bajaj corp limited

February 22, 2016

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121/2037/2039 Stock Code: 533229	National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C/1, 'G'Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: BAJAJCORP

Dear Sir/ Madam,

Sub: Disclosure under Regulation 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Revised Investor Presentation

Pursuant to Regulation 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith revised Investor Presentation 'January 2016 - Version 2'. The said presentation will be uploaded on the website of the Company.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For Bajaj Corp Limited

Hitesh Kanani
General Manager – Company Secretary

Encl: a.a.

bajaj Corp Ltd.

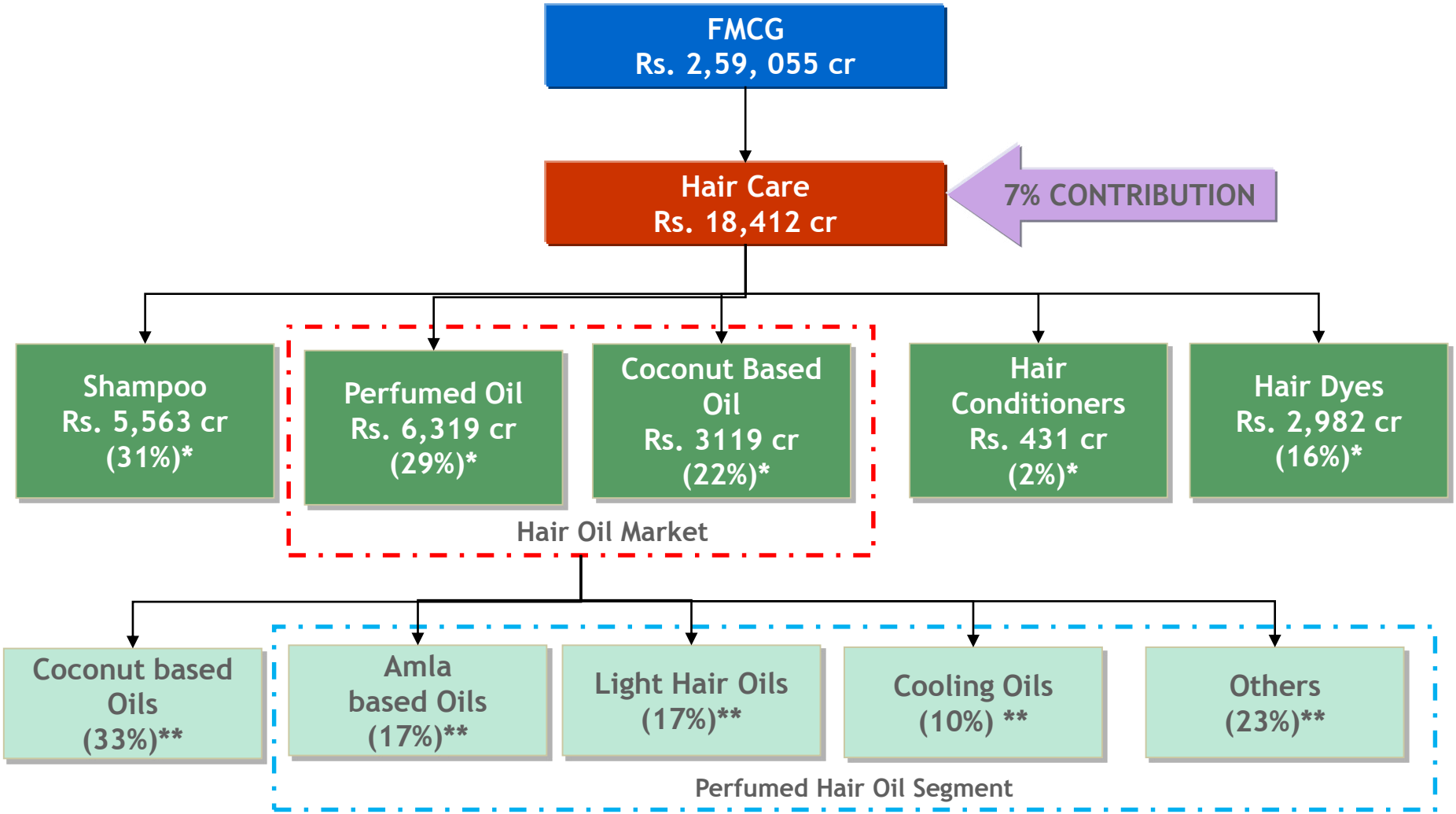
Investor Presentation

January 2016- Version 2

Please note that Nielsen has changed its sample size and hence this presentation contains recast Retail data numbers

Industry Overview

INDUSTRY SIZE AND STRUCTURE

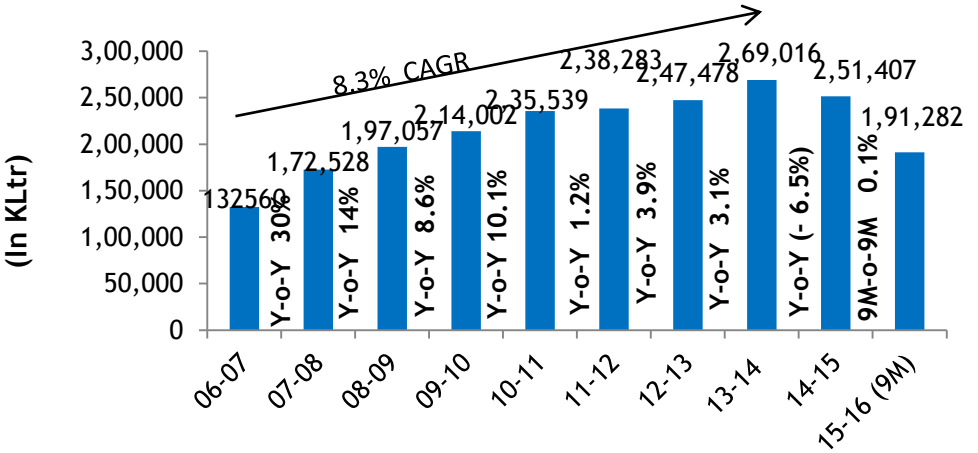


Source: AC Nielsen Retail Audit Report.
Only branded products data for MAT SEP 15

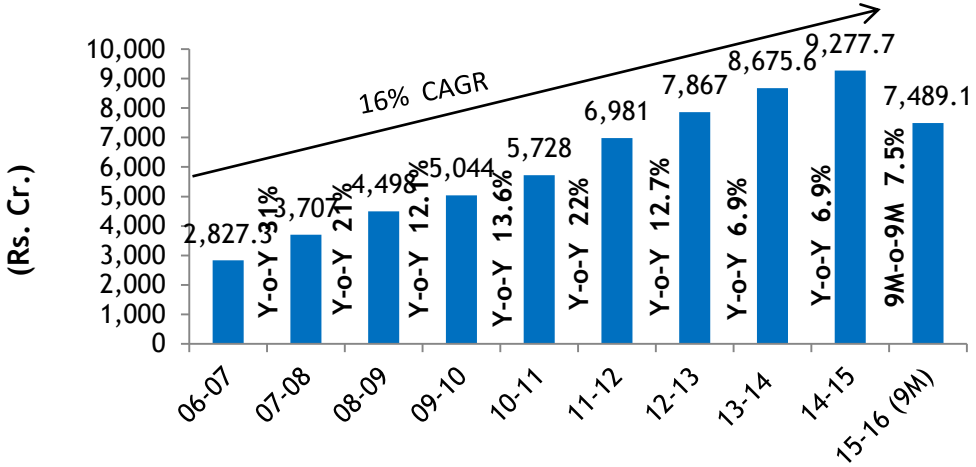
* Value based share of Hair Care Market
** Value based share of Hair Oil Market

