

# **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**



# STRATEGY IN ACTION – STATE 1



**USE OF LOCAL CELEBRITY**



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

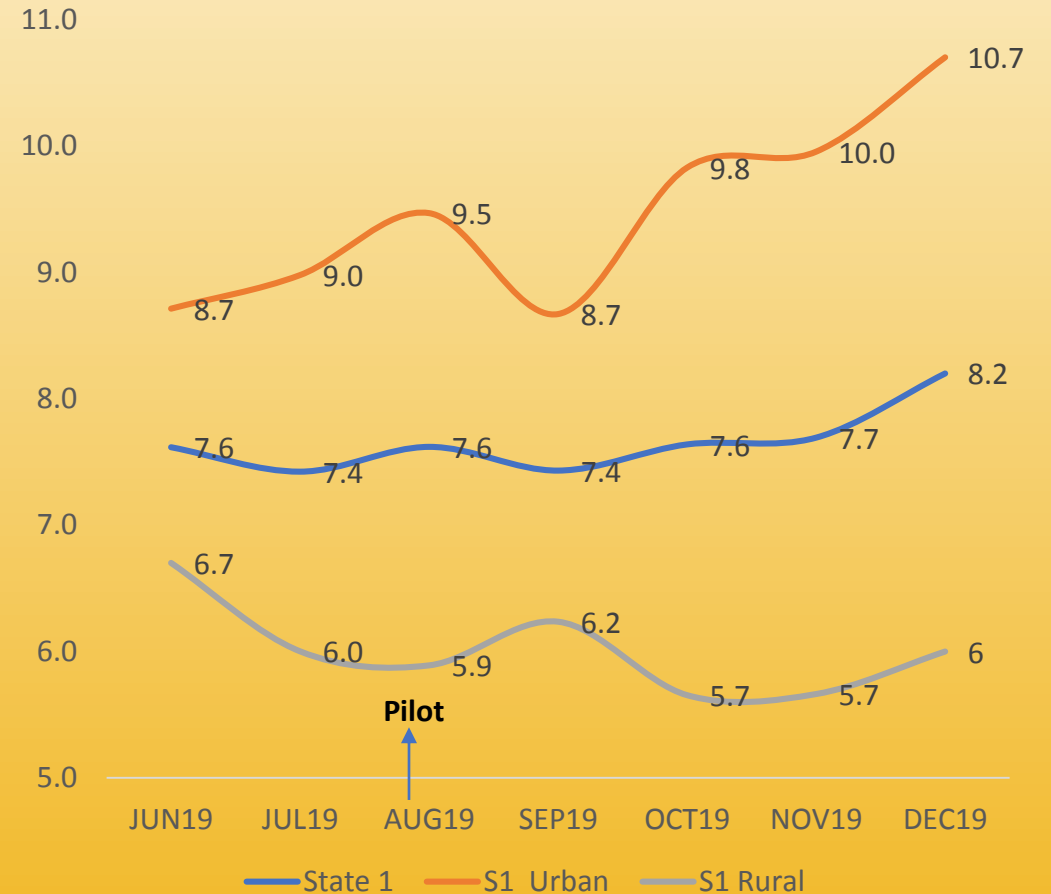


**FOCUS ON HERO SKUS  
– 160ml & 50ml**



**COVERAGE EXPANSION**

MS VAL% - State 1



# STRATEGY IN ACTION – STATE 2



**HIGH SOV = 21%**



**COVERAGE EXPANSION**



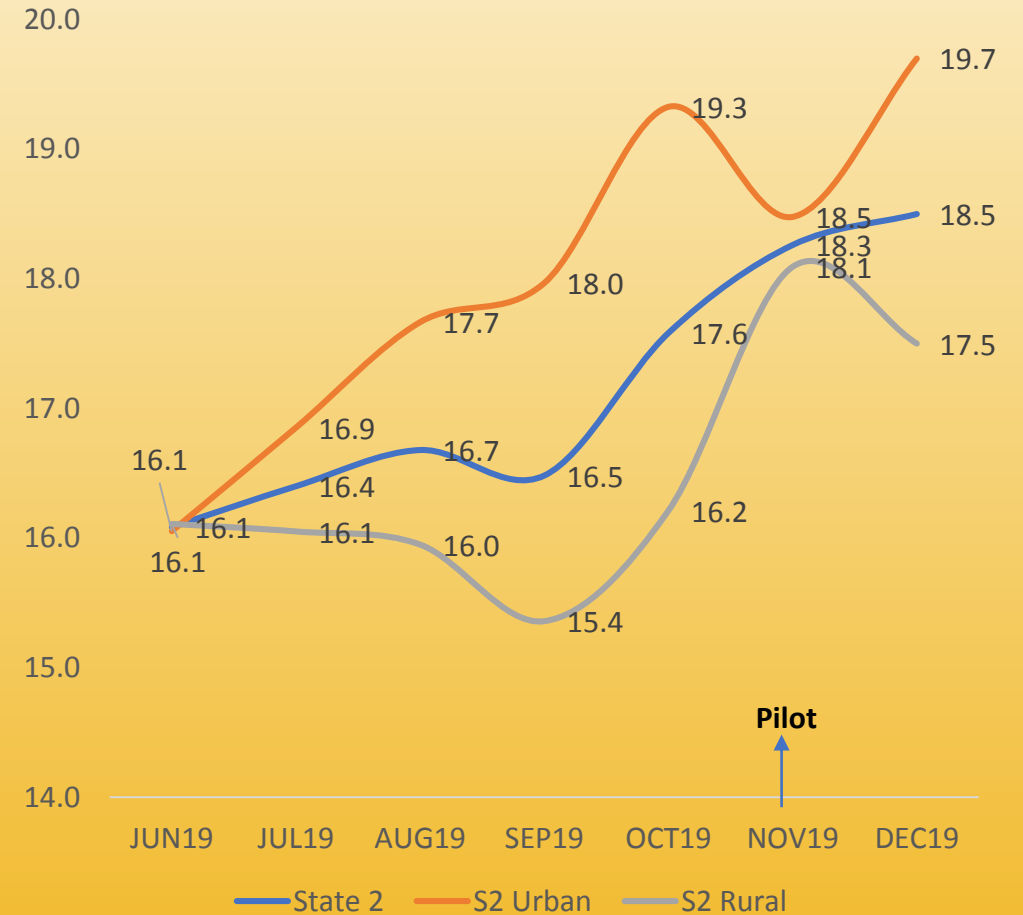
**RURAL ACTIVATIONS**



**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**

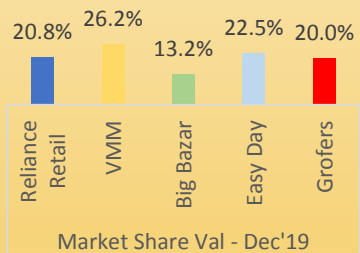


