

October 23, 2018

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	Listing Compliance National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No.C/1, 'G'Block Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: BAJAJCORP
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Dear Sir/Madam,

Sub: Investor Presentation

Please find enclosed a copy of Investor Presentation for the Quarter ended September 30, 2018

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours faithfully,
For **BAJAJ CORP LIMITED**



Makarand Karnataki
Head – Legal & Company Secretary
Membership No. ACS 14509

Encl: as above



INVESTOR PRESENTATION

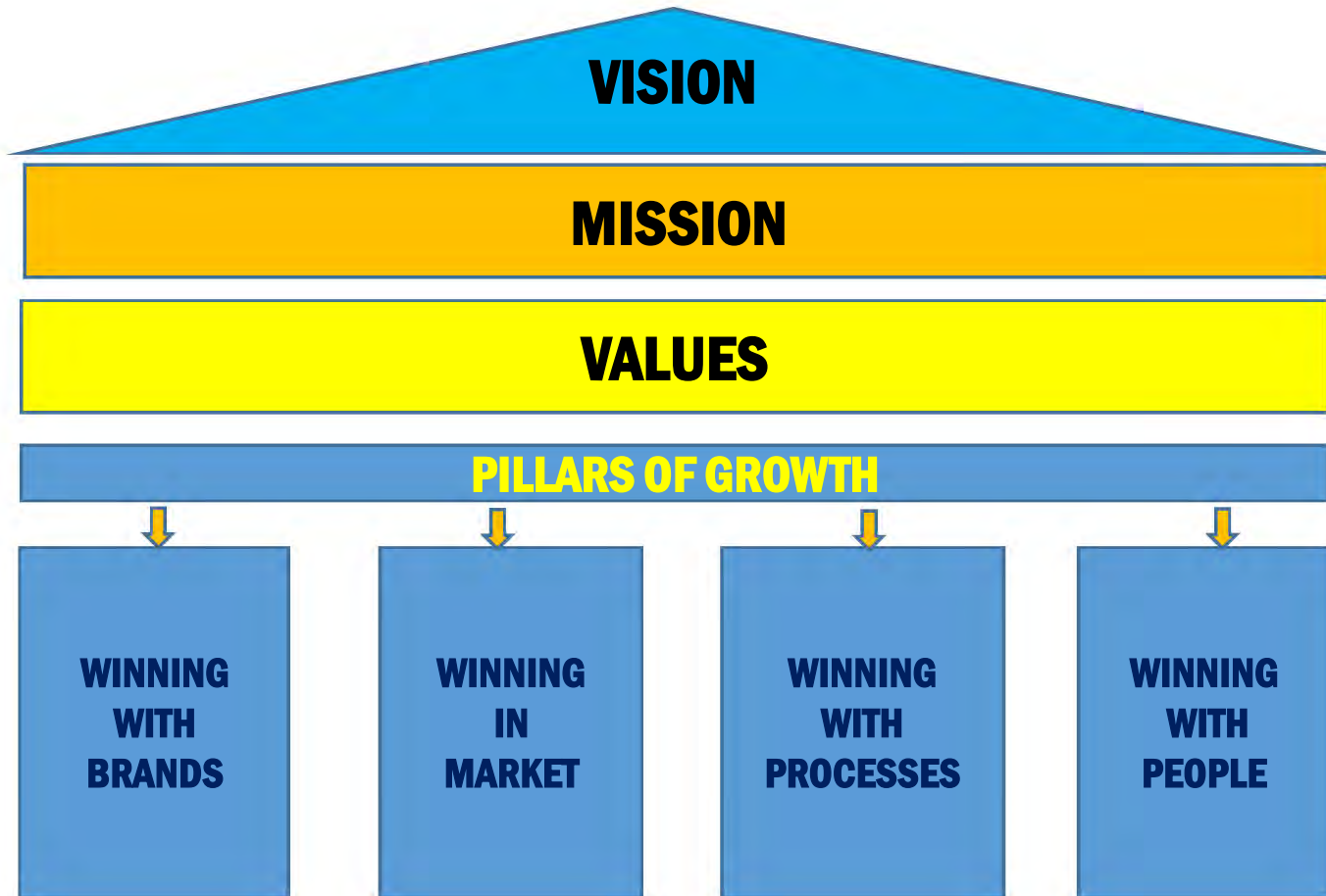
Q2 - 2018



FLOW

- **BCL TRANSFORMATION FOR GROWTH PILLARS & ACTION TAKEN**
- **INDUSTRY OVERVIEW**
- **ORGANISATION STRUCTURE**
- **FINANCIAL INFORMATION**
- **WAY FORWARD**

TRANSFORMING FOR GROWTH – BCL PATHFINDER



GROWTH PILLARS INTO ACTION

WINNING WITH BRANDS - INNOVATIONS , RENOVATIONS, COLLABORATIONS

Haircare

- ADHO's re-launch carried out in Q2 . Relaunch supported with Multi Media approach and on ground Visibility to increase penetration of ADHO in the THO category .
- ADHO "Load Mat Lo "campaign to convert heavy oil users to continue in H2 .
- Entry in other Hair Oil segments - Bajaj Coco Jasmine launch efforts continue in Maharashtra in Q2-Q3

Skincare

- NOMARKS relaunched in Q1/Q2 to position it as a premium ayurvedic skincare brand
- Brand supported with strong Media and Distribution Inputs
- Chemist Distribution channel extended to 6 more markets

Consumer and Technical Expertise Creation

- Collaborated with a Global expert to set up a "Trained panel" which can evaluate sensory (tactile, visual) aspects of the product to give directional insights to design formulations
- Inhouse panel set up for eliciting quick consumer responses to zero down the products with optimal mix (visual, olfactory, tactile) in a much more speedier and cost effective manner.



Q2 KEY INITIATIVE - BAJAJ ALMOND DROPS NEW PACK LAUNCH

- Objective – To Improve Brand Imagery cues of Lightness, Nourishment & Strength
- Packaging developed with Pentagram, London - The world's leading independent design consultancy
- More focus on Sustainability - Launched Rs 10 pack in a PET jar recyclable format



BAJAJ ALMOND DROPS NEW PACK LAUNCH



BAJAJ ALMOND DROPS MULTI MEDIA SUPPORT ON RESTAGE



- New TVC for Pack Launch
- 13% SOV For the Restage Period



Parineeti Unboxes the New pack on Digital



Innovative Press Ads

BAJAJ ALMOND DROPS ON-GROUND TRADE VISIBILITY

Posters



Unpaid Visibility



Window Displays across 5,000 outlets



Table tops across 17,500 outlets



Sachet Hangers across 40,000 outlets



KEY INITIATIVE – Rs. 10 PACK FOR RURAL

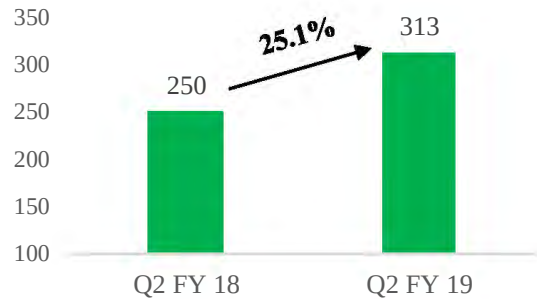


- **Objective of Upgrading the huge base of Rs 1 sachet rural consumers to bottles**
- **Launched the Rs 10 pack in a Secondary Pack of PET Jar format for increasing Distribution in Rural**