Hair Oil Market in India

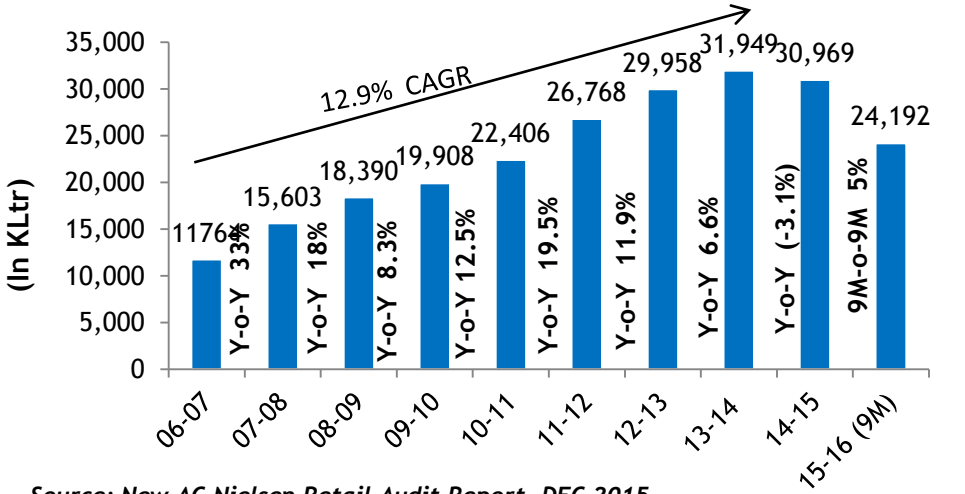
Overall Hair Oil Market - Volume



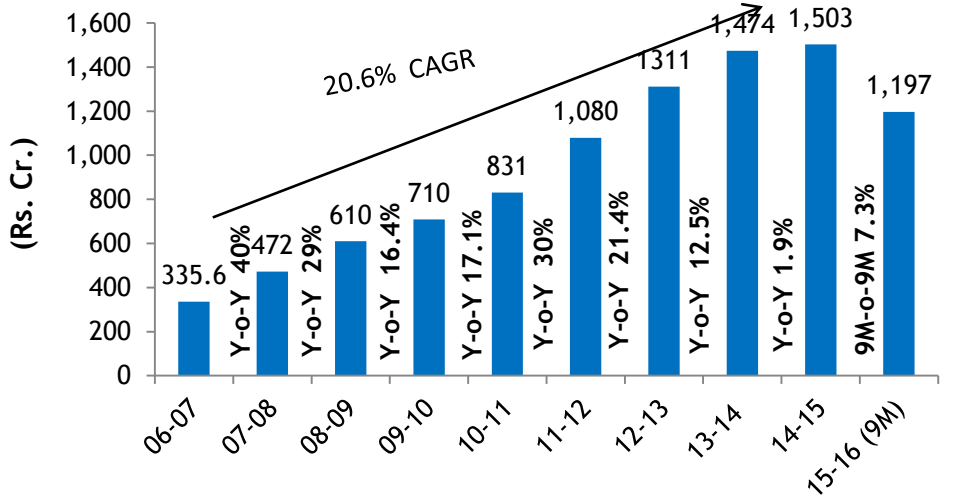
Overall Oil Market - Value



Light Hair Oil - Volume



Light Hair Oil - Value

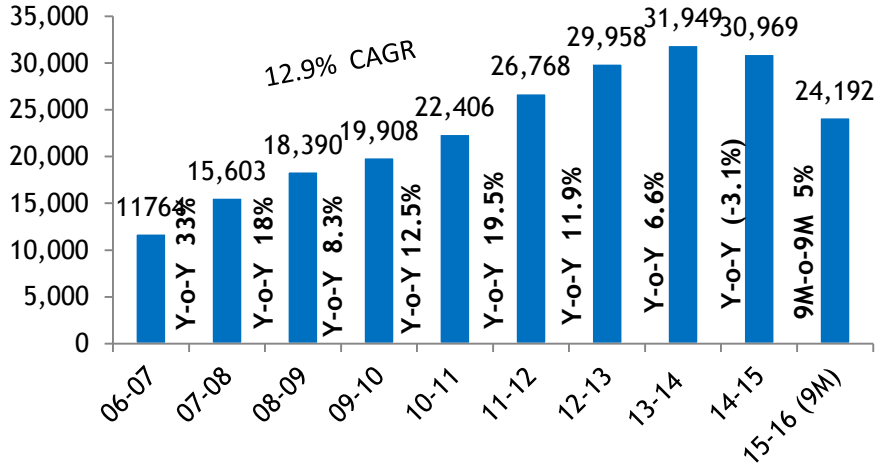


Source: New AC Nielsen Retail Audit Report, DEC 2015.

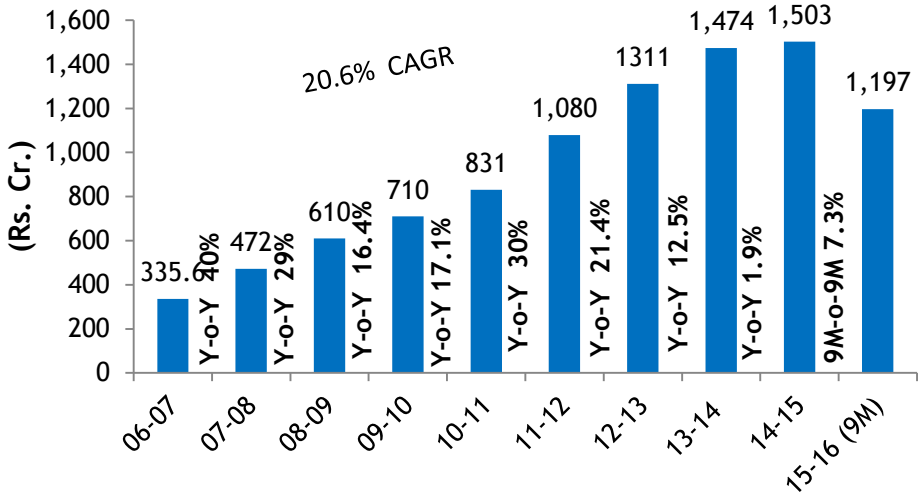
Hair Oil category remains flat on volumes, Light Hair Oil is growing steady at 5%.

Light Hair Oil Market in India

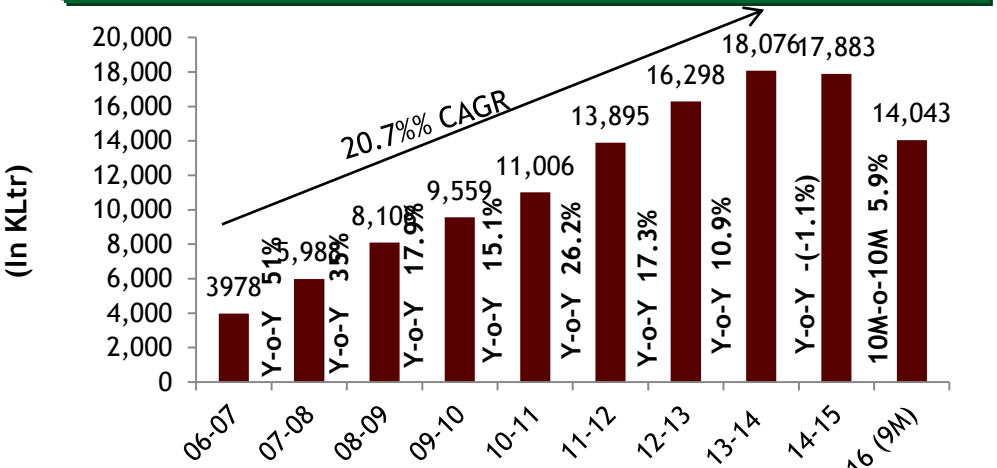
Light Hair Oil - Volume



Light Hair Oil - Value

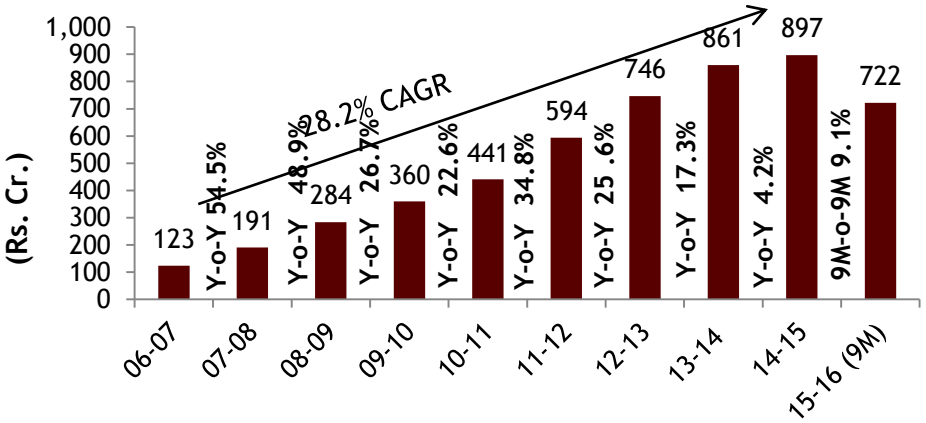


Almond Drops Hair Oil Market - Volume



Source: New AC Nielsen Retail Audit Report, DEC 2015.