**NASCENT  
CATEGORY  
EXPANDING FAST**

# GROWTH IN ALTERNATE CHANNELS



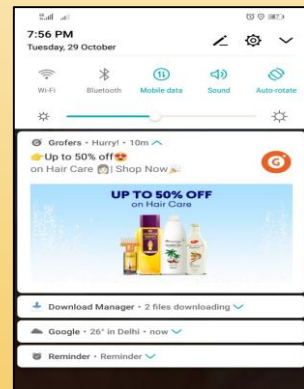
## MS VAL - (DEC'19)



**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



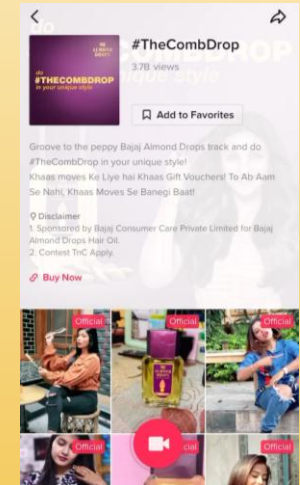
**10% OF TOTAL INVESTMENTS ON DIGITAL**



**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**

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

**1 million**  
unique creators

**3 million**  
videos uploaded

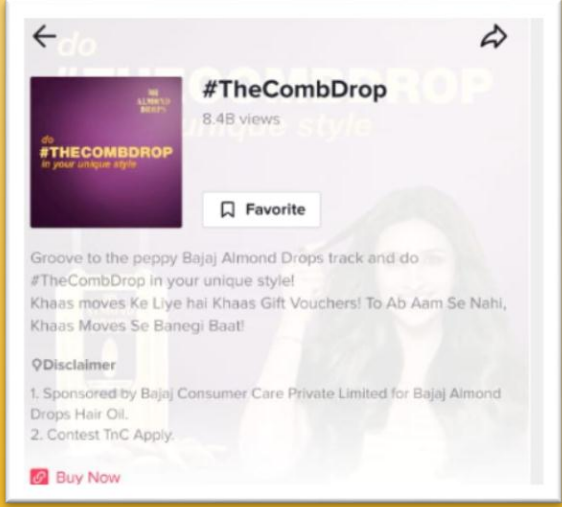
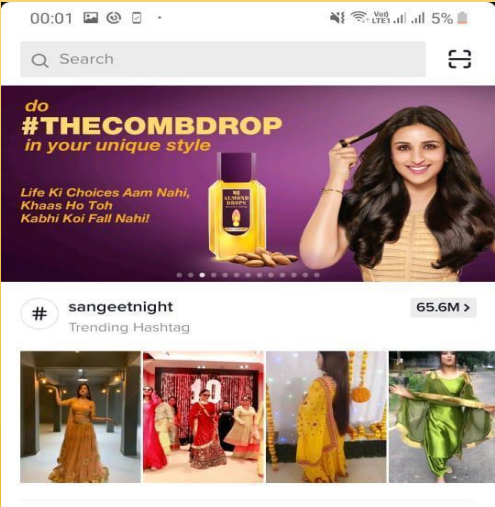
**3.2 billion**  
total views

