

# Investor Presentation

**Q2 FY 2021 - 22**

1<sup>st</sup> November 2021

# Hair Oil Market & Shares

# Hair Oil Category

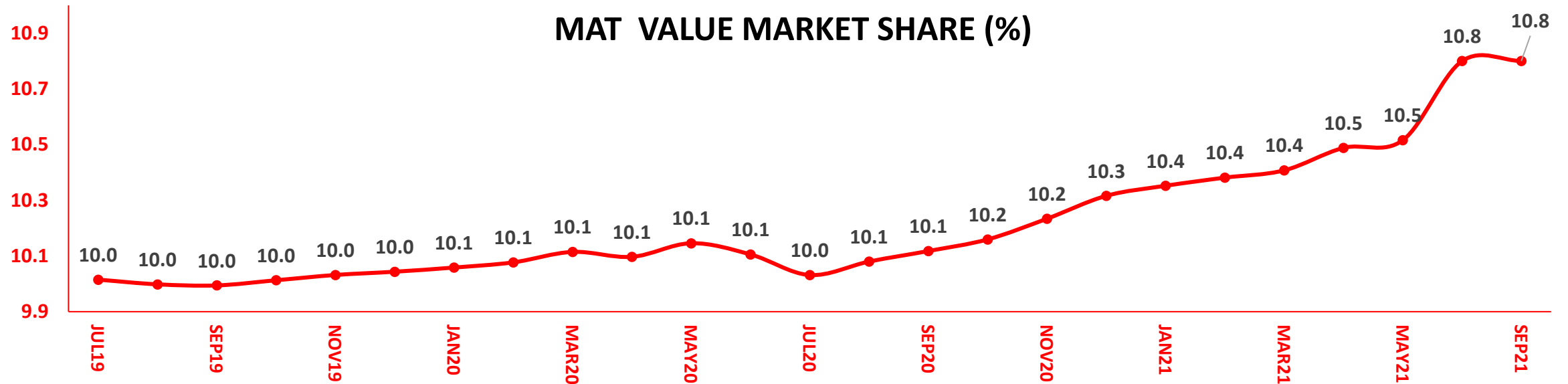
	Value Growth (%)	
Hair Oils	YTD vs YTD LY	Q2 vs Q2 LY
All India	10.6	-0.9
Urban	12.8	0.8
Rural	8.3	-2.7

- After rebound in Q1, category growth slowed down in Q2

Source: Nielsen Retail Audit Report, September 2021, All India

- On a 2-year basis, Cheaper / Mass segments have rebounded faster (Coconut + Amla)
- Rural markets have had steeper decline due to higher base of last year while Urban remained flat
- Category sharply declined by 8.2% in Q2 for Key HSM markets (where BCCL is over indexed) while rest of the markets grew by 6% (under indexed markets for BCCL)

# Bajaj Hair Oil Market Share



Value MS % Total Bajaj Hair Oils	MAT Sept
All India (U+R)	10.8
All India – Urban	11.3
All India – Rural	10.1

Source: Nielsen Retail Audit Report, September 2021, All India

# Bajaj Hair Oil Brands

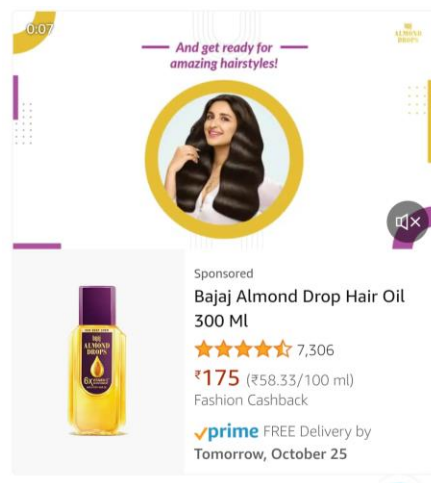
# Bajaj Almond Drops : Marketing Support in Q2

- Media Support Across Mediums
  - TV continues with high SOV delivery
  - Digital : Social + YT + Influencers
  - Print : Local Media Support in Key HSM Markets
  - E – Commerce : Search / Displays in Amazon , Flipkart and Grofers
- Consumer Offers : Promotional Support on Select SKUs across Key Geographies

