

bajaj CONSUMER CARE

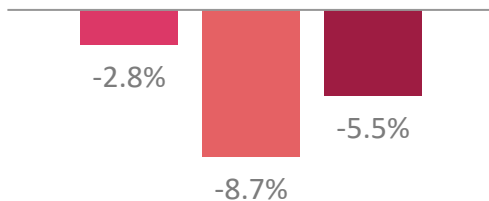
Earnings Presentation
Q2 & H1 FY23



Hair Oil Market Growth Trends

Value Growth %

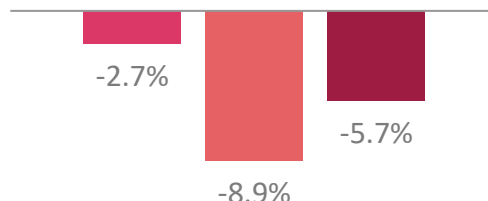
■ Urban ■ Rural ■ All India



Q2 FY23

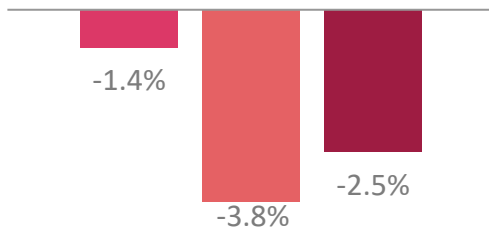
Volume Growth %

■ Urban ■ Rural ■ All India



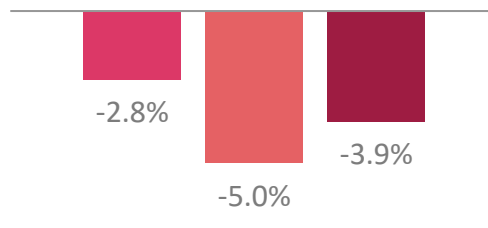
Q2 FY23

■ Urban ■ Rural ■ All India



MAT SEP

■ Urban ■ Rural ■ All India



MAT SEP

Key Highlights

- Hair Oil Market saw muted volumes in Q2 FY23 over same period last year
- Slow down in consumption experienced due to inflationary headwinds
- Decline in demand far sharper in Rural as compared to Urban

Financial Highlights - Standalone

Q2 FY23 v/s Q2 FY22

Sales
INR 227.6 Cr
Y-o-Y
7.2%

Gross Margin
51.8%
v/s
LY 59.1%

A&P
INR 41.4 Cr
Y-o-Y
22.2%

EBITDA Margin
14.0%
v/s
LY 23.6%

H1 FY23 v/s H1 FY22

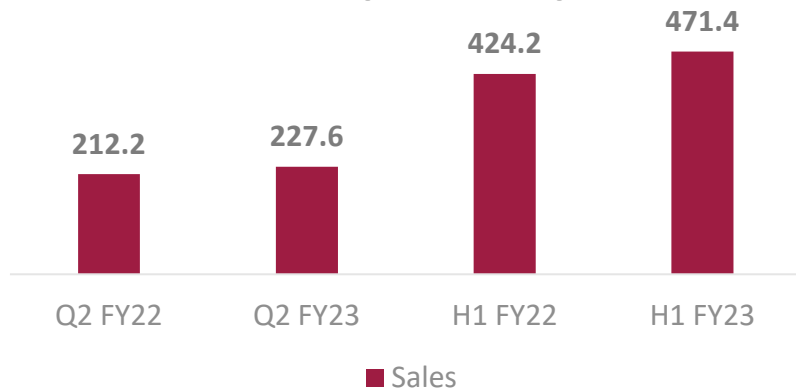
Sales
INR 471.4 Cr
Y-o-Y
11.1%

Gross Margin
53.2%
v/s
LY 58.9%

A&P
INR 86.8 Cr
Y-o-Y
38.7%

EBITDA Margin
14.6%
v/s
LY 24.4%

Sales (in Crores)



- Value Growth of 7% in Q2 FY23 and 11% in H1 FY23 YoY
- Sale of NPD at Rs. 58 crores grew 3X in H1 FY23 YoY contributing to 12% of total Topline





General Trade

- Slight decline in sales in Q2 mainly due to rural slowdown which remains a concern
- Retail Loyalty program has helped build NPD across urban