**YOUTUBE**

3 Curated Videos on YouTube in Jan

**>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*

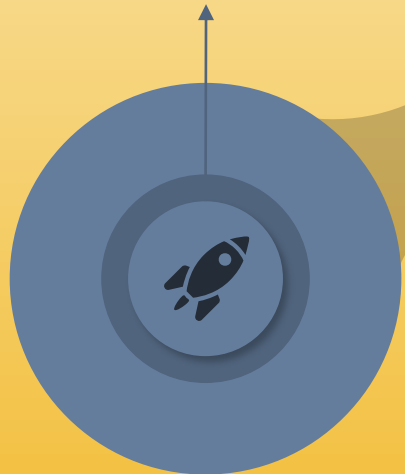


# HR Automation tool – Success Factor

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

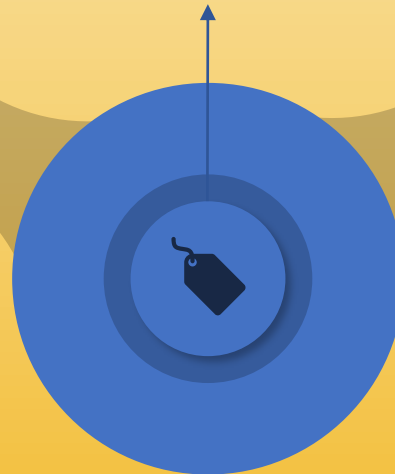
## Employee Central

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



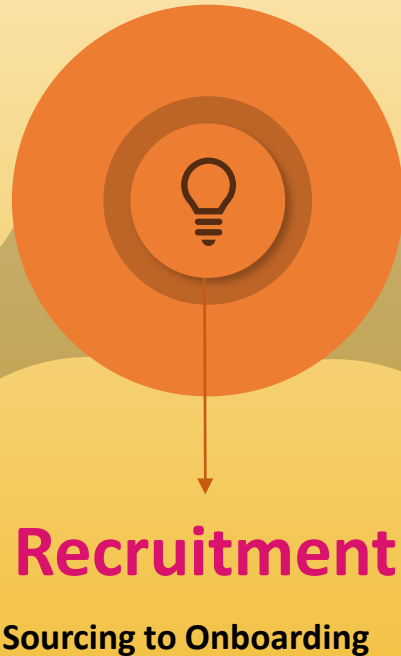
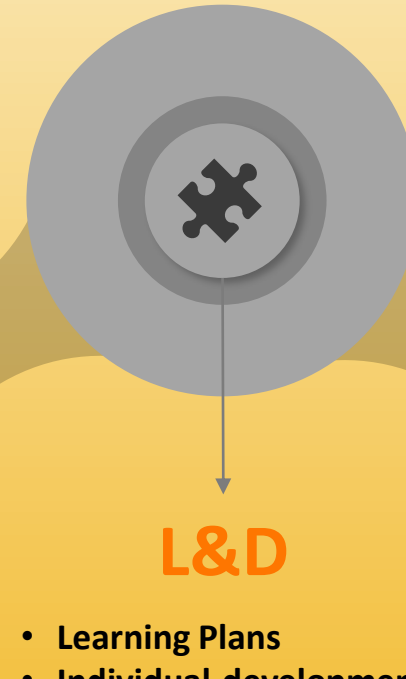
## Performance Management