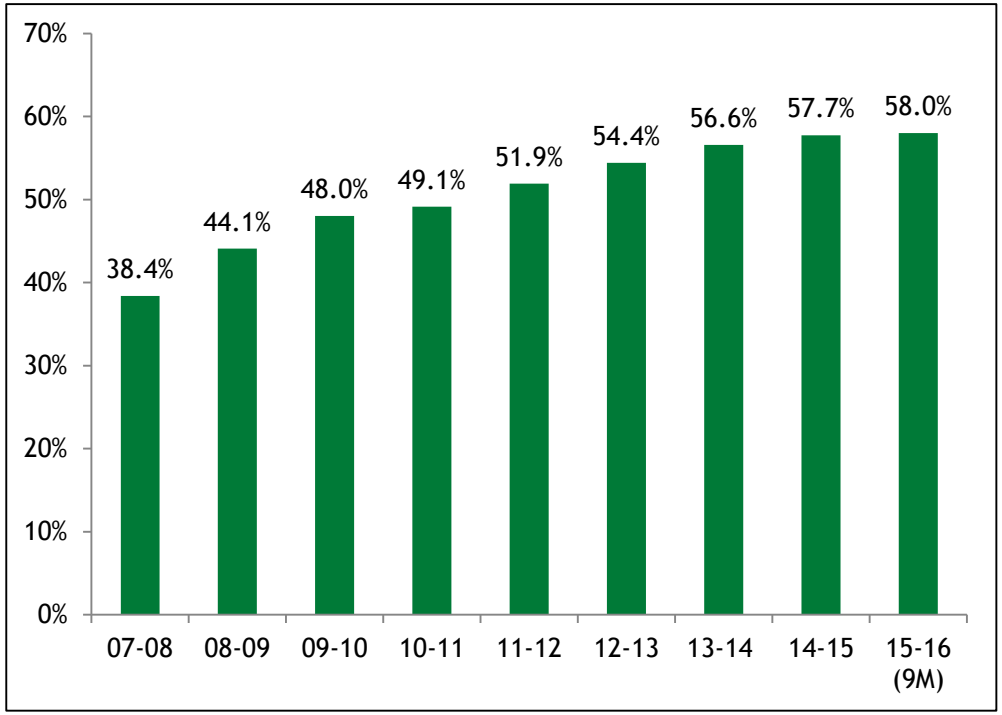
Almond Drops Hair Oil Market - Value



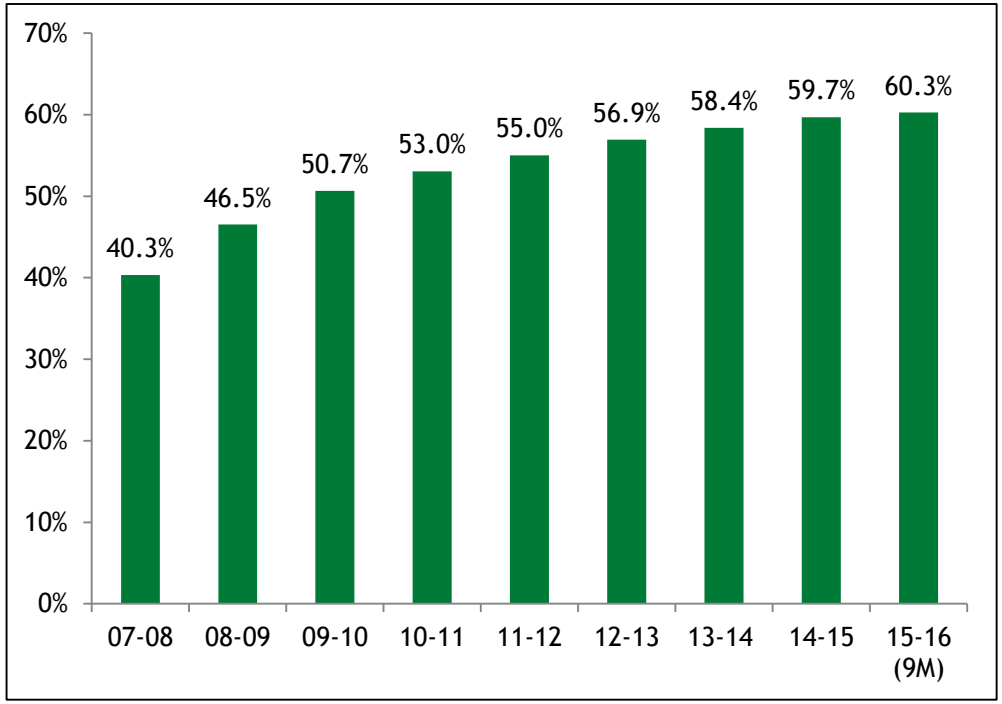
Almond Drops is the brand which is driving light hair oils and in turn the overall market

Market Shares Trends (All India - Urban Plus Rural)

Volume MS



Value MS

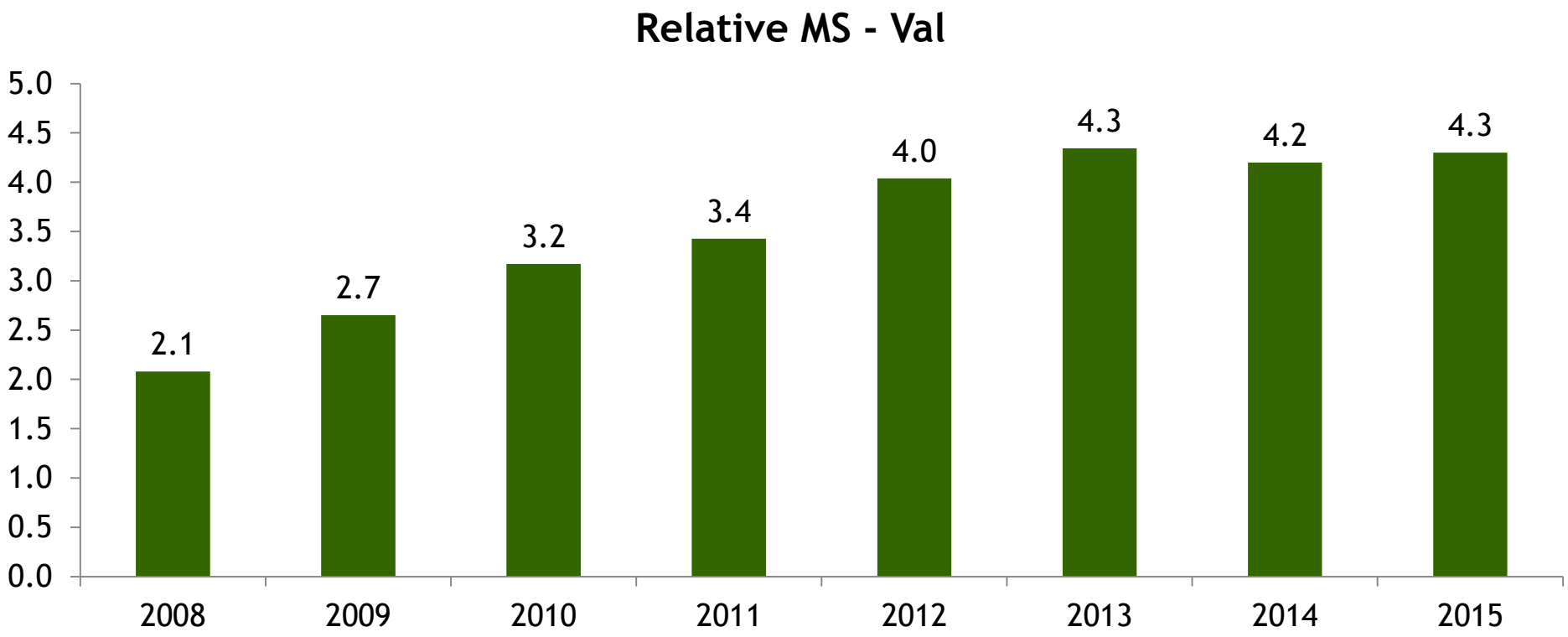


***Market Share in the Light Hair Oil Category**

*Source: New AC Nielsen Retail Audit Report, **DEC2015***

ADHO - Relative Market Share - Value Trend

Relative Market share is the ratio of Almond Drops market share to the next largest competitor in LHO segment



Source - New AC Nielsen Retail Audit Report, DEC 2015

Strong Relative market share demonstrates the strength of the brand

ADHO - Relative Market Shares - Value

State	Relative MS	Rank
Delhi	4.2	1st
Rajasthan	1.4	1st
Punjab	3.3	1st
HP-JK	4.0	1st
Haryana	4.5	1st
Uttaranchal	4.3	1st
North Zone	**2.6**	**1st**
Assam	5.3	1st
North East	2.9	1st
Bihar	9.0	1st
Orissa	5.3	1st
West Bengal	2.9	1st
Jharkhand	6.5	1st
East Zone	**5.3**	**1st**
All India	**4.2**	**1st**

State	Relative MS	Rank
Uttar Pradesh	4.2	1st
Uttaranchal	4.3	1st
Madhya Pradesh	3.6	1st
Chhattisgarh	8.0	1st
Central Zone	4.7	1st
Gujarat	2.2	1st
Mumbai	3.4	1st
Maharashtra	4.2	1st
West Zone	**3.7**	**1st**
Andhra Pradesh	1.1	2nd
Karnataka	6.6	1st
Kerala	2.4	1st
Tamil Nadu	0.8	2nd
South Zone	**1.7**	**1st**
All India	**4.2**	**1st**

Relative Market share is the ratio of Almond Drops market share to the next largest competitor in LHO segment
Rank is the position of ADHO in respective state

Source -New AC Nielsen Retail Audit Report, DEC 2015

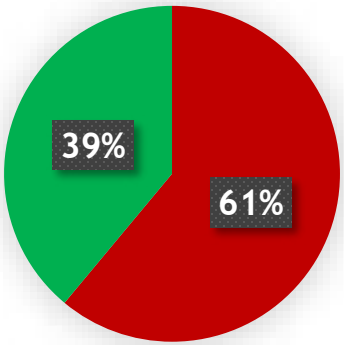
Statewise Market Share

Feb 15- Jan 16	LHO Volume Saliency	Proportion % Urban	Proportion % Rural	ADHO Market Share % (Vol) Total	ADHO Market Share % (Vol) Urban	ADHO Market Share % (Vol) Rural
All India (U+R)		61%	39%	58%	55%	63%
Delhi	6%	100.0%		57%		
Punjab	4%	73%	27%	53%	52%	57%
Haryana	6%	83%	17%	58%	56%	69%
HP-JK	1%	45%	55%	53%	48%	58%
Rajasthan	8%	48%	52%	47%	49%	45%
Uttar Pradesh	22%	46%	54%	64%	61%	68%
Uttaranchal	1%	64%	36%	58%	53%	67%
Assam	3%	43%	57%	60%	58%	62%
NE	2%	60%	40%	44%	40%	50%
Bihar	5%	50%	50%	76%	69%	83%
Jharkhand	2%	63%	37%	70%	67%	75%
Orissa	9%	59%	41%	63%	59%	68%
West Bengal	1%	64%	36%	46%	42%	53%
Gujarat	5%	73%	27%	54%	50%	66%
Madhya Pradesh	9%	55%	45%	61%	59%	63%
Chattisgarh	4%	49%	51%	74%	64%	83%
Maharashtra	8%	72%	28%	58%	60%	54%
Karnataka	1%	76%	24%	61%	60%	66%
Andhra Pradesh	2%	84%	16%	34%	37%	20%
Tamil Nadu	1%	88%	12%	25%	28%	1%
Kerala	0.2%	91%	9%	23%	23%	26%

Source: New AC Nielsen Retail Audit Report, MAT DEC 2015

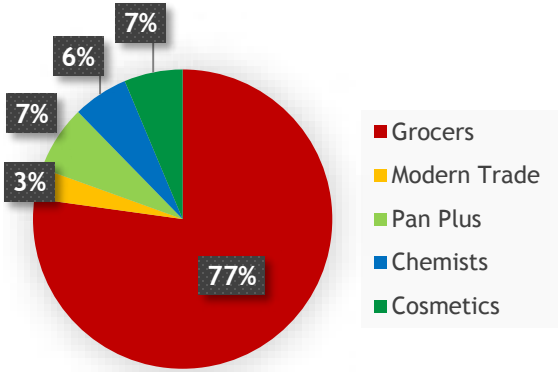
Light Hair Oil Market - Key Characteristics

Rural -Urban break up of LHO market



Urban dominated segment due to its relatively higher pricing but Rural is leading the growth.