Modern Trade

- Overall MT has grown by more than 75% in Q2 FY23
- Focus on Channel specific packs instrumental in sales growth
- Saliency at 9% of total sales



E-Commerce

- Performed significantly well with more than 180% growth in Q2 FY23
- Focus on differentiated portfolio strategy, robust media and consumer promotion
- Saliency at 9% of total sales



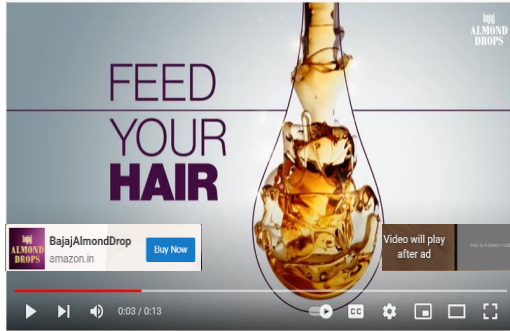
International Business

- Growth of more than 50% in Q2 FY23
- Middle East & Africa performing well backed by efficient distribution & servicing of market
- Strong growth in RoW led by opening of new countries and portfolio expansion

- Consistent Media presence across the Quarter
 - HSM SOV of 18% vs 14% last year
 - Digital presence on Social Media
- Increased Investment in Visibility on E-Commerce Platforms
- New Almond Superfood Campaign started from July

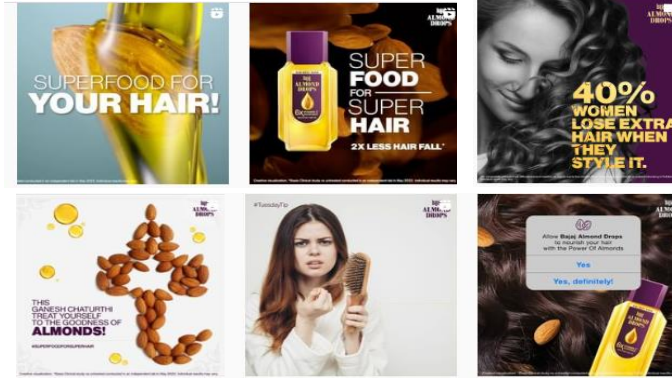


Incremental Reach Via Connected TV



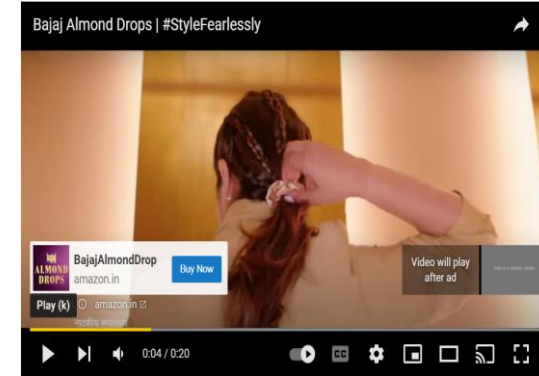
66L views & 91% VTR

Social Marketing



5.6 crore Impressions on Social Media Posts

YouTube



4.7 crore Views On YouTube

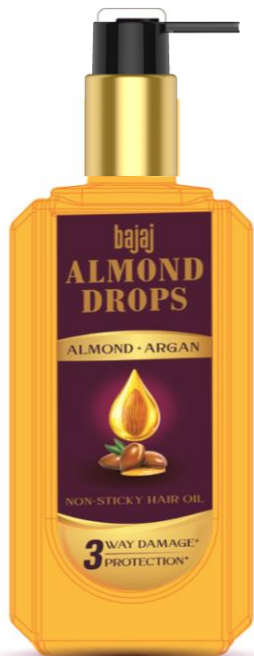
Digital Marketing being used for;

- Increasing thematic reach in cord cutters,
- Build Almond nourishment credentials with power of almond campaigns