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



## Succession & Development

Succession Planning  
Career Paths



## L&D

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



**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

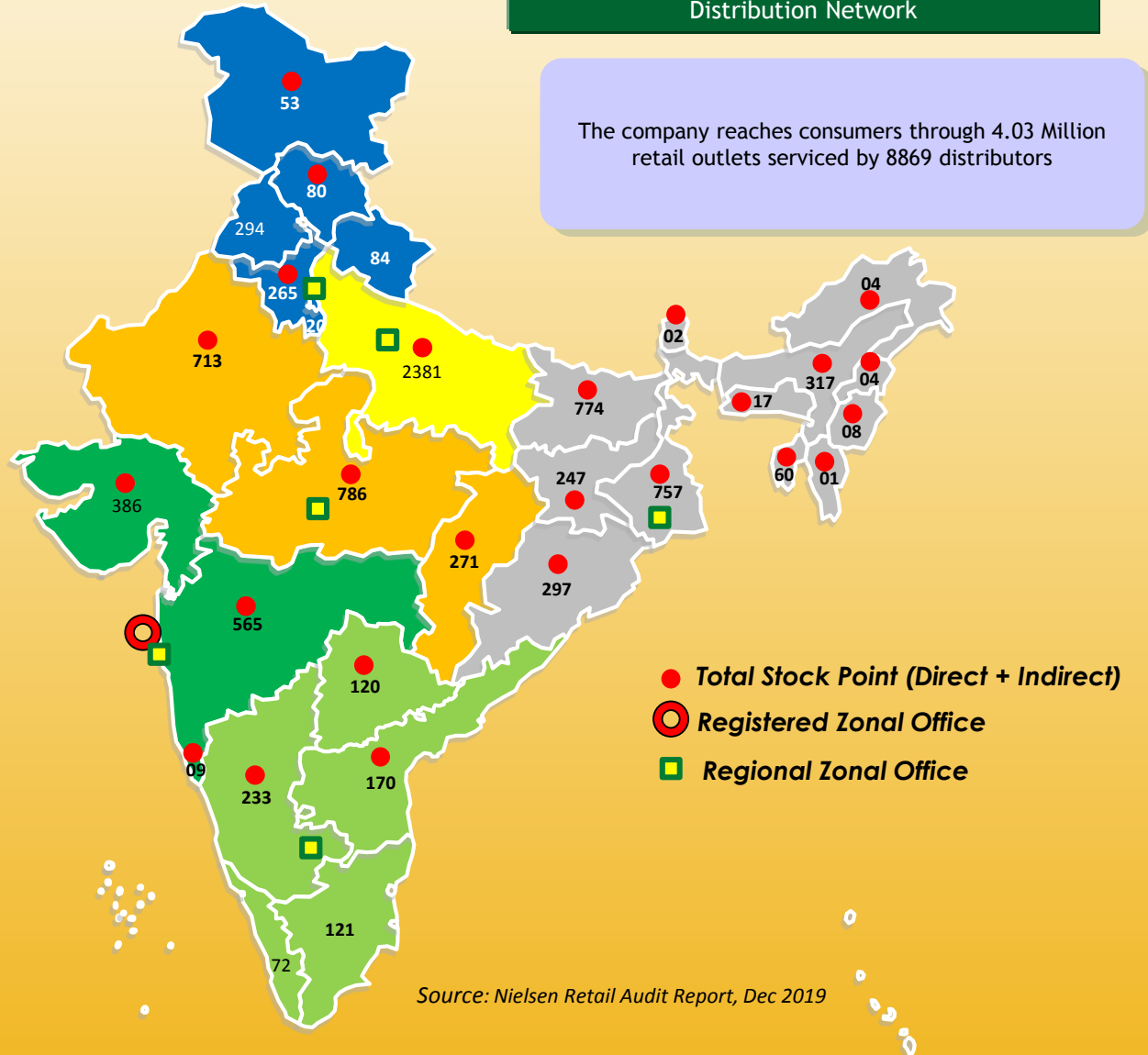
Joined BCCL on May 2018. He has completed his PG Diploma in Supply Chain Management from Symbiosis Centre for Distance Learning, Pune and has 20 years of experience in organizations like Piramal Enterprises Ltd, Reliance Retail Ltd & Reliance Industries Ltd.