Positive Results across all Parameters on ADHO

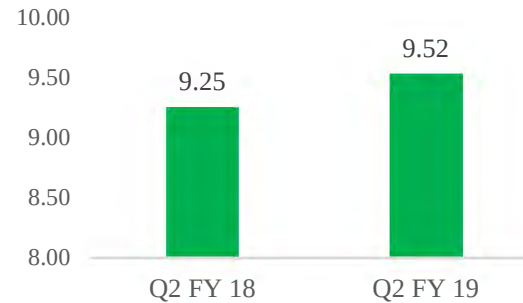


Offtake Val Sales (Cr)



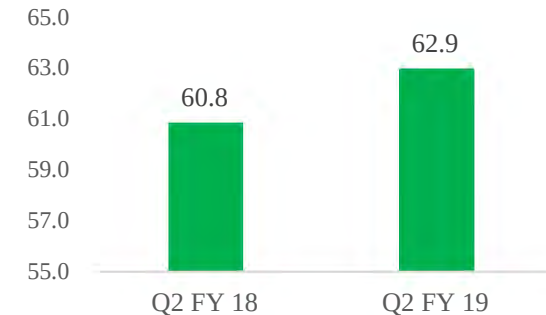
Huge growths in Val Offtakes

MS Val - THO



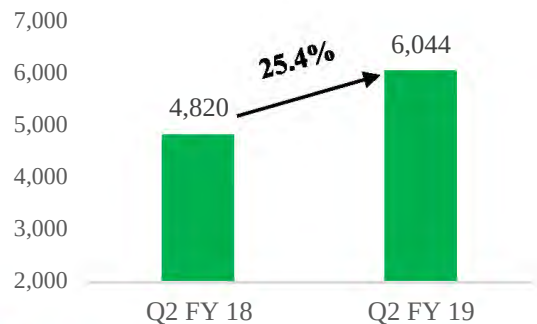
Significant growths in MS Val

MS Val - LHO



All Time High LHO Val Share

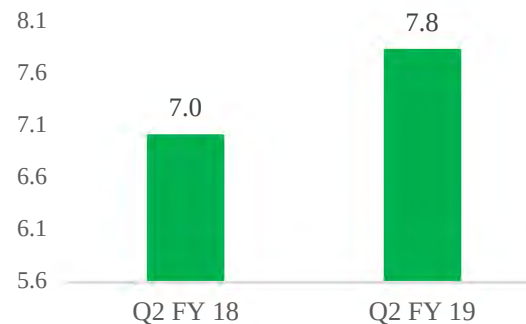
Offtake Vol Sales (KL)



Huge growths in Vol Offtakes

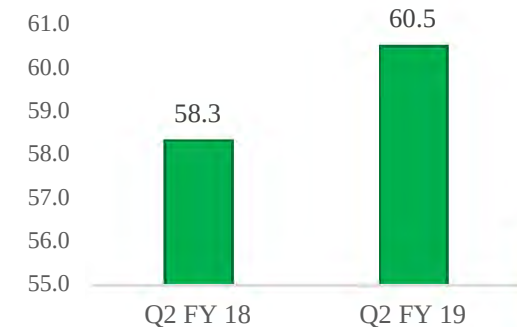
Source: Nielsen Retail Audit Report, Sep 2018

MS Vol - THO



All Time High THO Vol Share

MS Vol - LHO



All Time High LHO Vol Share



Q2 KEY INITIATIVE – NOMARKS Relaunch GOTO Market



NOMARKS Multi Media Support

TV



- 30 sec Road Block aired on 6th July 2018
- 7 Weeks Nomarks campaign delivered: 59 @3+ over HSM (U+R) (New BARC evals)