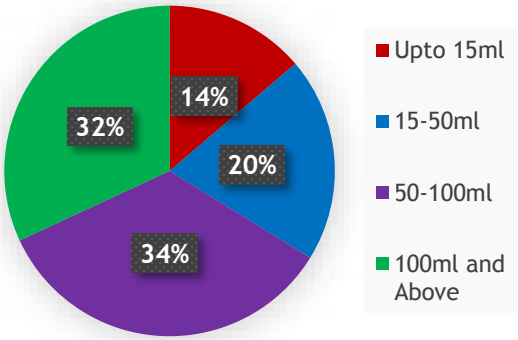
Share of Distribution Channels in LHO market



Grocers dominate distribution, but alternate channels like modern retail demonstrating higher growth rate

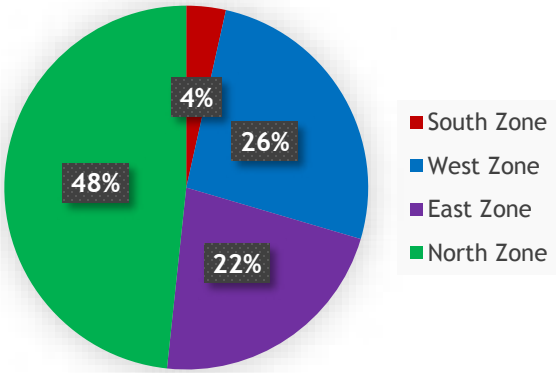
% - Market share

SKU wise break up of LHO market



Mid Size SKUs contribute the maximum in the repertoire.

Region wise break up of LHO market

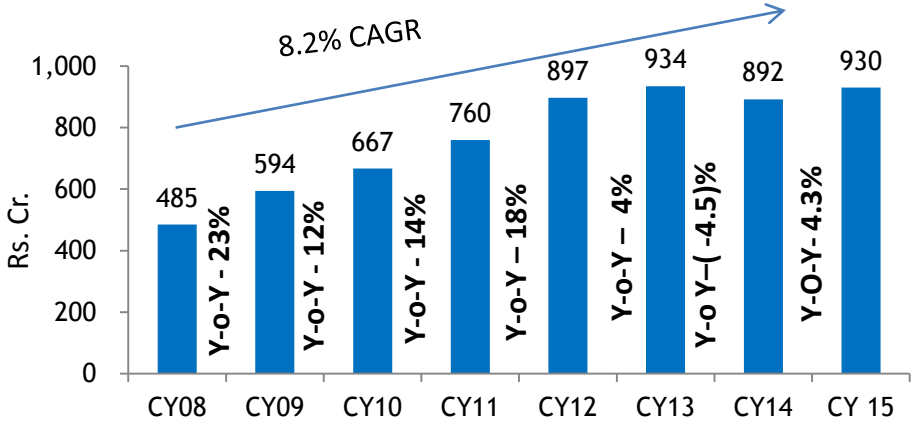


Sales tend to be concentrated in the Northern parts of the country, but East is the fastest growing region

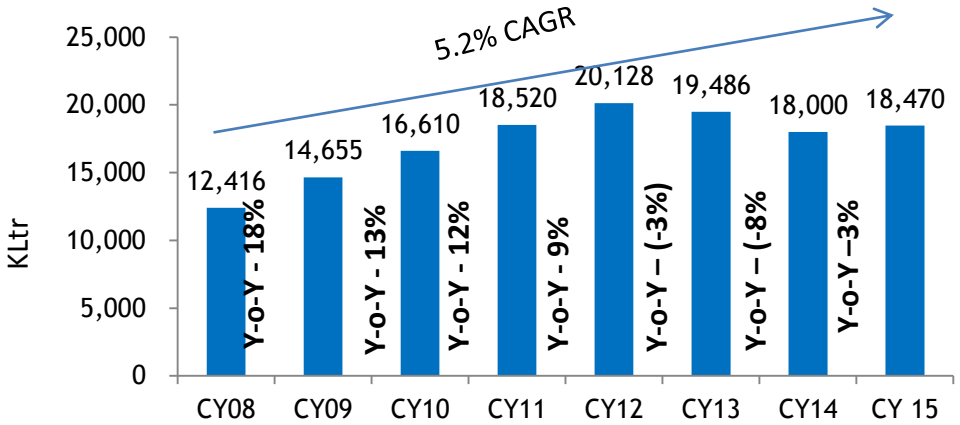
Source: New AC Nielsen Retail Audit Report, DEC 2015

Cooling Hair Oil Market in India

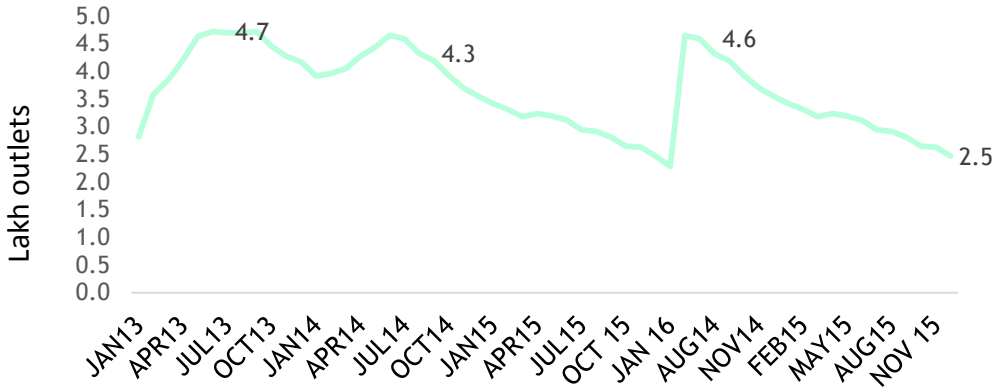
Cooling Hair Oil – Value



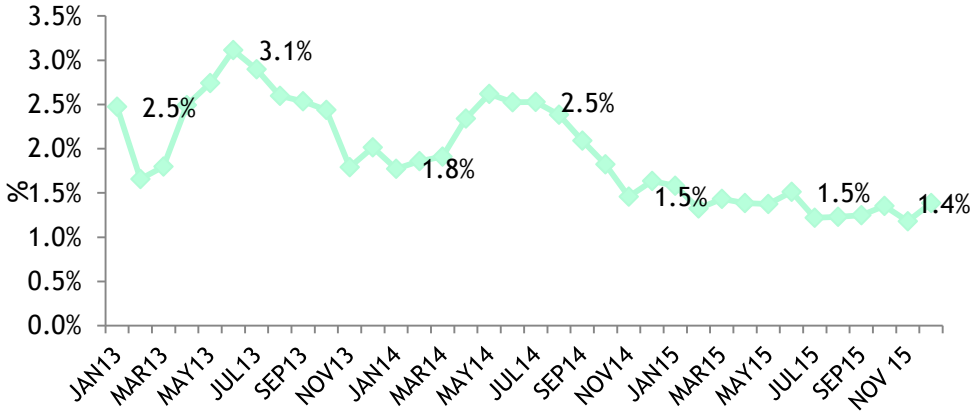
Cooling Hair Oil – Volume



Kailash Parbat – Distribution Trend



Kailash Parbat – Volume Market Share Trend



Source - New AC Nielsen Retail Audit Report, DEC 2015

Company Overview

Bajaj Corp Ltd. (BCL) – An Overview

- Part of Bajaj Group which has business interests in varied industries including sugar, consumer goods, power generation & infrastructure development
- Subsidiary of Bajaj Resources Ltd. (BRL)
  - BCL is the exclusive licensee of brands owned by BRL
  - Brands licensed to BCL for 99 years from 2008
- Key brand – Bajaj Almond Drops Hair Oil
  - 2nd largest brand in the overall hair oils segment
  - Market leader with over 60.3% market share* of LHO market
  - Premium positioning commands one of the highest per unit prices in the industry
- New Product Launch: Bajaj Amla Hair Oil
- Other brands - Brahmi Amla, Bajaj Kailash Parbat Cooling Oil and Jasmine (all hair oil brands) and Black tooth powder

**Source: New AC Nielsen Retail Audit Report, DEC 2015.*

Haircare Portfolio

Bajaj Almond Drops Hair Oil - A premium perfumed hair oil containing almond oil and Vitamin E

Competitors – Keo Karpin (Dey's Medical), Hair & Care (Marico), Clinic All Clear (HUL)

Bajaj Kailash Parbat Cooling Oil – An ayurvedic formulation containing Sandal & Almond extracts

Competitors: Himani Navratna

Bajaj Brahmi Amla Hair Oil - Traditional heavy hair oil. Brand has been in existence since 1953

Competitors - Dabur Amla, Dabur Sarson Amla

Bajaj Amla – Variant in the low price amla hair oil segment catering to price conscious consumers

Competitors - Shanti Badam Amla Hair Oil (Marico)

Bajaj Jasmine Hair Oil - A Jasmine flower perfumed hair oil. In demand due to cultural significance.