## Key Indicators

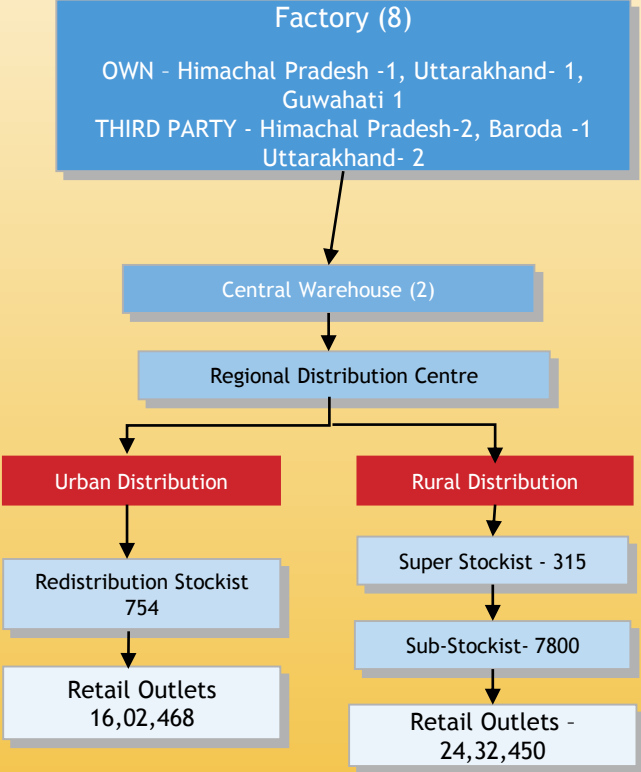
# Strong Distribution Network

## Distribution Network



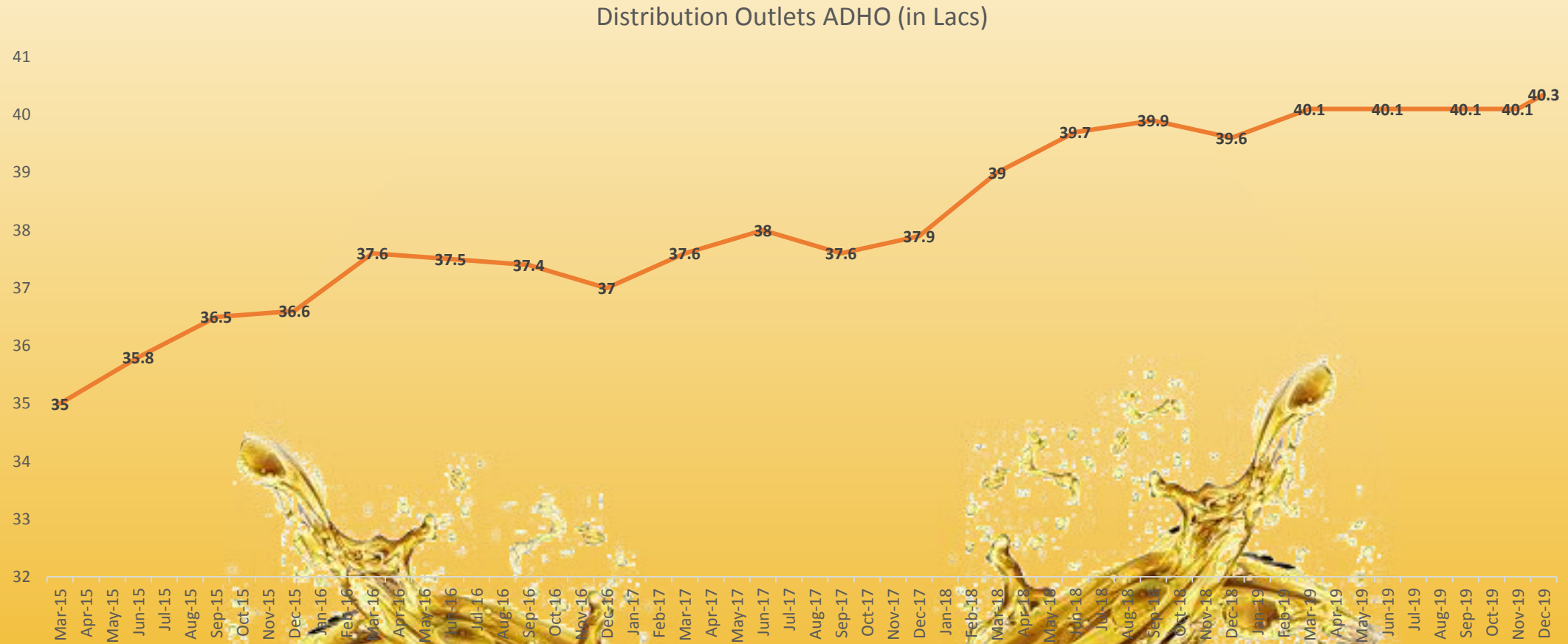
Source: Nielsen Retail Audit Report, Dec 2019