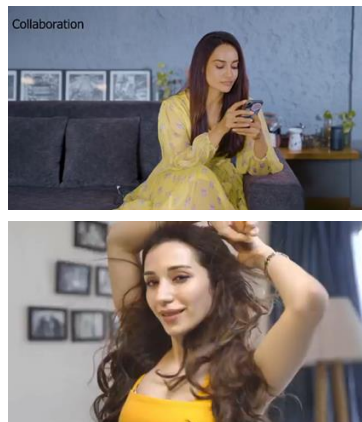
## Print Inserts



## E Com Display



## Influencer Campaign



## Social Media



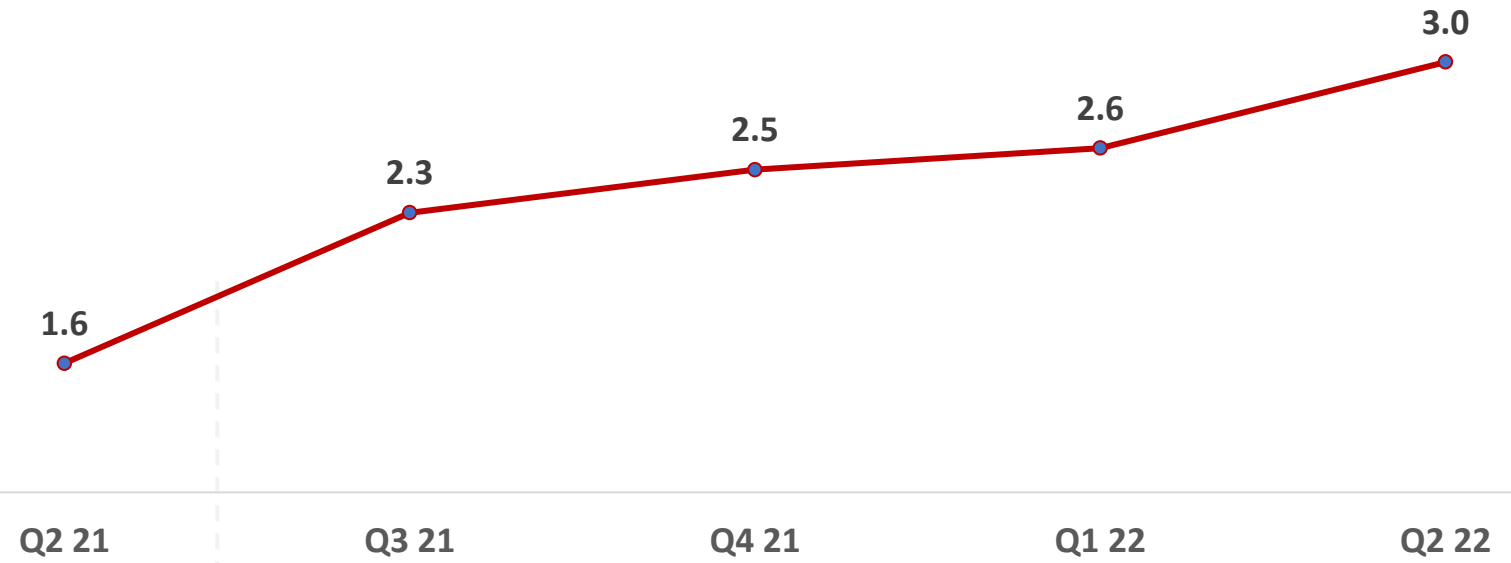
## User Generated Content



# Bajaj Amla Aloe Vera Hair Oil : Market Shares and Marketing Support



Bajaj Market Share within Amla segment



- Few states in North have done well reaching market shares greater than 5%
- Rural Focussed TV Campaign started in Q2
- Supported with Print In select geographies

Source: Nielsen Retail Audit Report, September 2021, All India



# Bajaj Pure Coconut Oil

- Launched in July
- Objective is to build distribution presence in select markets of South, West and East with emphasis on sub-stockists towns and rural van routes
- Encouraging Initial response
  - Overall Product and packaging mix is found to be good by trade and consumers
  - Combination of Pricing + Direct Reach has ensured Sell in to trade as well as Sell Out to Consumers