Bajaj Kala Dant Manjan – An oral care product for the rural market.

Skincare Portfolio

Bajaj NOMARKS Creams for
All Skin, Oily Skin & Dry Skin Types, available in sizes 12g & 25g

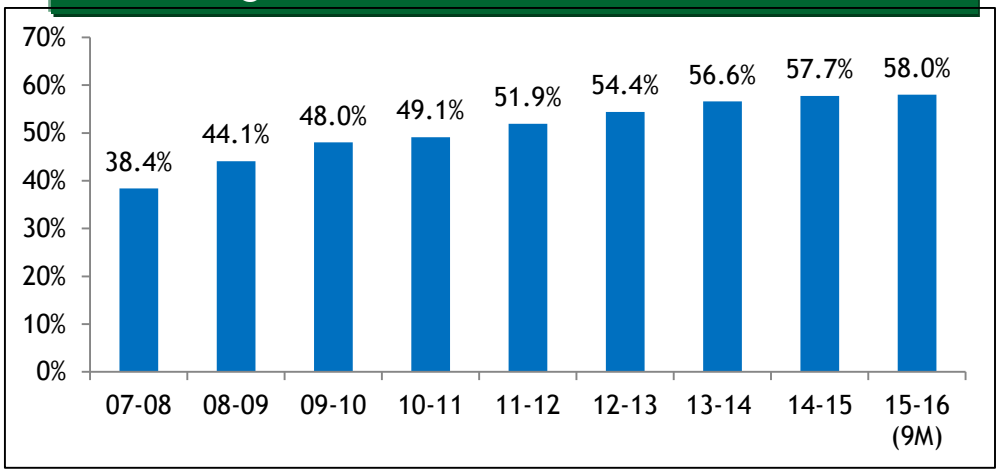
Bajaj NOMARKS Facewash for
All Skin, Oily Skin & Dry Skin Types & Neem Facewash, available in sizes 15g, 50g, 100g

Bajaj NOMARKS Soaps for
All Skin, Oily Skin & Dry Skin Types & Neem Soap, available in sizes 125g & 75g

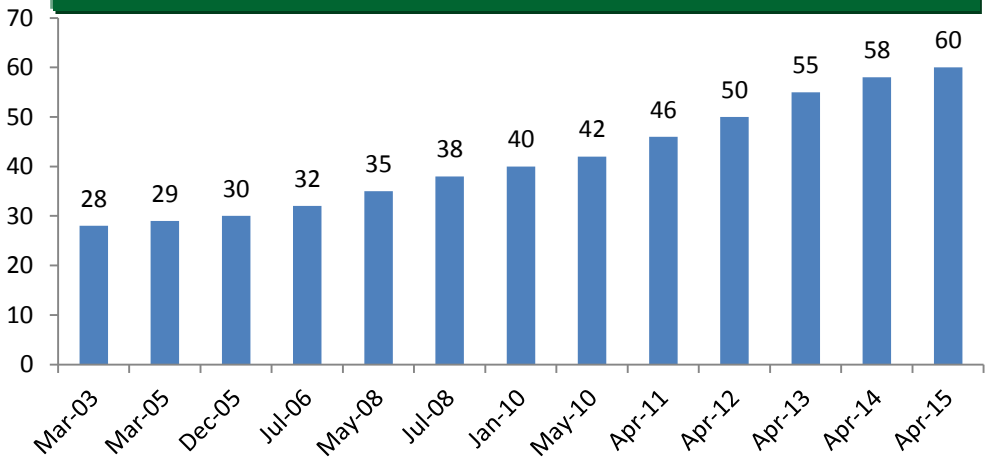
Bajaj NOMARKS Exfoliating Walnut Scrub, 50g & 100g
and Bajaj NOMARKS Dry Face Pack 25g

Bajaj Almond Drops - A Premium Brand

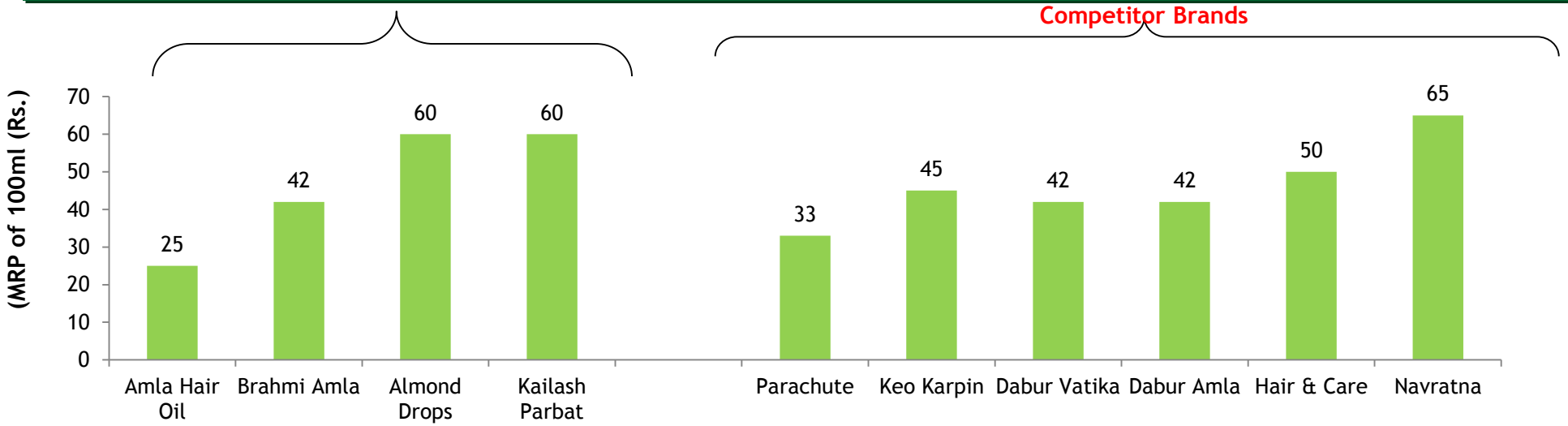
Strong Market Share Growth in Recent Years



. . . But not at the cost of pricing power



Comparative Price of Different Brands for 100 ml in the Hair Oil Segment



*Source: AC Nielsen Retail Audit Report NOV **2015**, Kotak Institutional Research*

Almond Drops has created a unique positioning for itself through initiatives like product differentiation (Almond based), focused marketing, unique packaging (glass vs. plastic used by competition etc.)

Consumer Profile- Almond Drops

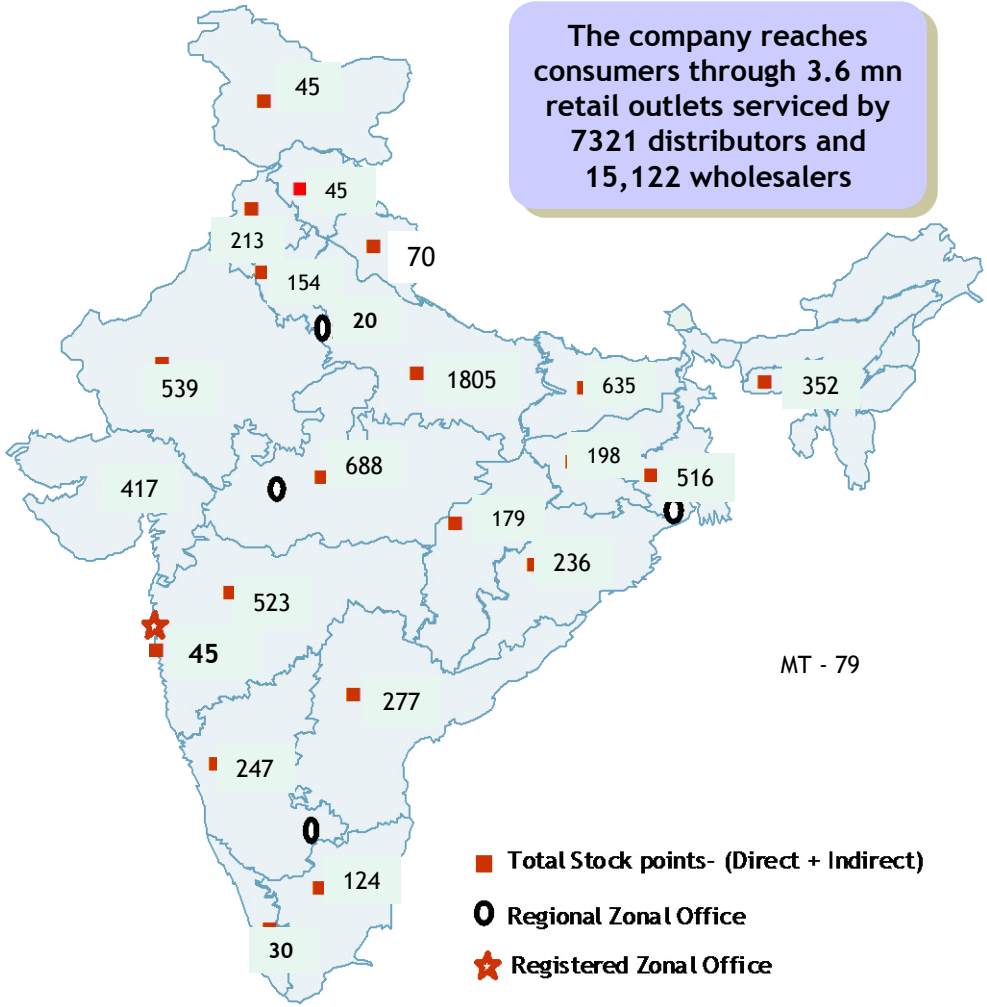
- For Almond Drops the consumer is:
  - Gender
    - Male- 54%
    - Female- 46%
  - Age Group
    - 15 to 39 yrs (59% of users)
  - Urban Vs Rural
    - 61% are Urban consumers
  - Socio Economic Class (SEC)- Urban
    - A1- 10.4%
    - A2- 14.4%
    - B1- 14.4%
    - B2- 11.5%