## Distribution Structure



# Sales & Distribution

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



# Sales Value Breakup by Channel (Q3 FY 20)

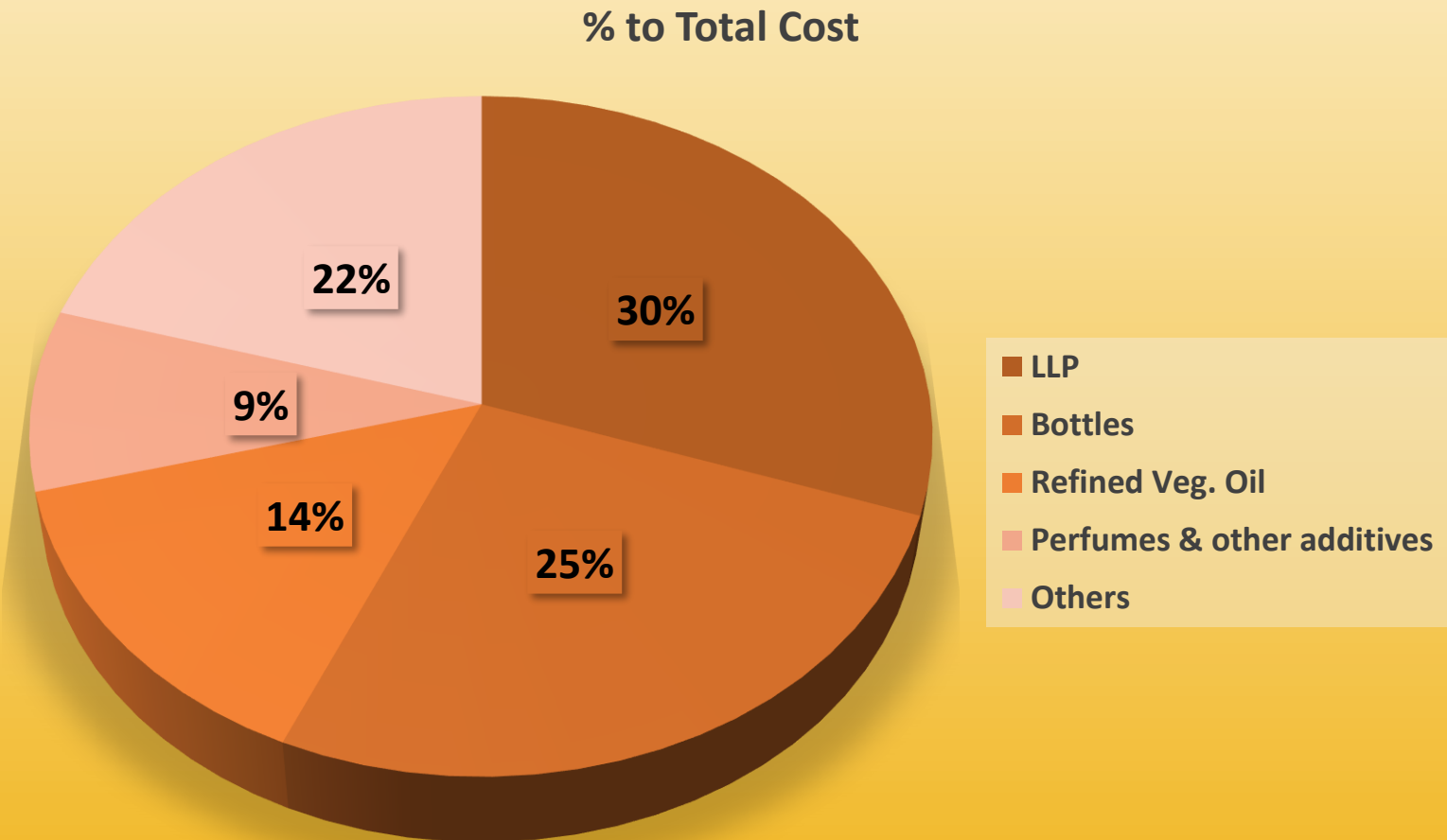
Channel	Q3 FY20 Salience%	Growth Q3 FY20
General Trade	84.61%	-7.67%
Modern Trade	9.62%	8.50%
<b>Total Domestic excluding CSD</b>	<b>94.23%</b>	<b>-6.24%</b>
Canteen Stores Department	3.06%	-30.77%
<b>Total Domestic</b>	<b>97.29%</b>	<b>-7.27%</b>
International Business	2.71%	-13.01%
<b>Total For the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

