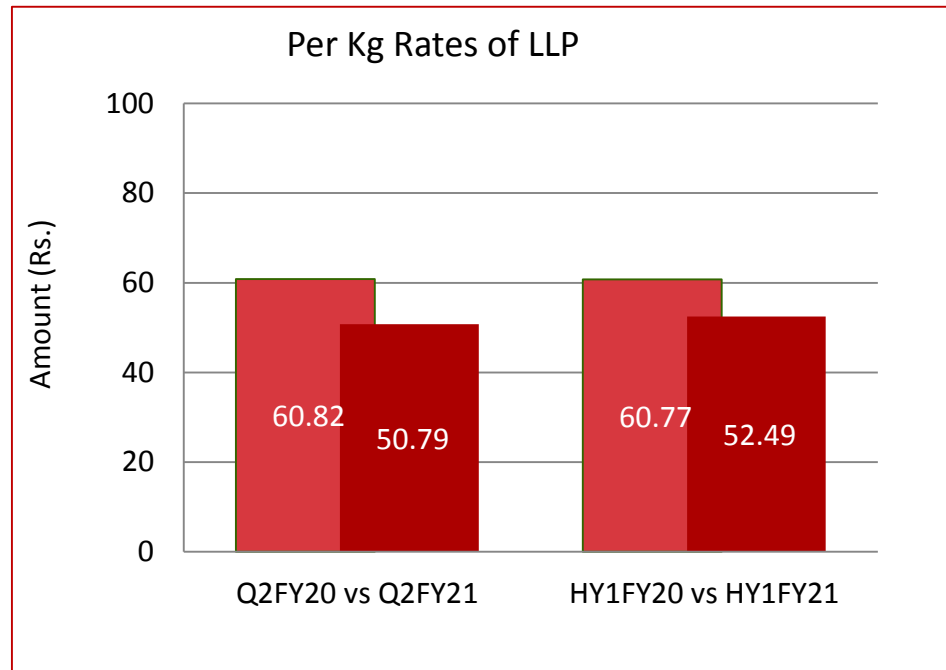
Particulars	Q2FY20	Q2FY21	Growth	H1FY20	H1FY21	Growth
Sales	211.19	221.76	5.00%	443.66	413.24	-6.86%
Total Operating Income	217.09	225.30	3.78%	457.33	421.36	-7.87%
Contribution	139.78	145.98	4.44%	294.75	267.76	-9.16%
EBITDA	63.62	63.99	0.58%	135.51	122.23	-9.80%
Other Income	6.54	8.44		12.51	19.00	
Profit before Tax	65.73	69.38	5.54%	140.51	135.04	-3.89%
Tax	8.44	12.12		24.56	23.60	
Profit after Tax	57.29	57.25	-0.07%	115.95	111.44	-3.89%

Expense % to Sales

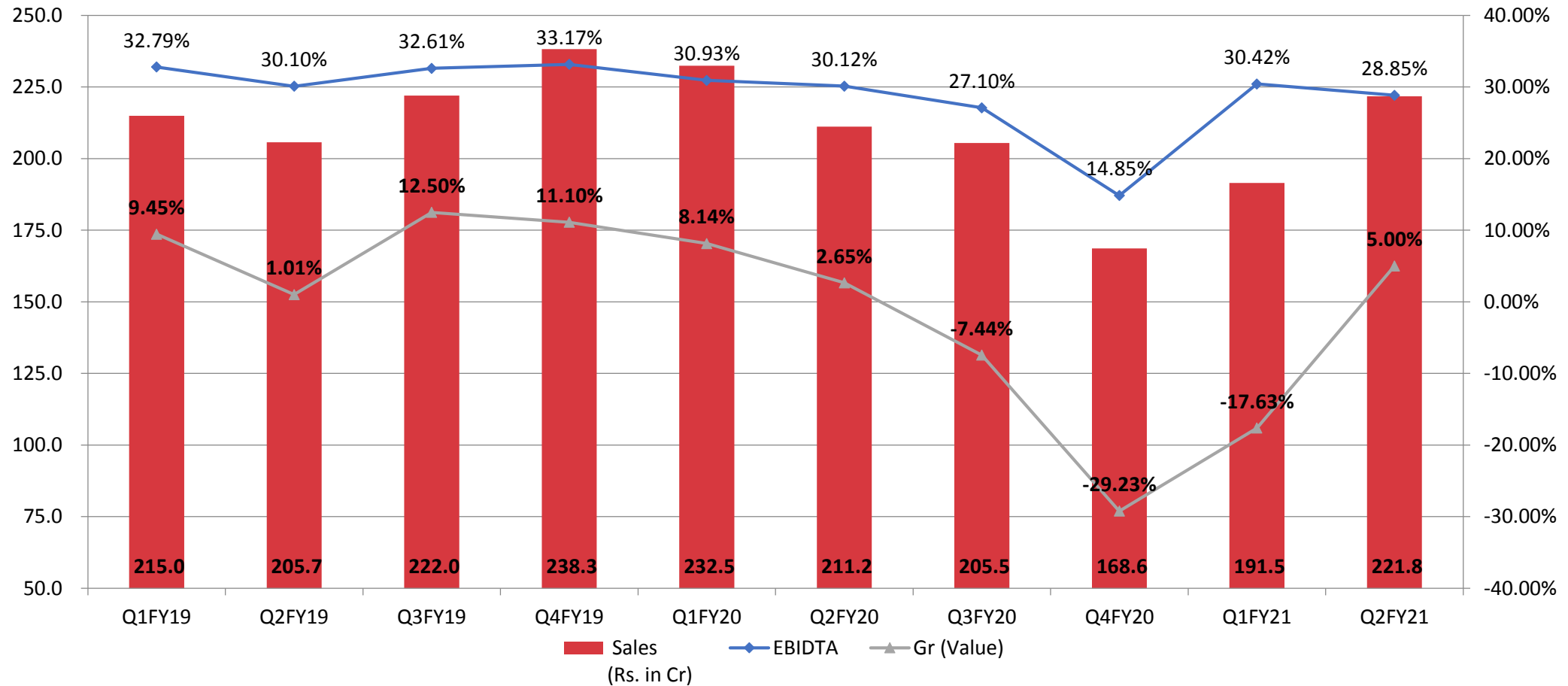


- ❖ Rise in material costs as % of sales due to change in sales mix involving Amla oil and Sanitizers
- ❖ Other Expenses include Advertising & Sales Promotion expenses and does not include CSR expenses

Change in Prices of Key Ingredients



Performance history



Thank You