Almond Drops Extension Portfolio – Almond + Argan and Serum

ALMOND + ARGAN

Non-Sticky Hair Oil

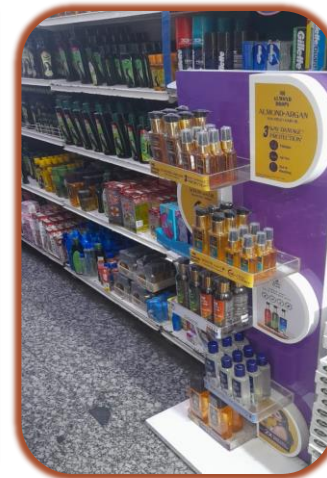


3 Way Damage Protection

SERUM WITH OIL



Long Lasting Frizz Control



- Live on E-Commerce Platforms
- Visibility on E-Commerce Platforms + Retail to drive offtakes

Amla & Coconut Portfolio

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- Amla Share at All India level continues to be ~ 4%
- Thrust on large packs in key Geographies



Bajaj 100% Pure Coconut Oil

- Steady progress being made led by consistent offtakes and repeat demand
- Focus on the brand to grow business in both General and Modern Trade

Bajaj Coco Onion

- Good Traction witnessed in Modern Trade + E-Commerce and select geographies in GT
- Focused TV + Digital Support in Q2 FY23. To continue in Q3

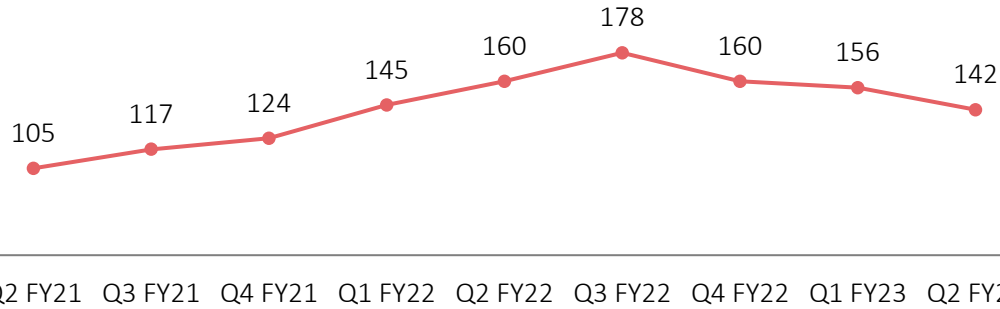


- Both Bajaj 100% Pure and Natyv Soul supported with Visibility on E-Commerce platforms
- Community Marketing Campaign started on Natyv Soul in Q1 continued in Q2
- Natyv Soul Portfolio being rationalised under Conditioner, Shampoo, Hair Oil and Serum range to help focus on marketing spends

Business Operations



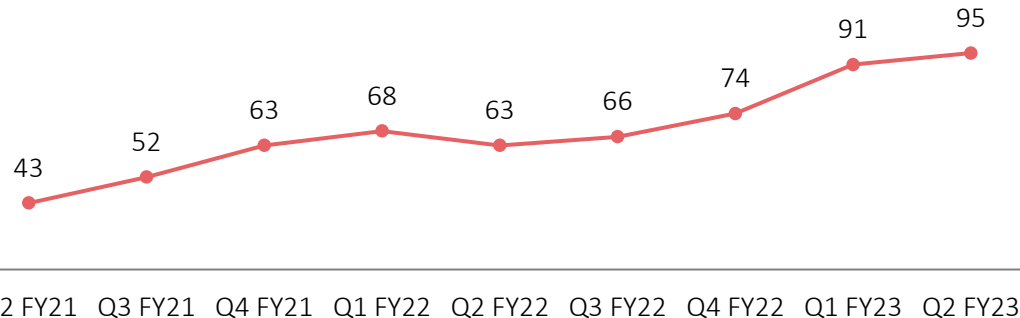
Refined Mustered Oil (RMO) Price (INR / KG)



Refined Mustard Oil (RMO)

Prices have started correcting on account of reduction in other edible oils like palm and soya. Removal of export duty on palm along with slowing demand globally has resulted in lowering mustard prices

Light Liquid Paraffin (LLP) Price (INR / KG)



Light Liquid Paraffin (LLP)

Prices continue to increase on account of increase in crude oil prices, depreciation of INR against USD combined with tightness in refining capacities

- To mitigate the inflationary trend, cost saving initiatives are being driven to bring structural reduction in material costs
- **Value engineering** : Optimisation of specifications of glass and PET bottles
- **Alternate vendor development/transportation** : Alternate vendor development for CFC/Mustard oil/ Vitamin E etc.