PRESS



DIGITAL

10.1M Total CVV*

3.3L Total Clicks

1.5L Total Visits

52.6M Total Impressions

*CVV - Completed Video views



Reached 6.7M users and received 10M completed video Views



Reached 5.6M users and received 1L completed video Views & 75K clicks



Delivered 26M brand impressions and drove 1.3L visitors to the website



Received 4.7L completed video views

OUTDOOR/CINEMA



Bajaj No Marks Line 3&4



NOMARKS strong instore visibility

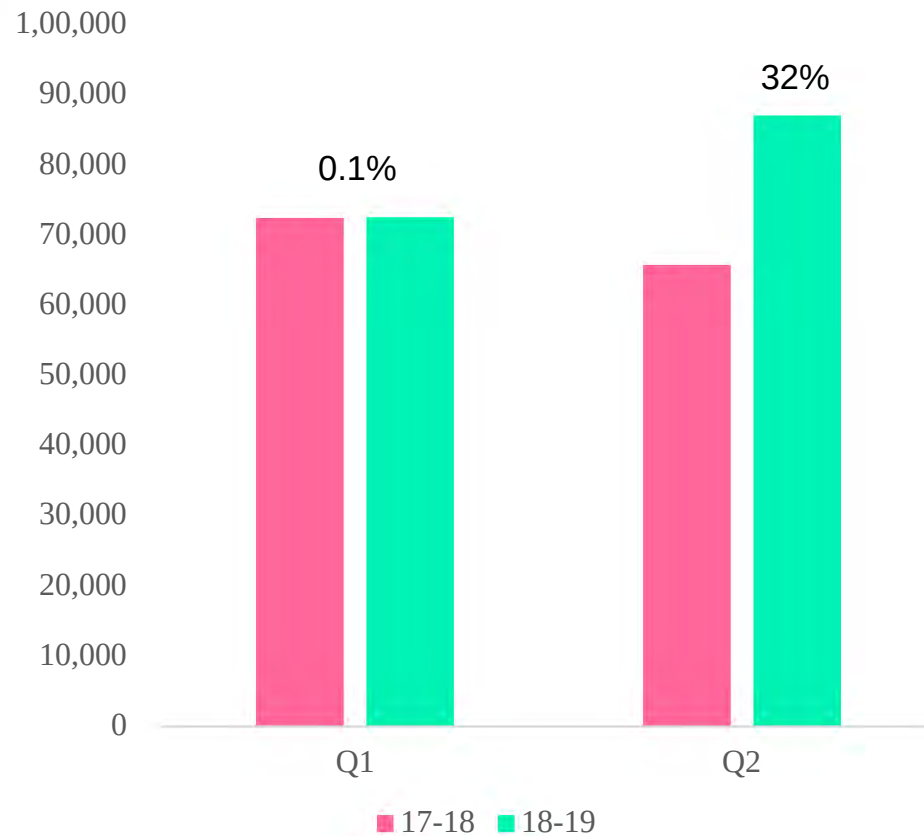
Table Tops, Hangers & Parasites



NOMARKS OFFTAKE post restage

Strong offtake growth post restage of NOMARKS

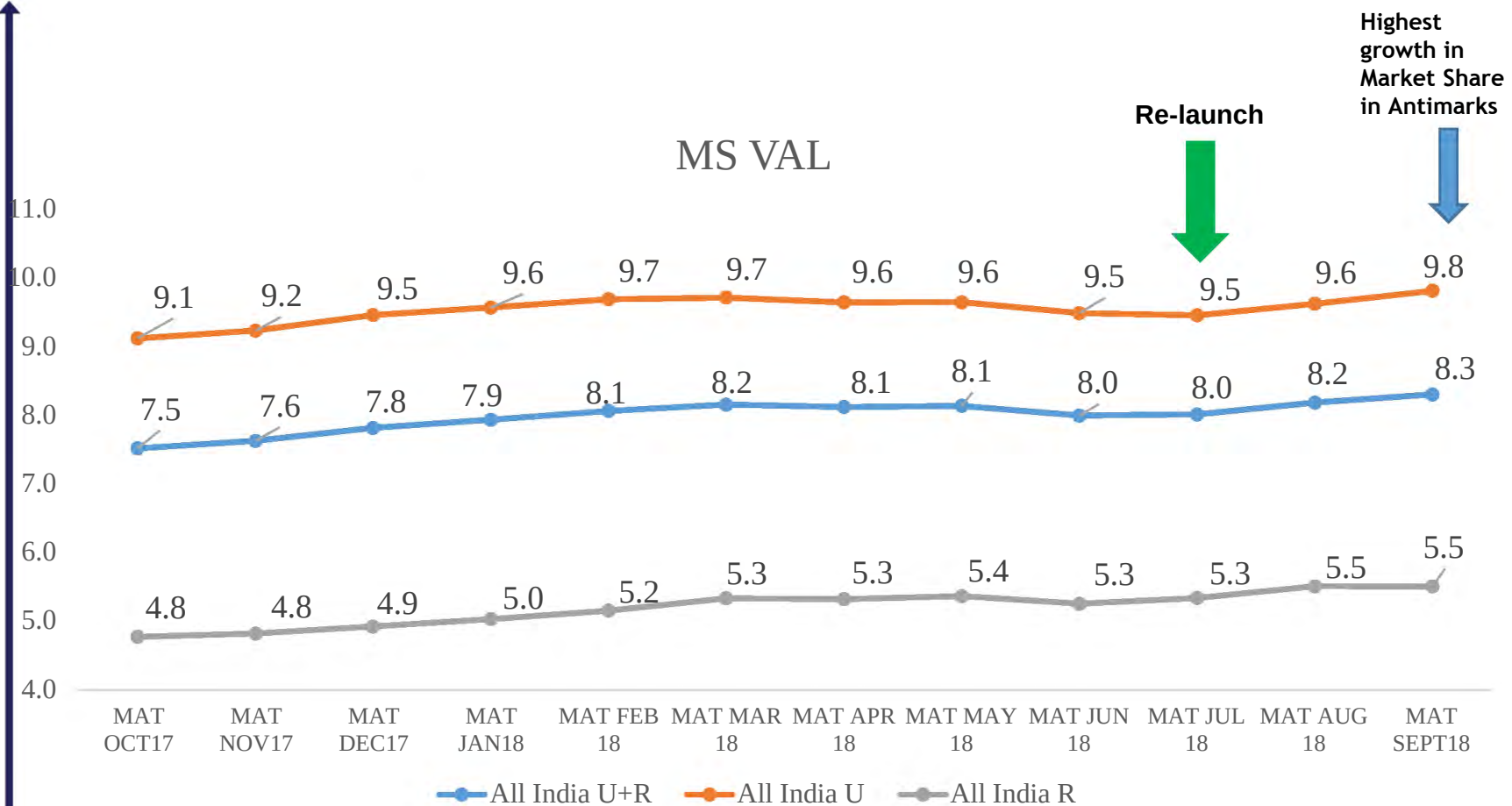
NOMARKS VAL OFFTAKES



Source: Nielsen Retail Audit Report, Sep 2018



NOMARKS Market Share trend

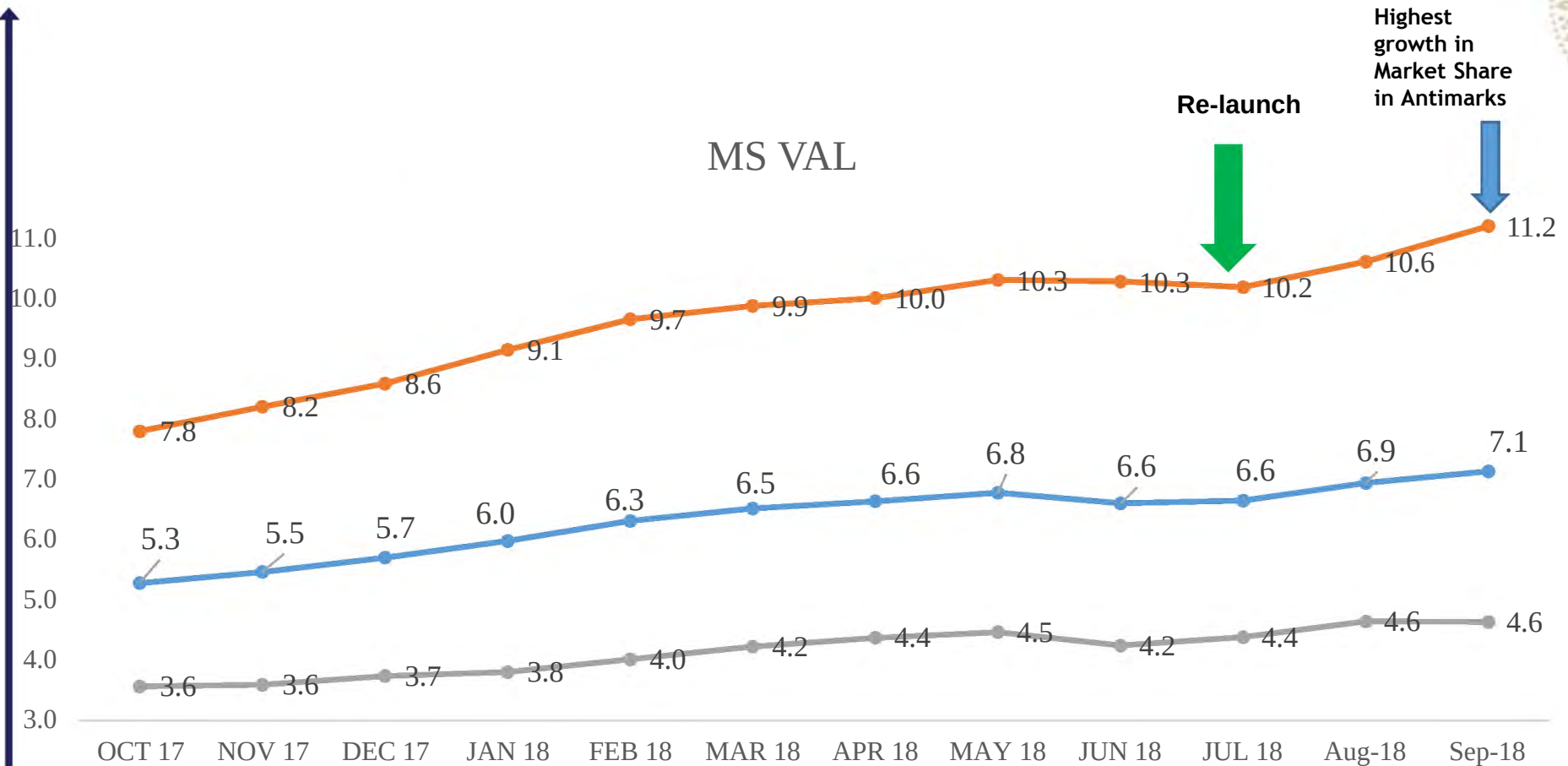


Consistent growth in MAT share post restage

Source: Nielsen Retail Audit Report, Sep 2018



NOMARKS MS trend in Key Mkt - UP



Highest MAT share in UP both Urban and Rural in the last 1 year

Source: Nielsen Retail Audit Report, Sep 2018



NOMARKS – Market Share post restage

MARKET SHARE %	Q1	Q2
CHEMIST	7.4	8.4
COSMETIC	13.2	18
GROCERS	8.2	11.5
TOTAL	7.5	9.2

Market Share increases across channels

Source: Nielsen Retail Audit Report, Sep 2018



Q2 – MARKET CONTEXT

Strong Volume Growth Across Categories

HAIROILS

- Volume MS% of Bajaj Almond Drops improved to 7.6% in MAT Sep 18 vs 7.2% in MAT Sep 17, backed by sequential Qtr on Qtr share increase (7.2%, 7.7% ,7.7% , 7.8%)
- Share within the LHO segment continued to surge forward with MAT Sep 18 at 59.8% vs 58.2% for MAT Sep 17 , propelled by an all time high share of 60.5% for Q2 .
- Penetration improved to 18.3% in MAT Jun 18 vs 17.0% in MAT Jun 17

NOMARKS

- MAT Sep 18 MS% improved to 8.3% from 7.6% in MAT Sep 17, Q2 share shows an all time high of 9.2%.