Source – IRS, Q42012

Strong Distribution Network

Distribution Network

The company reaches consumers through 3.6 mn retail outlets serviced by 7321 distributors and 15,122 wholesalers



Distribution Structure

Factory (8)

OWN - Himachal Pradesh -2, Uttarakhand- 1
THIRD PARTY - Himachal Pradesh-2, Rajasthan-1,Uttarakhand- 2

↓

Central Warehouse (1)

↓

Regional Distribution Centre (29)

↓

Urban Distribution

↓

Redistribution Stockist (1,557)

↓

Retail Outlets (1494036)[1]

Rural Distribution

↓

Super Stockist (199)

↓

Sub-Stockist (5694)

↓

Retail Outlets (21,27,999)[1]

1 - as on DEC 2015. Nielsen New Sample

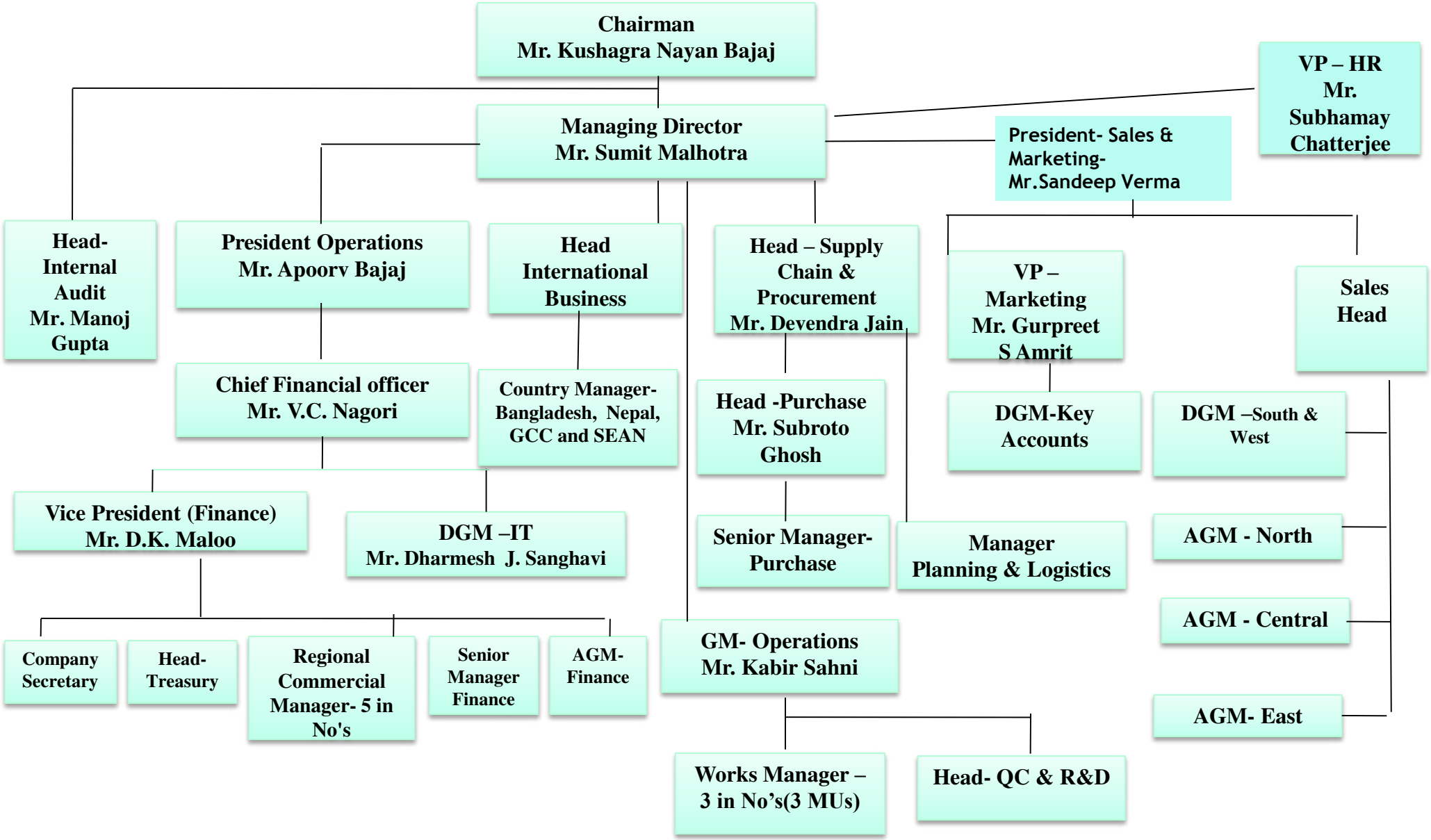
Over the years, BCL has created a large distribution network (that continues to grow) which can be leveraged to introduce new products

Van Operations

- Started in FY 13 with a objective of increasing Rural Sales
- Piloted 39 Vans in Q4 FY 13
- Currently operating 114 vans (for Sales)
- Vans cover 7583 uncovered Towns and Villages on a monthly basis
- In MAT DEC 2015
  - Bajaj Almond Drops Hair Oil got 40 % of its sales from Rural India
  - Volume Growth in Rural India – 8% (Urban + Rural = 6%)
  - Market share in Rural India – 63% (Urban + Rural = 58.1%)

**Source: AC Nielsen Retail Audit Report, MAT DEC 2015.*

Organization Structure

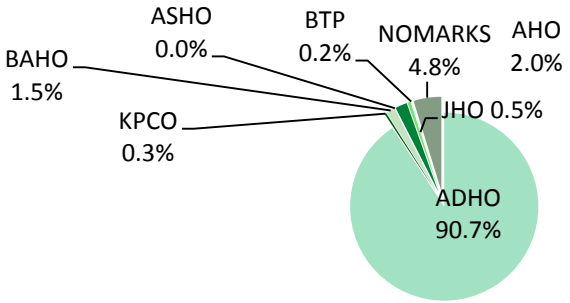


Financial Information

Summary Income Statement

Particulars (Rs. In Crore)	Q3FY16	Q3FY15	9M FY 16	9M FY 15
Sales (Net)	212.77	205.40	638.78	584.07
EBITDA	68.83	60.06	201.96	167.69
EBITDA Margin	*32.35%*	*29.24%*	*31.62%*	*28.71%*
Profit Before Tax & Exceptional Item	*74.79*	*64.71*	*218.15*	*185.73*
Exceptional Item (Trademark & Intellectual Properties)	*11.74*	*11.74*	*35.24*	*35.24*
Profit Before Tax(PBT)	*63.05*	*52.97*	*182.91*	*150.49*
Net Profit after Tax	49.60	41.84	143.88	118.89
Net Profit Margin	*23.31%*	*20.37%*	*22.52%*	*20.36%*

Brandwise Sales Break-Up for 9M FY 2016



Summary Balance Sheet

Particulars (Rs. In Crore)	As on 31.12.2015	As on 31.03.2015	As on 31.03.2014
Shareholders Equity	635.70	491.81	522.08
Net Fixed Assets	78.09	110.38	160.89
Investments (including Bank FDs, Bank CDs and Government Securities & Bonds)	516.54	370.09	337.97
Net Current Assets	41.07	11.34	23.22

Key Highlights

- Strong demonstrated growth track record
- Among the highest EBITDA margins in the industry
- Company is a Debt free company.