The above initiatives would result in a cost saving of Rs. 5 crore for the FY 2022-23

Packing materials

In line with 3R (Reduce, Recycle, Reuse) philosophy, we have taken the following steps in Q2 FY23

Reduce consumption of packaging material to reduce carbon footprint and GHG emissions. Optimization of specifications resulting in

- **Glass**: Reduction in consumption of glass bottles by 8%. This is on top of the 16% done last year
- **Laminates**: Reduction in consumption by 6% (Reduced Poly film thickness & reduced height). This is on top of the 14% done last year

Operations

- 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 30% of our water consumption in H1 FY23 over same period previous year***
- Steps taken in process improvements at the plants has helped in reduction of wastages of certain critical categories like laminates by around 25% over last year

Guwahati

Greentech Foundation Award Winner for Outstanding Achievements in Environment Protection



Paonta Sahib

Platinum & Gold Awards from APEX India in Occupational Health & Safety Category



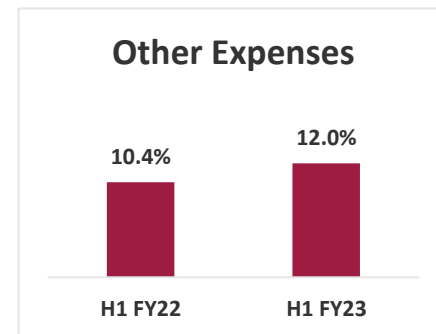
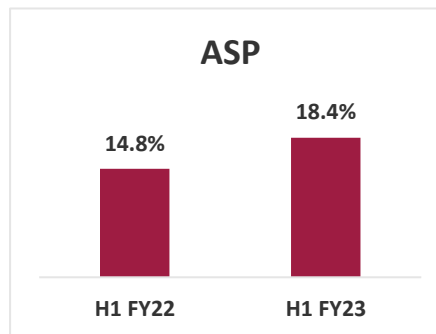
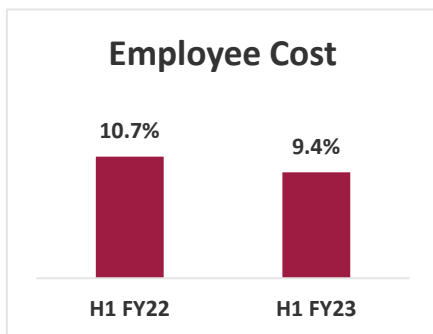
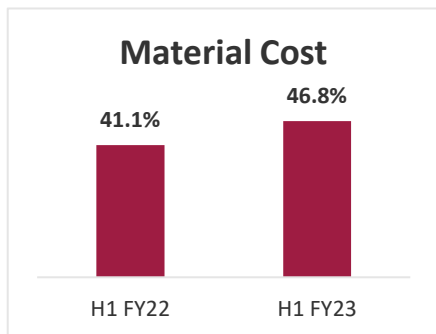
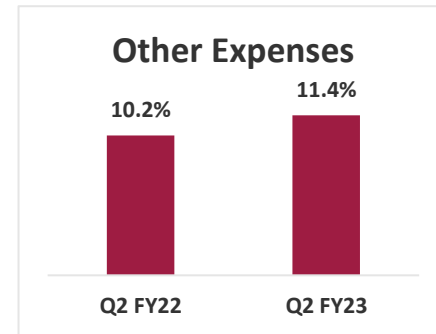
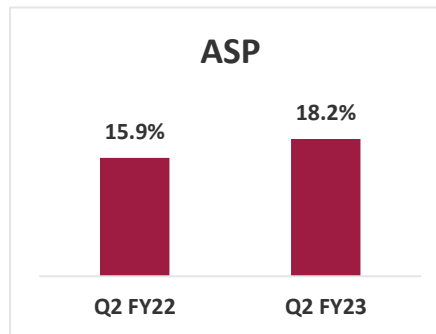
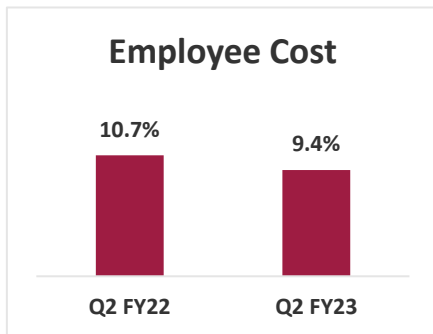
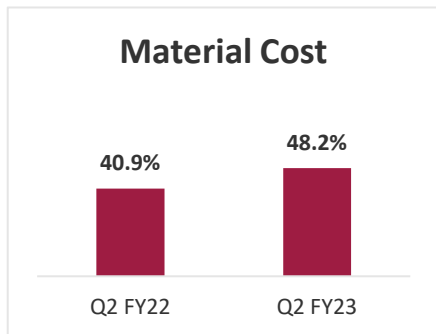
Paonta Sahib