Source: Nielsen Retail Audit Report, Sep 2018



GROWTH PILLARS INTO ACTION

WINNING IN MARKET – QUALITY & QUANTITY

Enhancing Quantity and Quality of Distribution :

- Continued push on overall distribution
- Systemic thrust towards all time high distribution each Qtr
- Increase direct reach by 2.5 times in last 2.5 years
- Lowering of WS contribution from 60% to 33% over the last 2.5 years

Outlet no. in Lakhs	16-17	17-18	Q1-18	Q2 -18	Plan 18-19
AC Nielsen Coverage	37.5	39.0	39.6	39.9	41.0
Direct Coverage	1.4	2.8	4.8	4.9	5.4
% of direct coverage	4%	8%	11.8%	12%	14%

Modern Trade :

- Overall growth continues to be more than 2x of General Trade
- E-Comm business shows extreme high growth on small base with strong potential for future growth

International Business:

- Business team in place with respective heads for all strategic locations
- Implementation of processes and MIS for strong controls on business

Source: Nielsen Retail Audit Report, Sep 2018



Q2 – MARKET CONTEXT



Trade

- Rural markets still leading the overall growths in the overall market. But uneven monsoon may result in a lower growth in the coming qtrs.
- Wholesale softness exists in pockets in both urban and rural markets
- CSD business continues to be a concern but hopes of getting it stabilised at lower base going forward

Offtakes

- Both Hair oil and Anti Marks market growth accelerated in Q2 vs Q1
- Hair oil growth was 21% for the Quarter leading to YTD growth of 13%
- Antimarks market grew at 13% in Q2 leading to YTD growth of 7.7%
- Both Almond Drops and No Marks continued to grow much faster than market in Q2 across rural& urban

Costs

- Input prices on rising trend driven by crude oil prices and weaker rupee
- Multiple initiatives across supply chain (distribution, materials procurement etc.) helping in minimizing input cost impact

Source: Nielsen Retail Audit Report, Sep 2018



GROWTH PILLARS INTO ACTION

WINNING WITH PEOPLE – ENGAGE and DEVELOP

Robust Engagement Initiatives:

- Culture Assessment Study of senior leadership team in partnership with **Egon Zehnder**
- Launched Ideation – a platform for employees to submit innovative Ideas.
- Introduced Term Insurance Policy enhanced significantly for enhanced social security for all our employees

Talent Development:

- Revamped our Talent Development plan to assess competencies of ASM/DM/KAMs for creating a tailored Individual Development Plan to accelerate performance
- 1-1 formal Coaching Sessions targeted at building leadership skills for select Sales Leaders continues .