EBITDA & PAT Performance

Rs. in Crore

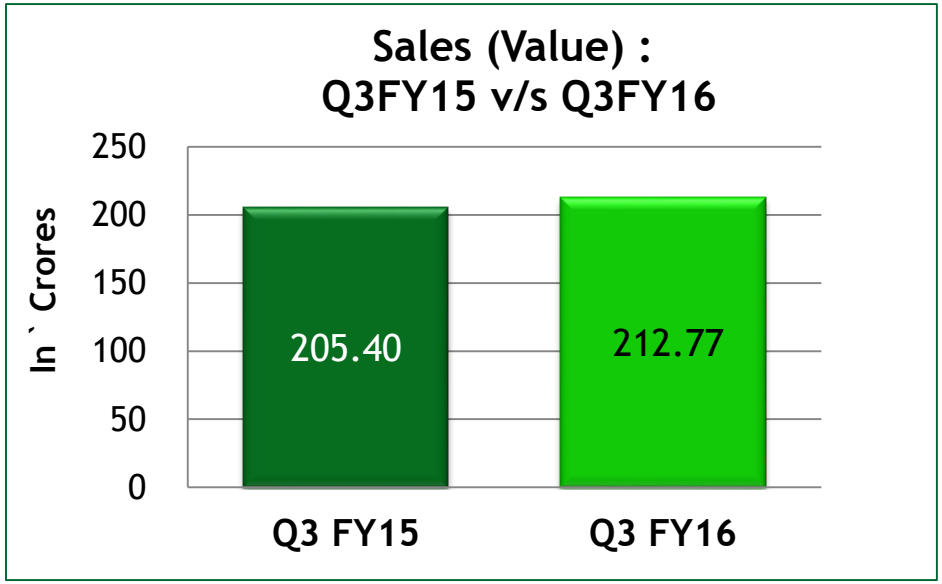
Particulars	Q3FY16	Q3FY15	YoY%	9M FY 16	9M FY 15	YoY%
EBITDA	68.83	60.06	14.60%	201.96	167.69	20.43%
Profit Before Tax & Exceptional Item	74.79	64.71	15.57%	218.15	185.73	17.45%
Exceptional Item (Trademark & Intellectual Properties)	11.74	11.74		35.24	35.24	
Profit Before Tax (PBT)	63.05	52.97	19.03%	182.91	150.49	21.54%
Profit After Tax (PAT)	49.60	41.84	18.52%	143.88	118.89	21.02%

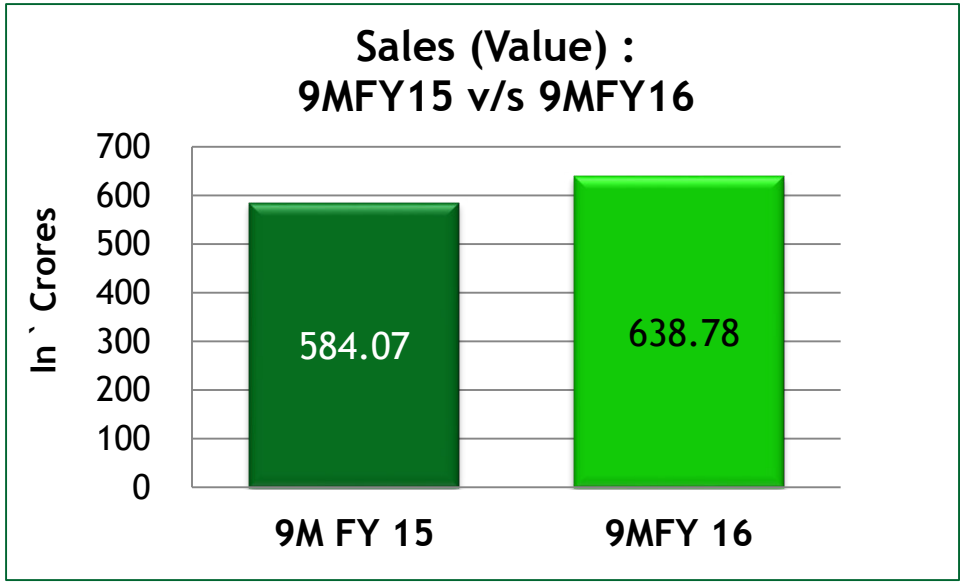
Profit & Loss Q3 FY2016 and for 9M FY2016

Rs. in Crore

Particulars	Q3FY16	Q3FY15	YoY%	9M FY 16	9M FY 15	YoY%
Net Sales	**212.77**	**205.40**	**3.59%**	**638.78**	**584.07**	**9.37%**
Other Operating Income	0.39	0.39		1.67	1.04	
Material Cost	72.61	76.96		222.85	227.32	
% of Sales	34.12%	37.47%		34.89%	38.92%	
Employees Cost	11.46	9.08		33.78	28.18	
% of Sales	5.39%	4.42%		5.29%	4.82%	
Advertisement & Sales Prom.	38.06	40.24		113.93	104.21	
% of Sales	17.89%	19.59%		17.84%	17.84%	
Other Expenses	22.20	19.45		67.93	57.71	
% of Sales	10.43%	9.47%		10.63%	9.88%	
EBITDA	**68.83**	**60.06**	**14.60%**	**201.96**	**167.69**	**20.43%**
% of Sales	32.35%	29.24%		31.62%	28.71%	
Other Income	8.13	6.66		22.40	24.01	
Finance Cost	0.01	0.01		0.03	0.04	
Depreciation	1.12	1.08		3.09	3.18	
Corporate Social Responsibility	1.04	0.92		3.09	2.75	
Profit Before Tax & Exceptional Item	**74.79**	**64.71**	**15.57%**	**218.15**	**185.73**	**17.45%**
Exceptional Item (Trademark & Intellectual Properties)	11.74	11.74		35.24	35.24	
Profit Before Tax(PBT)	**63.05**	**52.97**	**19.03%**	**182.91**	**150.49**	**21.54%**
Tax Expenses	13.45	11.13		39.03	31.60	
Profit After Tax(PAT)	**49.60**	**41.84**	**18.52%**	**143.88**	**118.89**	**21.02%**
% of Sales	23.31%	20.37%		22.52%	20.36%	
Basic & Diluted EPS (Rs.)	3.36	2.84		9.75	8.06	

Sales Performance





- ✓ Sales for the quarter ended December'15 has increased by 3.59% value wise and 2.96% volume wise.
- ✓ Sales for the 9M ended December'15 has increased by 9.37% value wise and 7.68% volume wise.

Statement of Quarter wise Sales (Volume & Value)

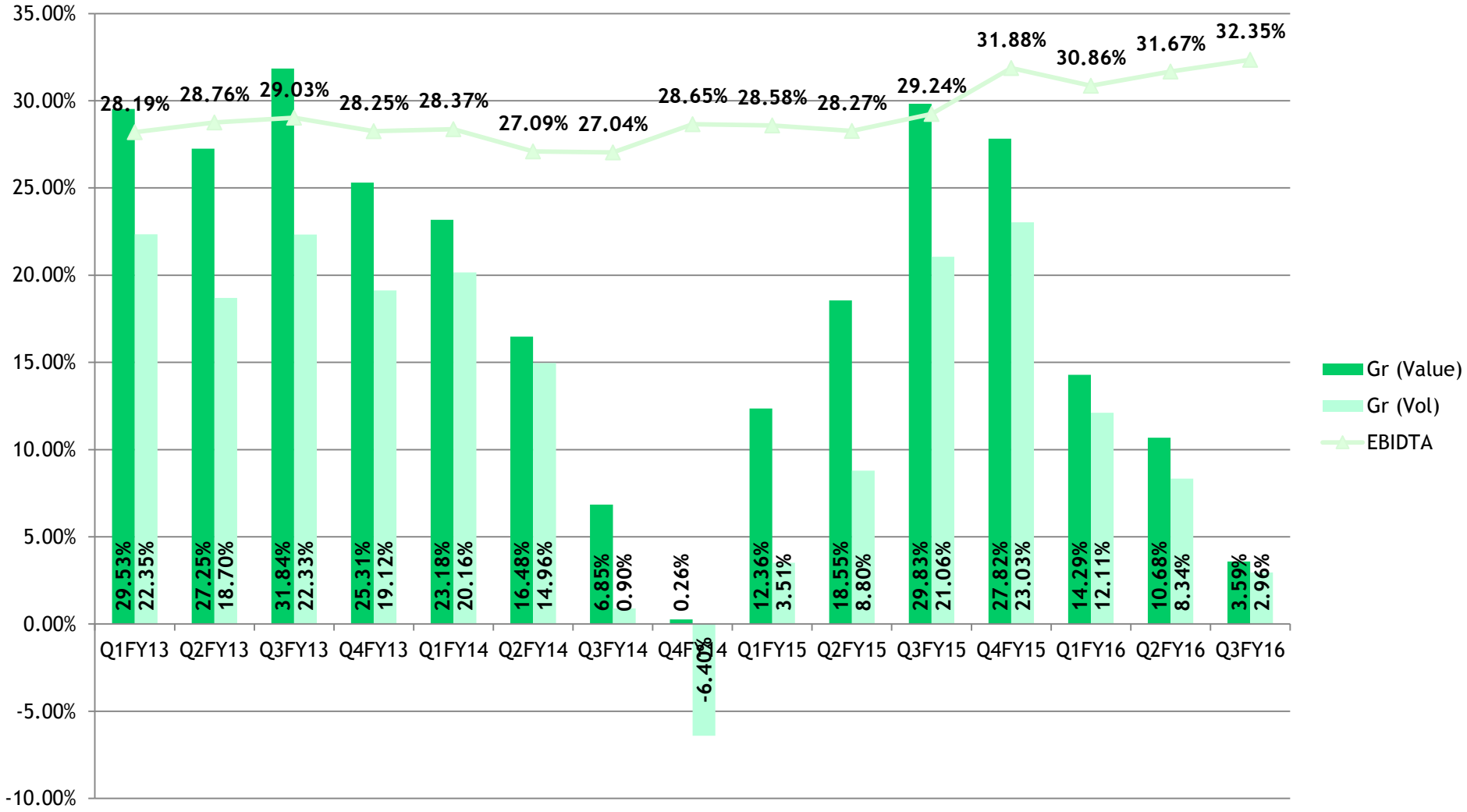
STATEMENT OF QUARTERWISE SALES (VOLUME - In Cases)