# Business Highlights

# Sales Value – Q2 & H1 FY22 - Standalone

Figures in Rs. Crores

Segment	Q2FY21	Q2FY22	Growth %	H1FY21	H1FY22	Growth %	FY21
Hair Oils	214.0	209.4	(2.1%)	386.8	417.3	7.9%	859.5
Non Hair Oils *	7.8	2.8	(64.2%)	26.4	6.8	(74.3%)	38.5
<b>Overall</b>	<b>221.8</b>	<b>212.2</b>	<b>(4.3%)</b>	<b>413.2</b>	<b>424.2</b>	<b>2.6%</b>	<b>898.0</b>

Volume growth for hair oils is (0.7%) and 10.2% for Q2 FY 22 and H1 FY 22 respectively

\* Includes Sanitisers

## Sales Value Channel Wise – Q2 & H1 FY22

Channel	Saliency Q2FY22	Growth % Q2FY22	Saliency H1FY22	Growth H1FY22
General Trade	83.3%	(9.0%)	83.8%	(1.9%)
Organised Trade Channel	14.0%	42.7%	13.3%	41.2%
<b>Total Domestic</b>	<b>97.2%</b>	<b>(4.0%)</b>	<b>97.0%</b>	<b>2.4%</b>
International Business	2.8%	(14.8%)	3.0%	13.0%
<b>Total For the Company</b>	<b>100.0%</b>	<b>(4.3%)</b>	<b>100.0%</b>	<b>2.6%</b>

# Business Highlights for Q2 FY 22

## General Trade

- Wholesale declined sharply with reduced footfalls in key HSM markets
- Retail performance has been good with near double-digit growth, backed by focused drives and top retailer loyalty program
- In spite of demand slowdown, rural remained flat due to expansion of rural network in select states

## Modern Trade

- Modern trade registered high teen growth with resumption of modern retail outlets across the country
- Lower than expected footfalls in the August Big Day events across modern trade chains
- Improvements seen towards end of September and October
- Hyper competitiveness by challenger brands seen in the events

# Business Highlights for Q2 FY 22

## E-Commerce

- Ecommerce continues to scale up Q-o-Q with doubling of business over last year currently contributing to 4% of turnover
- Closer partnerships with top e-retailers, Amazon and Flipkart resulting in high growth
- Strategic SKUs for the e-commerce channel (650ml ADHO, BAHO) have become lead contributors to sales and growth
- 1/3<sup>rd</sup> of sales came from non ADHO brands in B2C ecommerce – highest ever

## International Business

- UAE and Africa had a sharp decline due to travel restrictions
- Nepal and Bangladesh came out of lockdown and performed well with double digit growths

# New Launch in E-Commerce

New digital first premium brand in Hair Care and Personal Care space : **NATYV SÓUL**

- Launched in October, to be scaled up in Q3 and Q4
- Developed for E-commerce channels targeting women in the 18-35 age group
- To be promoted largely on digital media and through influencer marketing
- Contemporary products with great consumer experience



# NATYV SÓUL : Brand Promise

## Safe

- No harmful chemicals
- Dermatologically tested

## Exciting

- Wide range of products
- Innovations/ first-to-market

## Exotic

- Rare natural ingredients
- Sourced from the world over
- Exotic origin stories

## Resonant

- Allows experimentation
- Diverse and richly varied



Khadi Essentials Methi Hair Growth Mask with For Dry...

★★★★★ 231

₹439.00 ✓prime

[Back to results](#)

Sponsored



## Natyv Sól Conditioning Hair Masque | With West African Shea Butter & Moroccan Argan Oil | Contains Exotic, Natural Ingredients | 4X Better Conditioning | Revives Dry, Damaged Hair | For Men and Women | 200GM

Brand: Natyv Soul

Price: ₹499.00 (₹499.00 / count)

Inclusive of all taxes

₹100.00 delivery: **Wednesday, Nov 3** Details

Save Extra with 4 offers

**Cashback:** 10% back up to ₹100 on using Amazon Pay UPI to pay for your shopping transaction. No minimum order value. Valid once per custome... | Details

Share

Quantity: 1

Add to Cart

Buy Now

Secure transaction

1-Click ordering is not available.