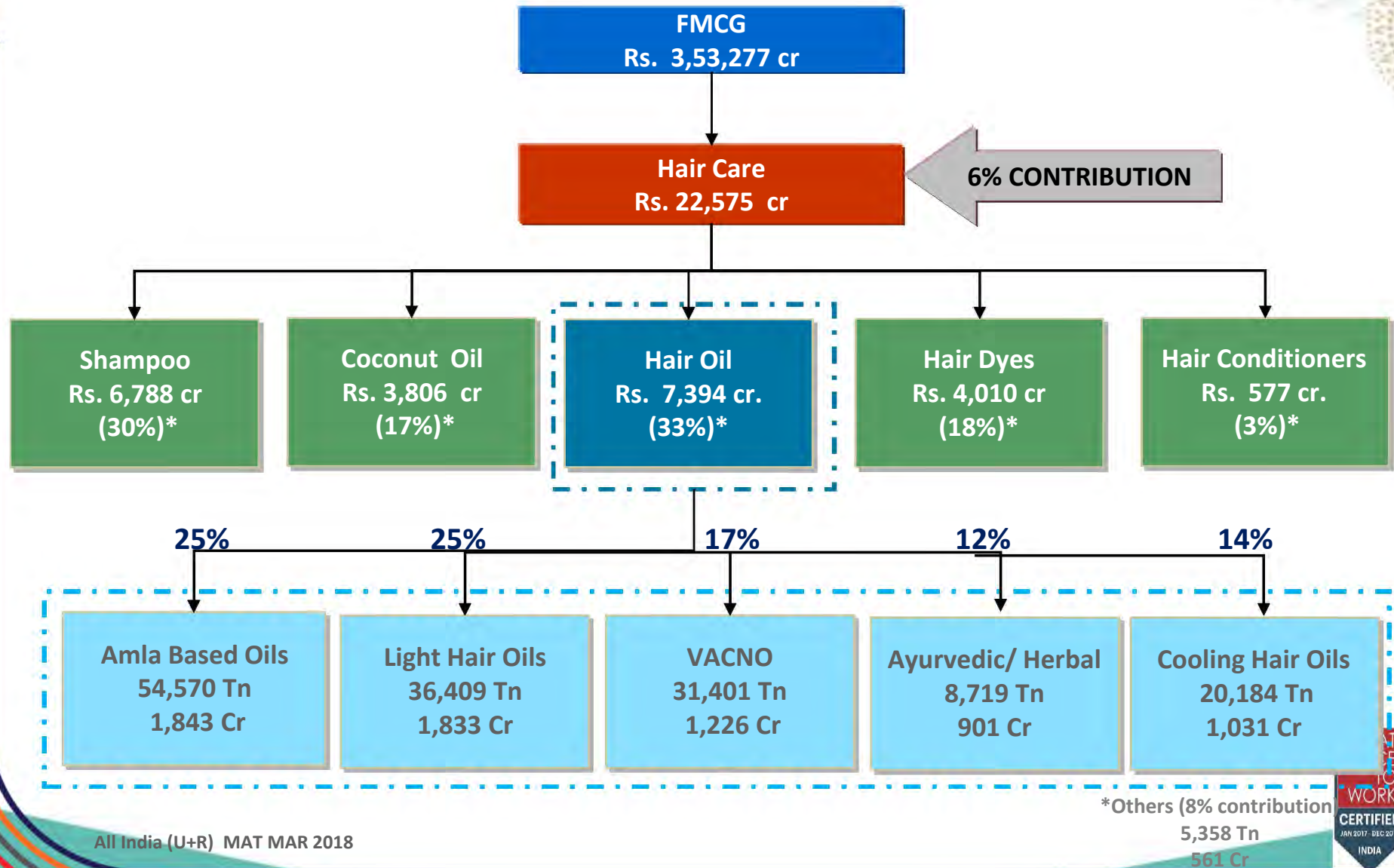




INDUSTRY OVERVIEW

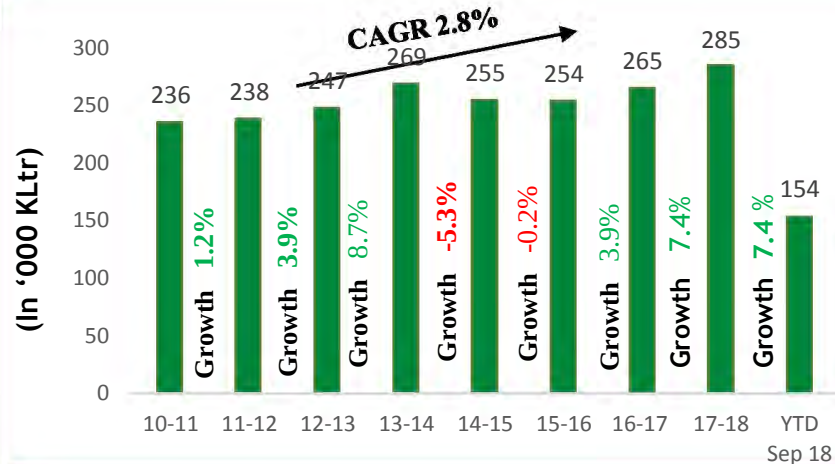


Industry Size and Structure

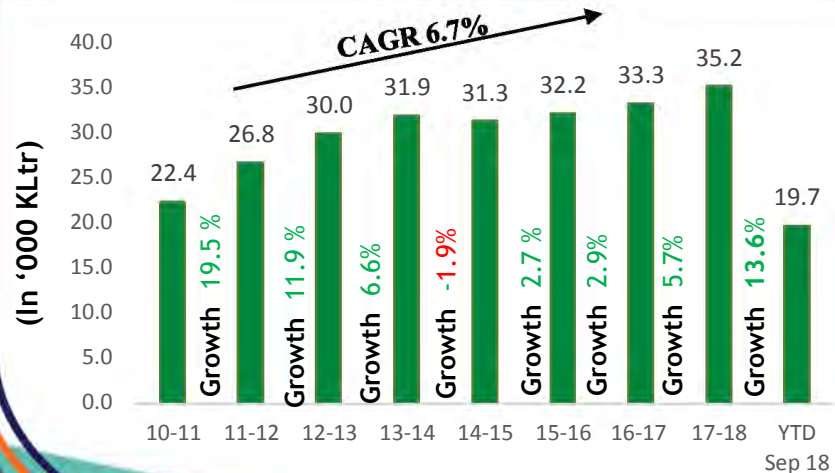


Hair Oil Market in India

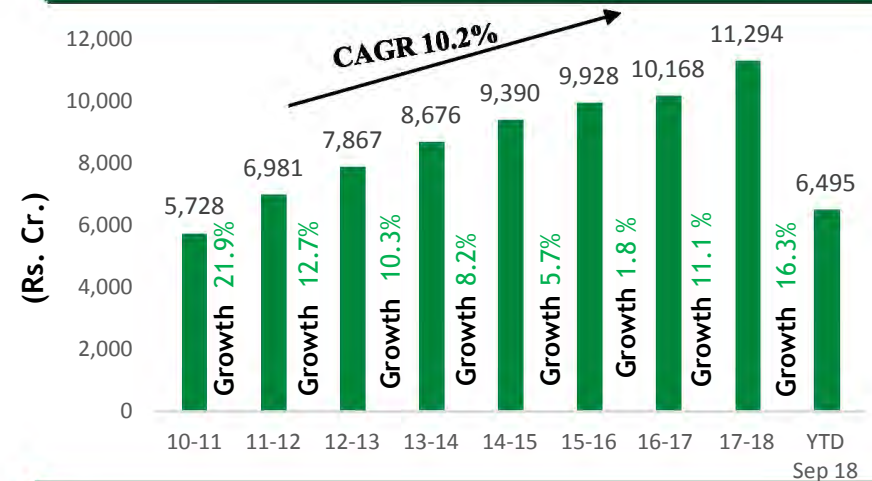
Overall Hair Oil Market - Volume



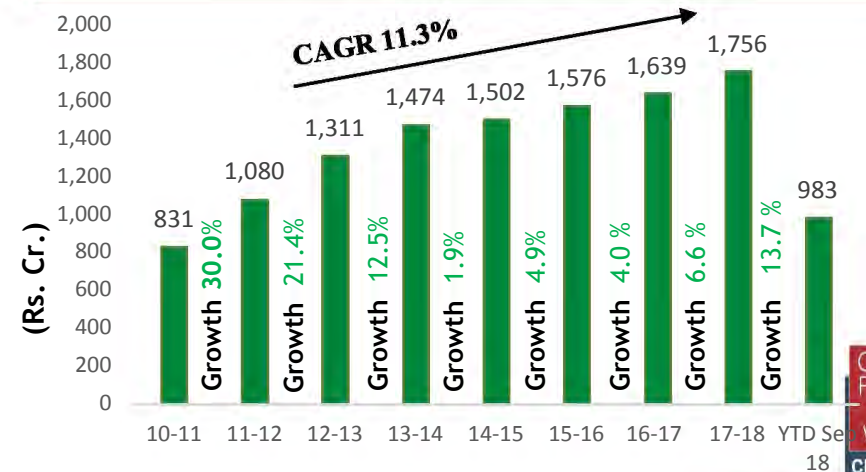
Light Hair Oil - Volume



Overall Oil Market - Value



Light Hair Oil - Value



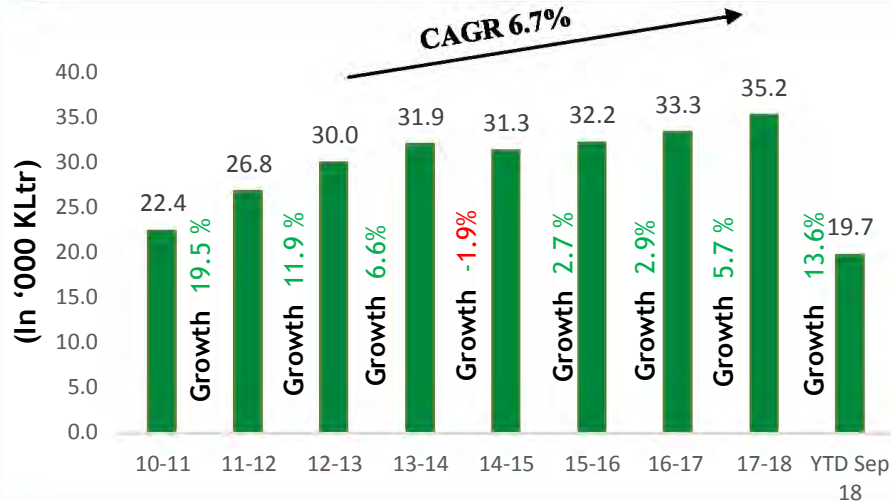
Source: Nielsen Retail Audit Report, Sep 2018

Hair Oils category shows Vol & Val growth at a YTD Sep 18 level. LHO segment also shows Val & Vol growth.