	ADHO		KPCO		BAHO		AHO		Nomarks		Others		Total		% Inc over PY
	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	
Q1	1,241,928	1,123,144	7,435	15,805	14,073	9,671	49,630	-	40,210	58,222	7,538	7,032	1,360,814	1,213,874	12.11%
Q2	1,191,034	1,120,081	1,856	2,380	16,751	10,218	45,290	-	41,136	54,811	8,445	16,571	1,304,512	1,204,061	8.34%
Q3	1,238,671	1,226,347	986	2,017	13,069	15,152	43,207	-	41,315	48,913	6,764	12,903	1,344,011	1,305,332	2.96%
Total	**3,671,633**	**3,469,572**	**10,277**	**20,202**	**43,892**	**35,041**	**138,127**	**-**	**122,661**	**161,946**	**22,747**	**36,506**	**4,009,337**	**3,723,267**	**7.68%**

STATEMENT OF QUARTERWISE SALES (VALUE - In Rs. Crores)

	ADHO		KPCO		BAHO		AHO		Nomarks		Others		Total		% Inc over PY
	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	FY 16	FY 15	
Q1	197.85	170.91	1.48	2.92	3.05	2.00	4.66	-	9.92	14.13	1.42	1.12	218.37	191.07	14.29%
Q2	187.46	168.89	0.30	0.37	3.65	2.15	4.25	-	10.31	13.92	1.66	2.27	207.64	187.61	10.68%
Q3	194.18	186.07	0.16	0.42	2.79	3.23	4.02	-	10.22	13.57	1.40	2.12	212.77	205.40	3.59%
Total	**579.49**	**525.86**	**1.95**	**3.70**	**9.48**	**7.38**	**12.94**	**-**	**30.45**	**41.62**	**4.48**	**5.51**	**638.78**	**584.07**	**9.37%**

Consistent Performance over the last 15 successive quarters



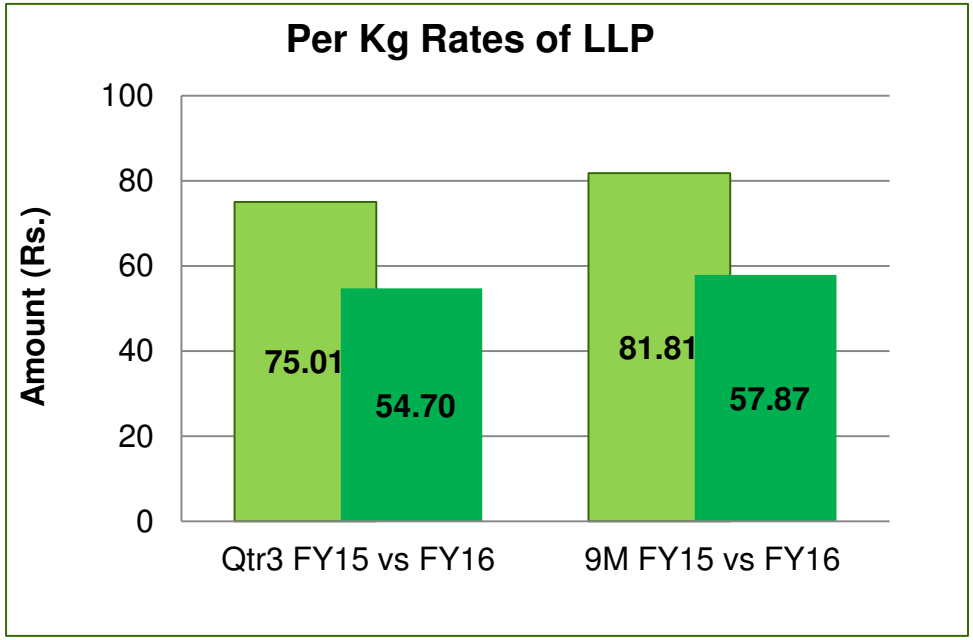
Breakup of RM/PM Costs *(for Q3 FY 16)*

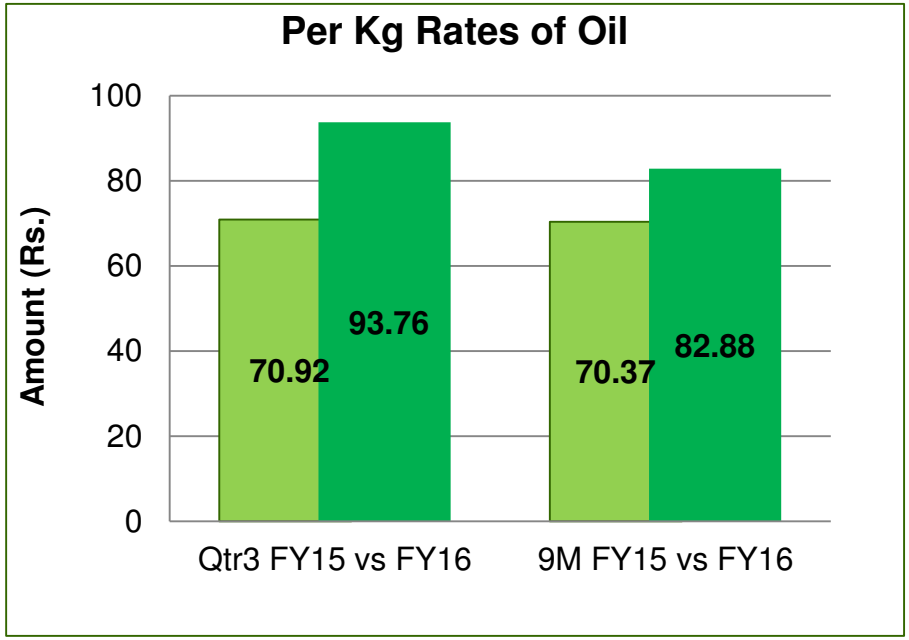
Key Raw & Packing Material	% to Sales	% to Total Cost
LLP	10.34%	30.24%
Glass Bottles	7.95%	23.26%
Refined Veg. Oil	4.80%	14.04%
Perfumes & other additives	2.48%	7.26%
Corrugated Boxes	1.53%	4.49%
Caps	2.01%	5.87%
Others	5.07%	14.84%
TOTAL	34.18%	100.00%

*** Consumption is 34.18 % of Sales**

For Bajaj Almond Drops

Change in Prices of Key Ingredients





- ✓ During the quarter average price of LLP decreased to Rs. 54.70/kg from Rs. 75.01/kg in corresponding quarter of previous year.
- ✓ During the quarter average price of Refined Oil increased to Rs. 93.76/kg from Rs. 70.92/kg in corresponding quarter of previous year.

Fund Position

- Fund Position:
  - The total Fund available with the company as on 31st December' 2015 is Rs. 462.08 Crores
  - This has been invested in Bank Fixed Deposits, PSU Bonds and Liquid MFs.
  - There is no investment in ANY Inter Corporate Deposit

Particulars	Amount (Rs. in Crores)
Bank FDs	101.43
Liquid Plans of Mutual Funds	26.70
Bonds	330.95
Current Account	3.00
Total	**462.08**

Dividend Payout History

Year	No. of Shares (in Lacs)	Face Value	Dividend Payout (Rs in Lacs)	% to Capital	Dividend per share (Rs.)
2015-16	1,475	1	16962.50	1150%	11.50
2014-15	1,475	1	16962.50	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

Managerial Bandwidth

- As a constant endeavour to add to the Managerial capabilities within the company we constantly engage in in-house and out bound training programs

- Further to make all the functions better equipped in terms of bench strength the company is also in the process of recruiting experienced managers from well known FMCG companies

- In this process – Mr. Sandeep Verma has joined the organisation as President-Sales & Marketing. He is an Mechanical Engineer from Motilal Nehru Engineering College, Allahabad and holds a Management Degree from IIM, Lucknow. Mr. Verma has worked more than 14 years in different function in HUL.

- Mr. Sandeep Verma will lead the Sales & Marketing Department and contribute towards the companys change management process.

Corporate Governance

- Bajaj Corp Ltd is a part of the Bajaj Group of companies. The other listed entity in the group is Bajaj Hindusthan Ltd
- Bajaj Corp Ltd has not and will not transfer funds from and to from any other company within the Bajaj Group
- The Company acquired in September 2011 (Uptown Properties) owns a piece of land and building in Worli, Mumbai. Uptown Properties was previously owned by the C.K. Raheja Group (i.e. Mr. Chandu Raheja)
- The corporate Headquarters of Bajaj Corp Ltd will be constructed on this land. The Construction is expected to be completed by end of 2016.
- The Bajaj Group is well aware of issues regarding Corporate Governance and would like to state that they will be no financial interaction between any of the listed entities within the group.

Growth Strategy

Strategy	Action Steps
Market share gains from other hair oil segments	■ Convert coconut hair oil users to light hair oil users through sampling, targeted advertising campaigns, product innovation and creating awareness about product differentiation including communicating the advantages of switching to lighter hair oils. Aim for a market share of 65% by the year 2016-17
Focus on rural penetration	■ Tap the increase in disposable income of rural India and convert rural consumer from unbranded to branded products by providing them with an appropriate value proposition ■ Among its key competitors, our Almond Drops is the only brand which is available in sachets – a marketing initiative to penetrate the rural market
Leverage existing strengths to introduce new products	■ BCL has over the years created a strong distribution network across 3.6 mn. retail outlets which can be optimally utilized by introducing new products ■ BCL intends to extend 'Almond Drops' platform developed by its Almond Drops Hair Oil brand to other personal care products to leverage on the strong connotation of Almonds with nutrition
Pursue inorganic Opportunities	■ Will seek inorganic growth opportunities in the FMCG and hair oil market as part of growth strategy ■ The inorganic growth opportunities will focus on targeting niche brands which can benefit from BCL's strong distribution network so that they can be made pan India brands

Thank You