Select delivery location

Add to Wish List





Home > Beauty and G... > Hair Care and... > Hair Care > Hair Serum > Natyv Soul H... > Natyv Soul H...

Share

Natyv Soul Hair Serum with Sea Beet extract from France | All Hair Types | Hair Styling & Smoothing | With French Sea Beet Extract & Moroccan Argan Oil | Lightweight | 2X Frizz Control | 2X Softer Hair | (100 ml)

Be the first to Review this product **Assured**

₹399

Available offers

- Partner Offer Buy Products From Furniture,Clothing & more, Get 10% Off on Next Purchase of Home Decor & Furnishing [Know More](#)
- Bank Offer 10% off on SBI Credit Card, up to ₹1500. On orders of ₹5000 and above [T&C](#)
- Bank Offer 10% off on SBI Debit Card, up to ₹500. On orders of ₹5000 and above [T&C](#)
- Bank Offer Flat ₹1500 off on SBI Credit Card. On order of ₹30,000 and above [T&C](#)

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Delivery

Enter Delivery Pincode [Check](#)

Usually delivered in 7 days

Enter pincode for exact delivery dates/charges

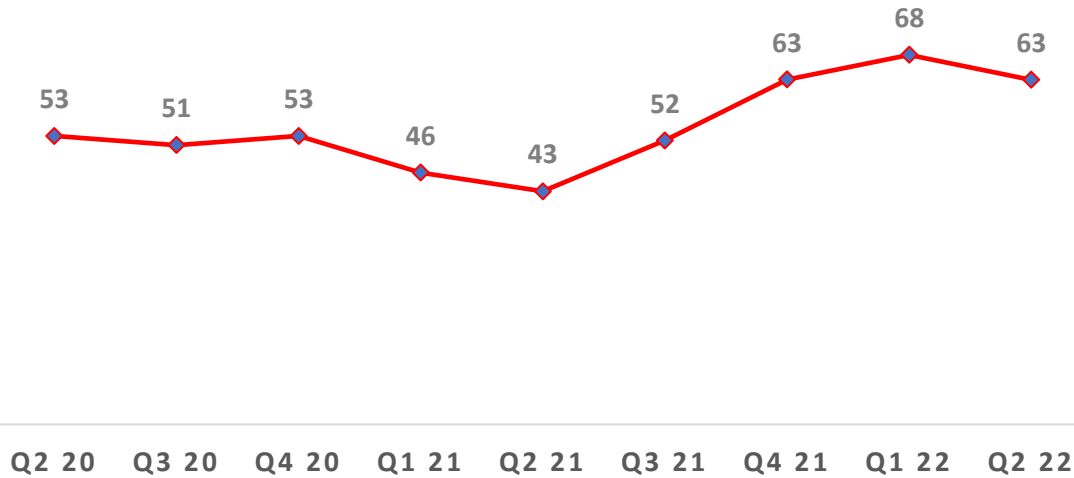
[View Details](#)