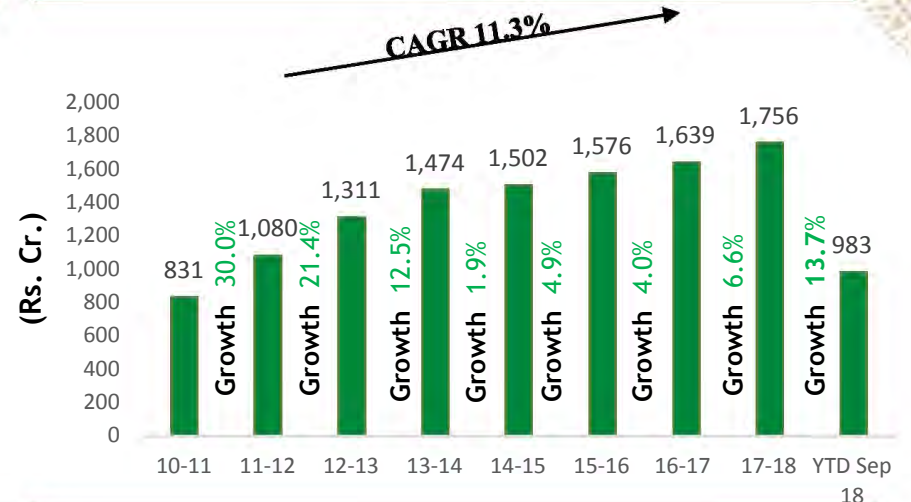


Light Hair Oil Market in India

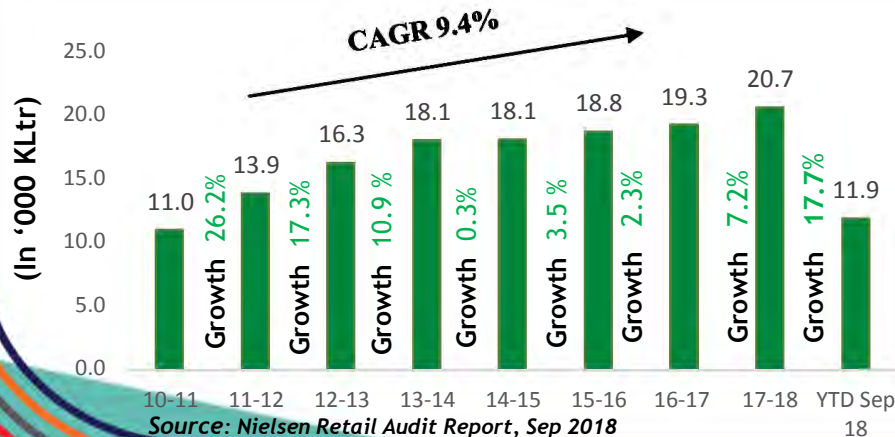
Light Hair Oil - Volume



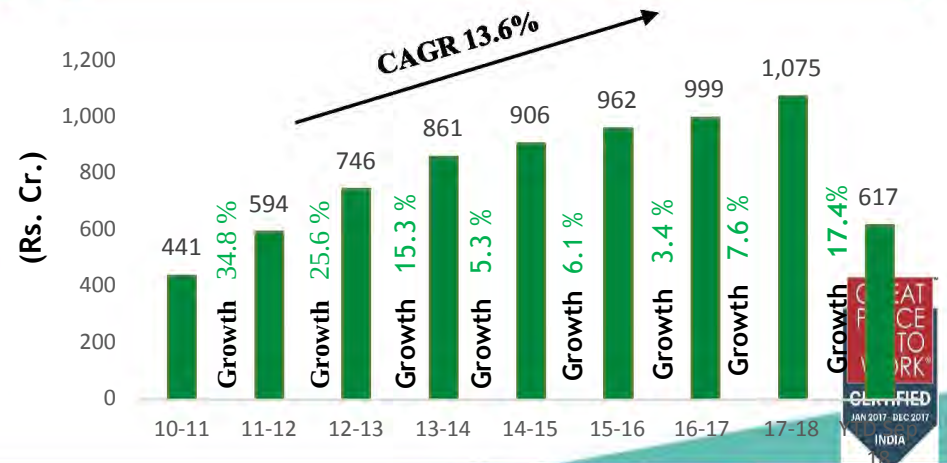
Light Hair Oil - Value



Almond Drops Hair Oil Market - Volume



Almond Drops Hair Oil Market - Value



Bajaj Almond Drops shows growth in both volume & value at a YTD Sep 18 level

Market Share Trends Quarterly - THO AI(U+R)

	MS Val				MS Vol			
	Q3'17	Q4'17	Q1'18	Q2'18	Q3'17	Q4'17	Q1'18	Q2'18
ADHO	9.4	9.8	9.5	9.52	7.2	7.7	7.7	7.8
All Bajaj Brands*	9.9	10.3	10.0	10.0	7.7	8.3	8.3	8.4

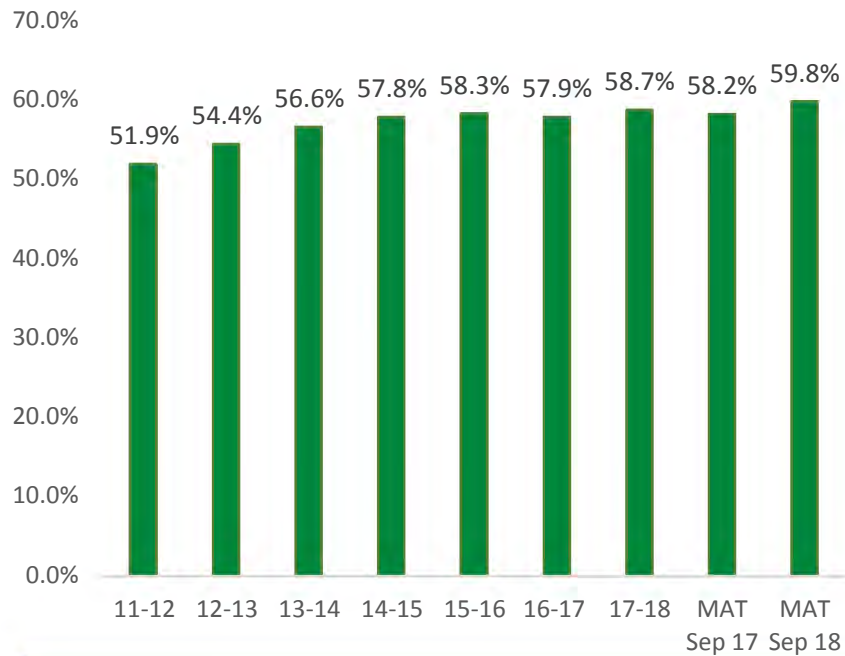
Stable on value and overall positive trends in for ADHO in THO category on MS vol

Source: Nielsen Retail Audit Report, Sep 2018

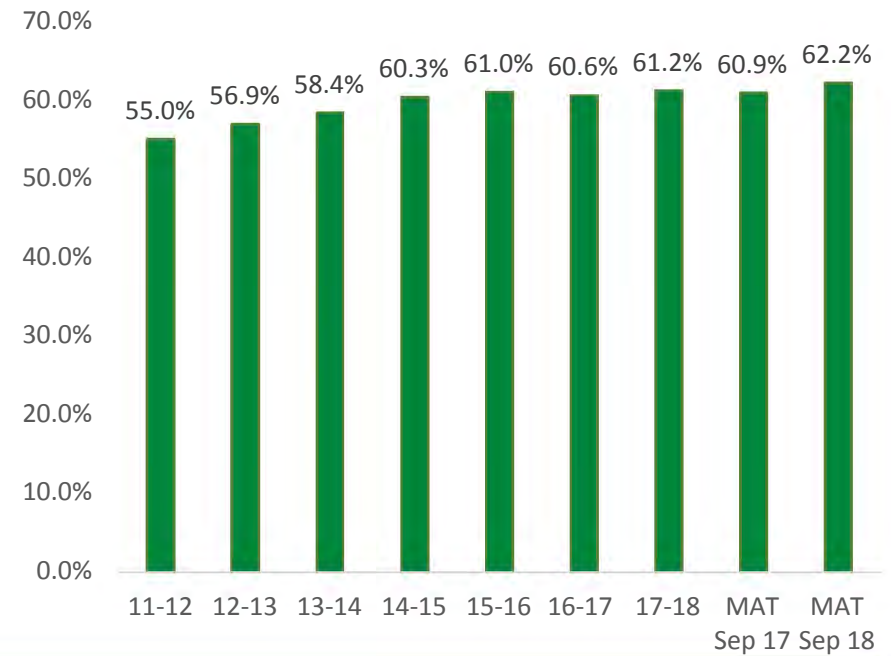


Market Shares Trends in Light Hair Oil Category (All India - Urban Plus Rural)