35th CII Quality Circle Competition 2022
Special recognition Award

Financials



Expenses To Sales Trend – Standalone



Financial Performance – Q2 & H1 FY23 Standalone

Figures in Rs. Crore

Particulars	Q2 FY22	Q2 FY23	YoY%	H1 FY22	H1 FY23	YoY%
Net Sales Value	212.2	227.6	7.2%	424.2	471.4	11.1%
Other Operating Income	2.9	2.7	-6.9%	6.3	5.7	-9.3%
Total Operating Income	215.1	230.3	7.0%	430.4	477.0	10.8%
Cost of Goods sold	86.9	109.8	26.3%	174.5	220.5	26.3%
Contribution	125.3	117.8	-6.0%	249.7	250.9	0.5%
% of Sales	59.1%	51.8%		58.9%	53.2%	
Employee Cost	22.7	21.4	-5.6%	45.5	44.1	-3.2%
Advertisement & Sales Prom.	33.8	41.4	22.2%	62.6	86.8	38.7%
Other Expenses	21.7	25.9	19.3%	44.1	56.7	28.7%
EBITDA	50.0	31.9	-36.3%	103.7	68.9	-33.6%
% of Sales	23.6%	14.0%		24.4%	14.6%	
Other Income	10.2	9.9		18.5	16.6	
Finance Cost	0.5	0.3		0.9	0.5	
Depreciation and Amortisation	1.1	1.7		2.2	3.7	
Corporate Social Responsibility	1.3	1.2		2.6	2.4	
Profit Before Tax (PBT)	57.3	38.5	-32.8%	116.5	78.9	-32.2%
Tax Expenses	10.0	6.7		20.4	13.8	
Profit After Tax (PAT)	47.3	31.8	-32.8%	96.1	65.1	-32.2%
% of Sales	22.3%	14.0%		22.7%	13.8%	

Financial Performance – Q2 & H1 FY23 Consolidated

Figures in Rs. Crore

Particulars	Q2 FY22	Q2 FY23	YoY%	H1 FY22	H1 FY23	YoY%
Net Sales Value	213.2	229.7	7.7%	426.6	476.2	11.6%
Other Operating Income	2.9	2.7	-6.9%	6.3	5.7	-9.3%
Total Operating Income	216.2	232.5	7.5%	432.9	481.9	11.3%
Cost of Goods sold	86.9	110.1	26.7%	174.3	221.1	26.8%
Contribution	126.3	119.7	-5.3%	252.3	255.1	1.1%
% of Sales	59.2%	52.1%		59.1%	53.6%	
Employee Cost	23.1	21.9	-5.0%	46.4	45.1	-2.8%
Advertisement & Sales Prom.	34.8	42.2	21.2%	64.3	88.5	37.7%
Other Expenses	22.0	26.4	20.1%	44.7	57.7	29.1%
EBITDA	49.4	31.8	-35.5%	103.2	69.5	-32.7%
% of Sales	23.2%	13.9%		24.2%	14.6%	
Other Income	10.2	9.9		18.5	16.6	
Finance Cost	0.5	0.3		0.9	0.5	
Depreciation and Amortisation	1.2	1.8		2.4	3.9	
Corporate Social Responsibility	1.3	1.2		2.6	2.4	
Profit Before Tax (PBT)	56.5	38.4	-32.1%	115.7	79.3	-31.5%
Tax Expenses	10.0	6.7		20.3	13.7	
Profit After Tax (PAT)	46.5	31.7	-31.9%	95.4	65.6	-31.3%
% of Sales	21.8%	13.8%		22.4%	13.6%	