# Standalone Financials

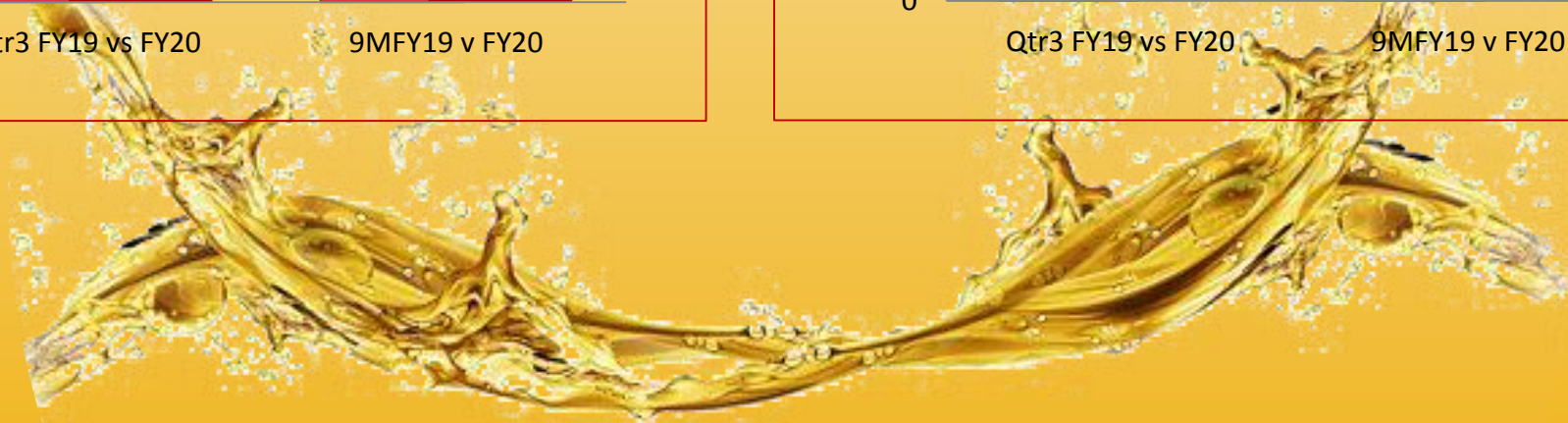
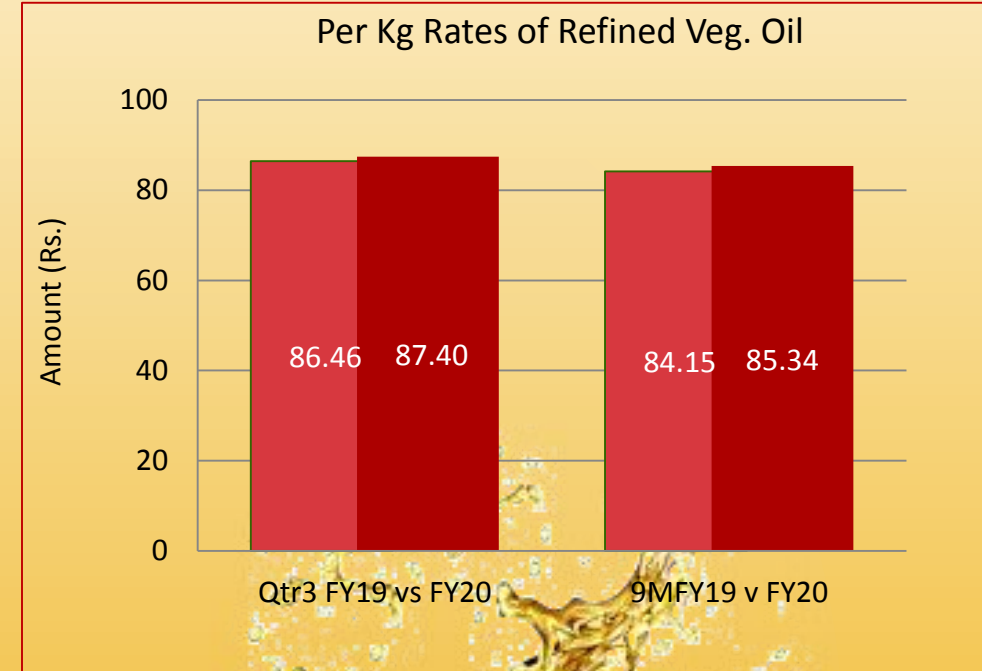
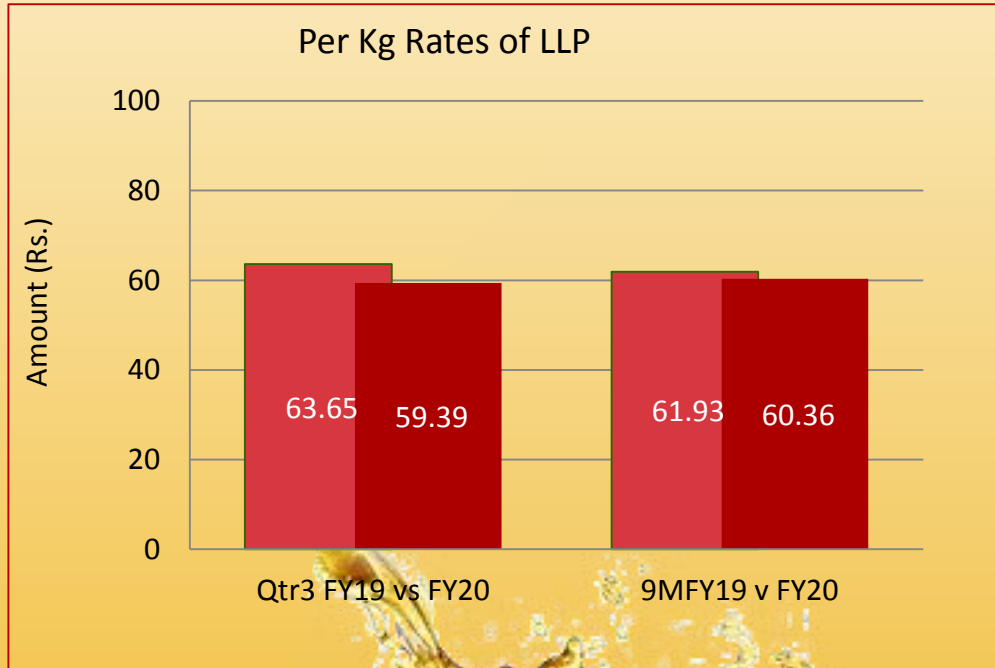
Rs. Crs