Volume MS



Value MS

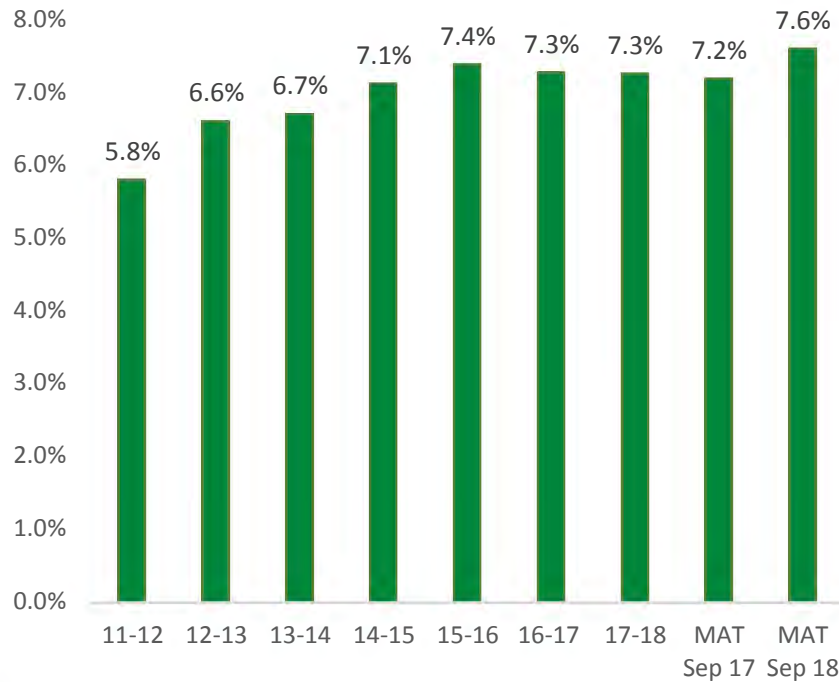


Dominance in LHO Category continues...Highest ever val and vol shares

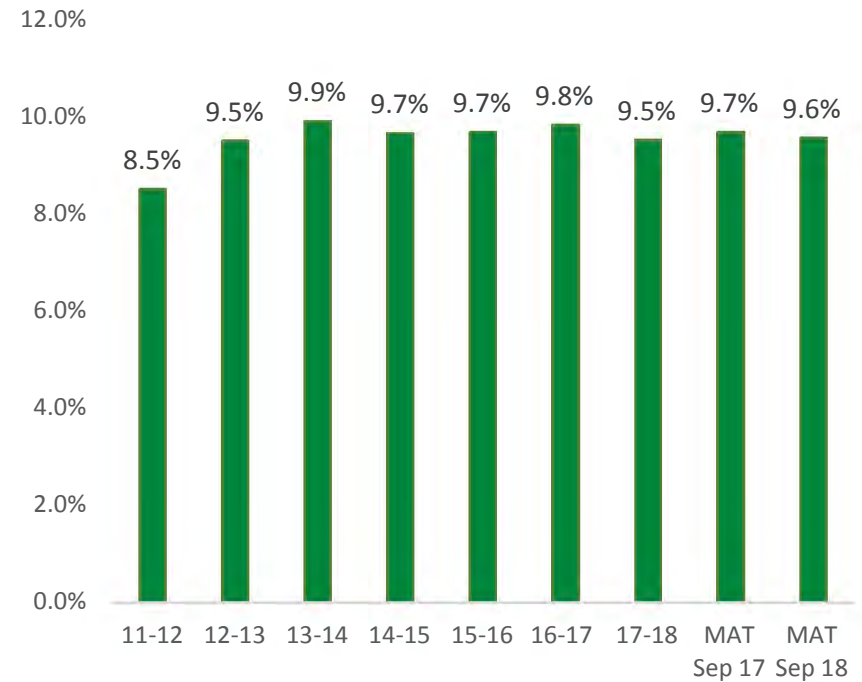
Source: Nielsen Retail Audit Report, Sep 2018

Market Shares Trends in Total Hair Oil Category (All India - Urban Plus Rural)

Volume MS



Value MS



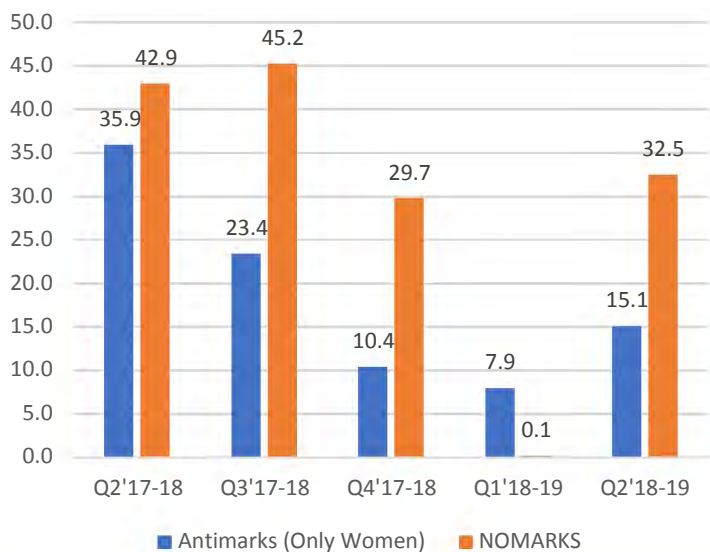
At MAT level, ADHO has increased Vol MS but has a slight drop in Val MS

Source: Nielsen Retail Audit Report, Sep 2018

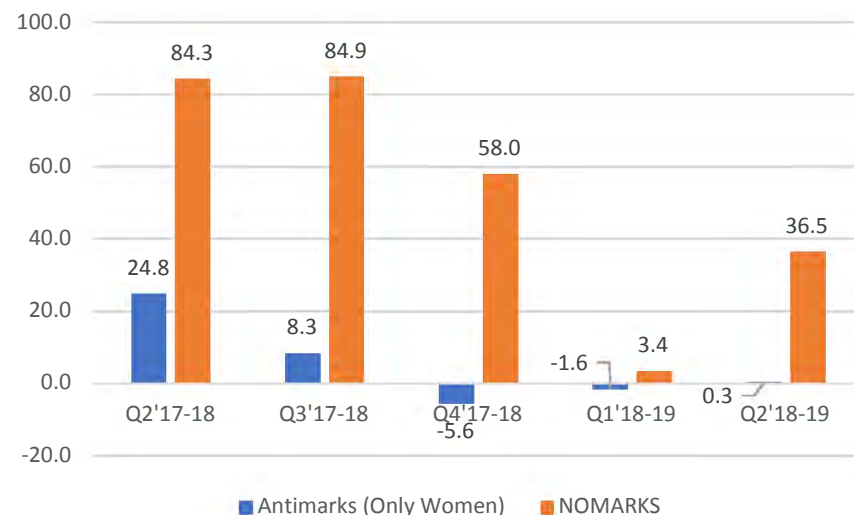


Anti Marks Category Growth

Q-o-Q Gr Val (All India)