ADD TO CART

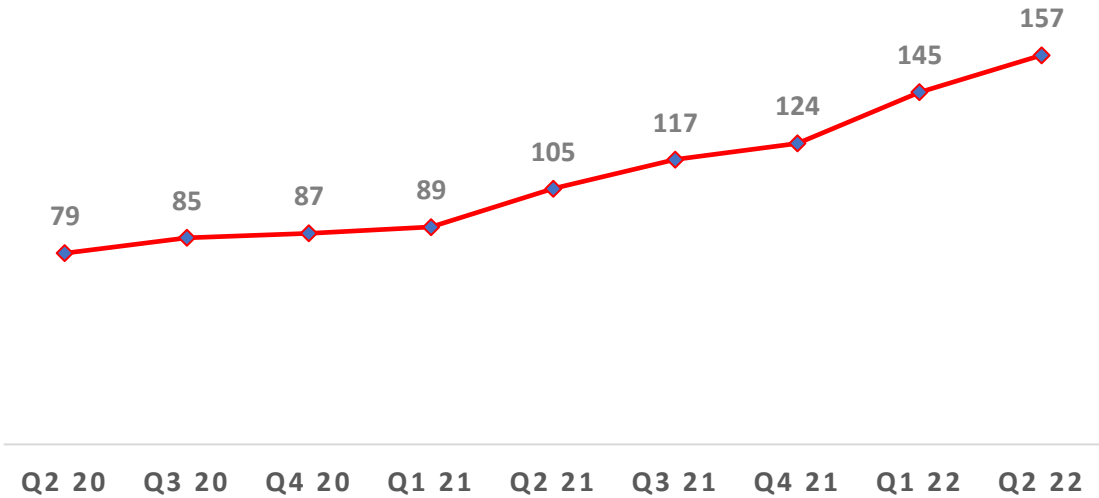
BUY NOW

# Key material price trends

LLP PRICE PER KG



RMO PRICE PER KG



## LLP

- Prices have corrected from peak levels of Q1 with improvement in supply of input raw material Base oil.
- Prices are **40% higher than Q2 21** prices, there has been a slight correction over Q1 22 prices.

## RMO

- In line with increasing prices of other edible oils due to tightness in overall supplies, RMO has also been going up
- Price of RMO is **50% higher than Q2 21** prices. Prices have gone up from Q1 22 levels

To offset the inflation, about 20 cost saving projects have been undertaken resulting in good savings till date

# ESG Initiatives – Approach to sustainable Packaging



**Reduce** consumption of packaging material to reduce carbon footprint and GHG emissions

*Initiatives taken:*

Reduced the consumption of glass bottles and paper through optimisation of specifications/  
Rationalization. Laminates consumption being optimized from Q3.

**Recycle-** Use recyclable material in our packaging

*Initiatives taken:*

Trials are planned to use recyclable laminates in Q3/Q4 FY22 to make bulk of our packing material recyclable

**Reuse –** We would be taking initiatives in using recycled material in our containers

**Extended producer responsibility- *Collection and disposal of plastic waste***

- We are committed to effectively collect and co-process 100 % of post consumer plastic waste
- Collected and disposed 48% of our yearly commitment so far

# Financials



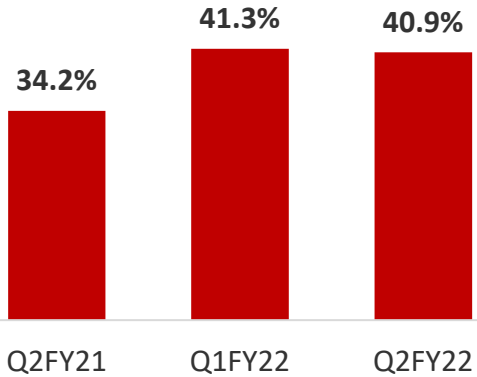
# Summary Financial Q2 & H1FY21 – Standalone

Figures in Rs. Crores

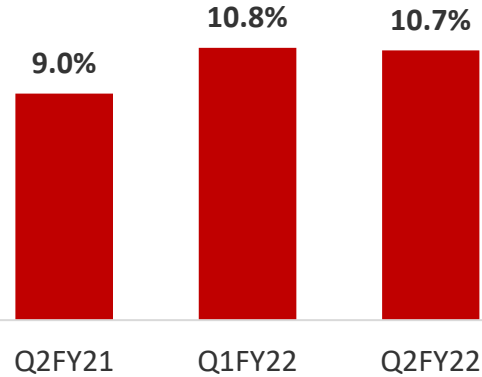
Particulars	Q2FY21	Q2FY22	Growth%	H1FY21	H1FY22	Growth %
<b>Sales (Value)</b>	<b>221.8</b>	<b>212.2</b>	<b>(4.3%)</b>	<b>413.2</b>	<b>424.2</b>	<b>2.6%</b>
Total Operating Income	225.3	215.1	(4.5%)	421.4	430.4	2.2%
Gross Contribution	146.0	125.3	(14.2%)	267.8	249.7	(6.8%)
<b>EBITDA</b>	<b>64.0</b>	<b>50.0</b>	<b>(21.8%)</b>	<b>122.2</b>	<b>103.7</b>	<b>(15.2%)</b>
Other Income	8.4	10.2		19.0	18.5	
Profit before Tax	69.4	57.3	(17.5%)	135.0	116.5	(13.7%)
Tax	12.1	10.0		23.6	20.4	
<b>Profit after Tax</b>	<b>57.3</b>	<b>47.3</b>	<b>(17.5%)</b>	<b>111.4</b>	<b>96.1</b>	<b>(13.7%)</b>
Gross Margin %	65.8%	59.1%		64.8%	58.9%	
ASP to Sales %	18.0%	15.9%		15.7%	14.8%	
EBITDA %	28.9%	23.6%		29.6%	24.4%	
PAT%	25.8%	22.3%		27.0%	22.7%	