Standalone Balance Sheet as at September 30, 2022

Particulars	30.09.2022	31.03.2022
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	44.4	45.2
(b) Capital Work in progress	1.4	1.4
(c) Other Intangible Assets	1.0	1.2
(d) Right-of-use asset	10.6	-
(e) Financial Assets		
(i) Investments	166.4	159.3
(ii) Others	3.9	4.4
(f) Other non-current assets	1.7	0.1
Total Non-Current Assets	229.3	211.6
2. Current Assets		
(a) Inventories	48.0	55.4
(b) Financial Assets		
(i) Investments	619.2	611.6
(ii) Trade Receivables	39.9	20.0
(iii) Cash and Cash Equivalents	5.2	9.5
(iv) Bank Balances other than (iii)	2.9	2.9
(v) Others	1.8	0.9
(c) Current Tax Assets (Net)	0.4	0.0
(d) Other Current Assets	47.5	43.3
Total Current Assets	764.9	743.7
TOTAL ASSETS	994.2	955.3

Particulars	30.09.2022	31.03.2022
EQUITY AND LIABILITIES		
1. Equity		
(a) Share Capital	14.8	14.8
(b) Other Equity	831.4	824.4
Total Equity	846.1	839.2
2. Non-Current Liabilities		
(a) Financial Liabilities		
(i) Lease Liabilities	7.8	-
(b) Provision for Employee Benefit	3.6	3.7
Total Non Current Liabilities	11.5	3.7
3. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	7.5	-
(ii) Trade Payable		
(a) Total Dues to micro and small enterprises.	3.6	2.1
(b) Creditors Other Than (a)	49.3	43.2
(iii) Lease Liabilities	3.0	-
(iv) Other Financial Liabilities	61.7	54.7
(b) Other Current Liabilities	9.5	10.8
(c) Provisions for employee Benefit	2.0	1.6
Total Current Liabilities	136.6	112.5
TOTAL EQUITY AND LIABILITIES	994.2	955.3

Consolidated Balance Sheet as at September 30, 2022

Figures in Rs. Crore

Particulars	30.09.2022	31.03.2022
ASSETS		
1. Non-Current Assets		
(a) Property, Plant & Equipment	106.6	107.6
(b) Capital Work in progress	27.6	27.5
(c) Goodwill	43.0	43.0
(d) Other Intangible Assets	1.0	1.2
(e) Right-of-use asset	10.6	-
(f) Other Financial Assets	4.3	4.8
(g) Deferred tax assets (net)	0.2	0.2
(h) Other non-current assets	1.7	0.1
Total Non Current Assets	195.0	184.5
2. Current Assets		
(a) Inventories	49.1	57.1
(b) Financial Assets		
(i) Investments	619.2	611.6
(ii) Trade Receivables	37.4	19.1
(iii) Cash and Cash Equivalentents	15.0	11.5
(iv) Bank Balances other than (iii)	2.9	2.9
(v) Others	1.8	0.9
(c) Current Tax Assets (Net)	0.4	0.0
(d) Other Current Assets	48.2	43.7
Total Current Assets	774.0	747.0
TOTAL ASSETS	969.0	931.5

Particulars	30.09.2022	31.03.2022
EQUITY AND LIABILITIES		
1. Equity		
(a) Share Capital	14.8	14.8
(b) Other Equity	801.5	794.9
Total Equity	816.3	809.6
2. Non-Current Liabilities		
(a) Financial Liabilities		
(i) Lease Liabilities	7.8	-
(b) Provision for Employee Benefit	3.6	3.7
Total Non Current Liabilities	11.5	3.7
3. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	7.5	-
(ii) Trade Payable		
(a) Total Dues to micro and small enterprises.	3.6	2.1
(b) Creditors Other than (a)	49.5	43.4
(iii) Lease Liabilities	3.0	-
(iv) Other Financial Liabilities	66.1	59.0
(b) Other Current Liabilities	9.7	12.0
(c) Provisions for employee Benefit	2.0	1.6
Total Current Liabilities	141.3	118.1
TOTAL EQUITY AND LIABILITIES	969.0	931.5

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