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)

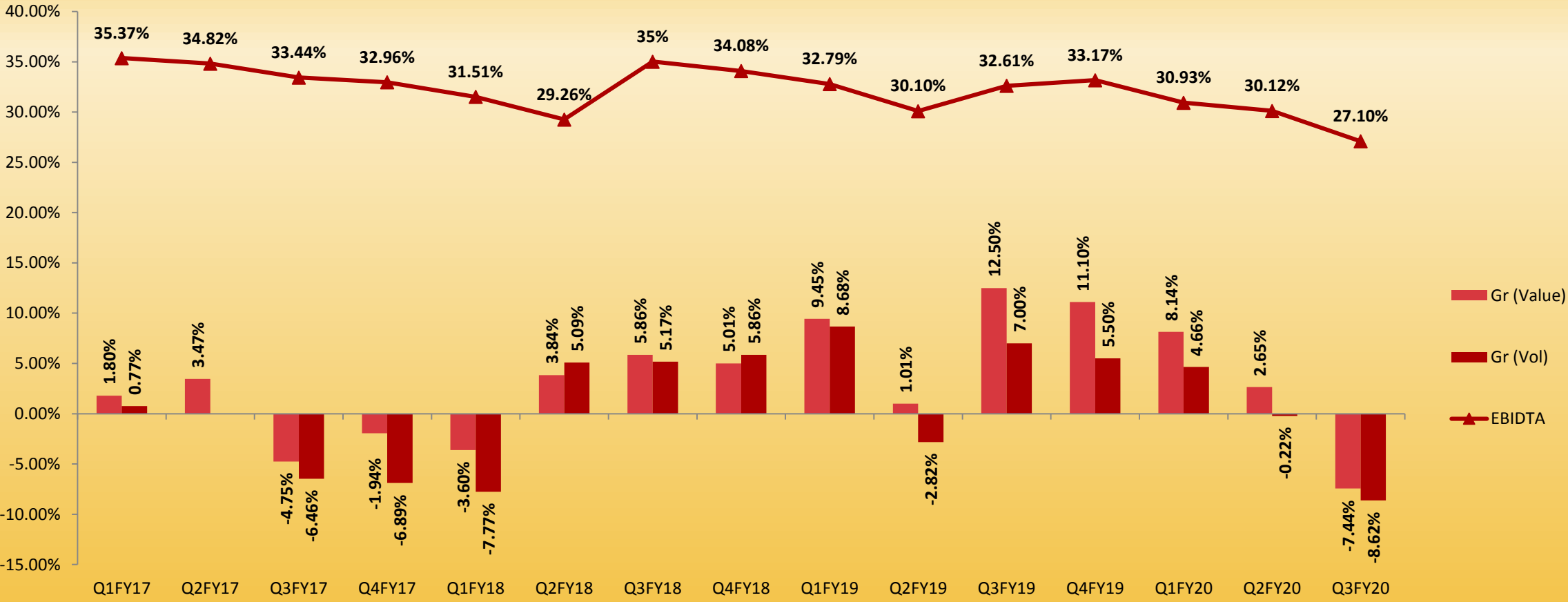


# Change in prices of Key Ingredients





# 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:

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[kushal@bajajconsumer.com](mailto:kushal@bajajconsumer.com)