# Analysis of Expense as % to Sales

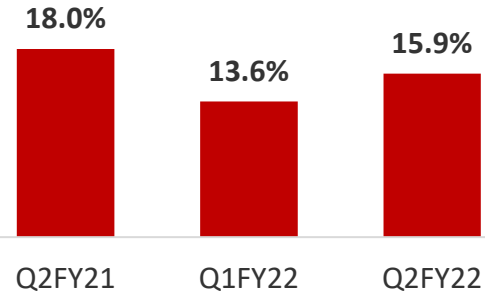
## Material Cost



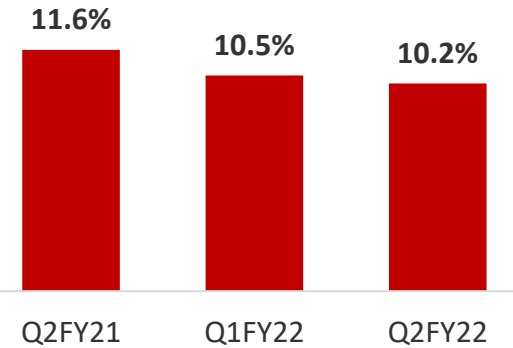
## Employee Cost



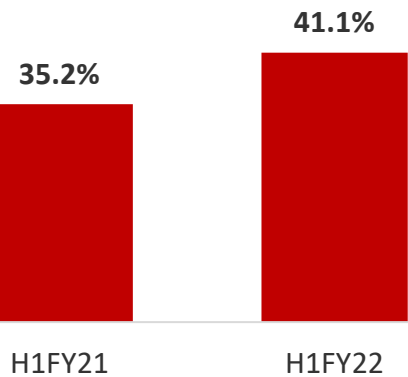
## Advertisement & Sales Promotions



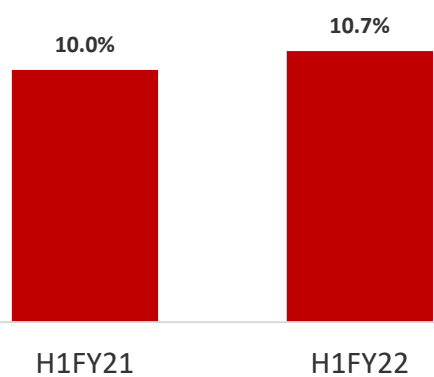
## Other Expenses



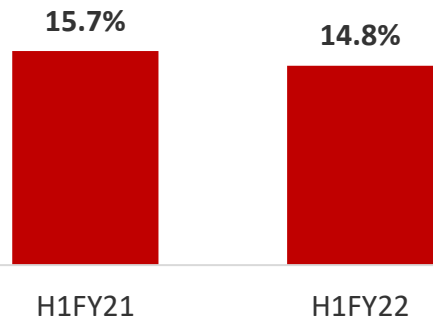
## Material Cost



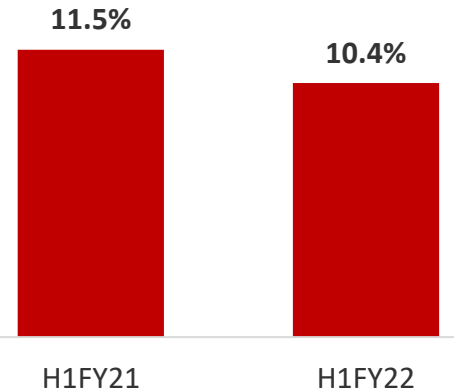
## Employee Cost



## Advertisement & Sales Promotions



## Other Expenses



**Thank You**