Q-o-Q Gr Val (UP)



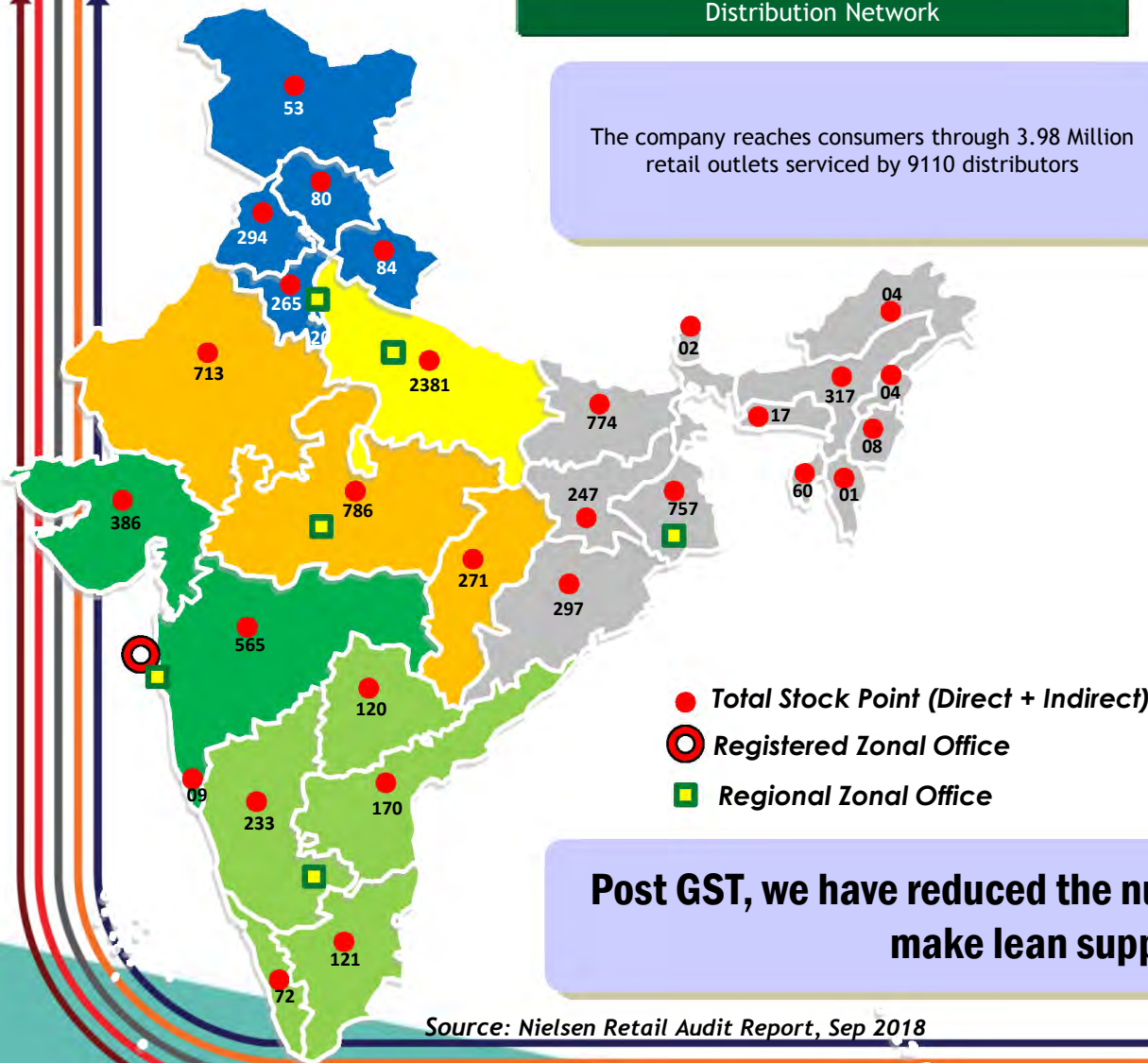
- NOMARKS post relaunch shows 2X growths compared to the category across all geographies, and even higher in the core market UP**

Source: Nielsen Retail Audit Report, Sep 2018

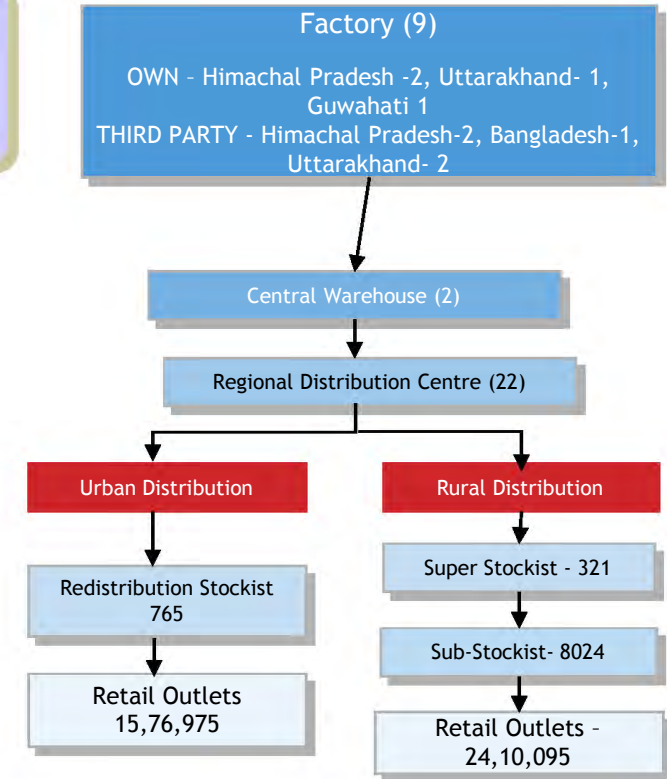
Strong Distribution Network

Distribution Network

The company reaches consumers through 3.98 Million retail outlets serviced by 9110 distributors



Distribution Structure



Post GST, we have reduced the number of depots from 28 to 22 to make lean supply chain model

Source: Nielsen Retail Audit Report, Sep 2018





ORGANISATION STRUCTURE



Management Board



Kushagra Nayan Bajaj
Chairman

Mr. Bajaj serves as Chairman of the Board of Bajaj Corp Ltd. He is also the promoter of the company. He holds a Bachelor of Science degree in Economics, Political Philosophy and Finance from Carnegie Mellon, Pittsburgh, USA and has a Masters Degree of Science in Marketing and finance from Northwestern University, Chicago, USA. He has been Vice Chairman of Bajaj Hindustan Ltd. Since April 30, 2011 and as its Joint Managing Director since April 24, 2007.



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. He joined the Company on April 1, 2008 and is responsible for overall management of the Company. Prior to joining the company he was President, Sales & Marketing of BCCL since 2004.



Management Committee



Sandeep Verma
President – Sales and Marketing

Joined BCL in Jan 2016. Sandeep is a Mechanical Engineer from NIT- Allahabad and a PGDBM from IIM – Lucknow. Prior to joining BCL, he has worked for 15 years in HUL/Unilever across various roles in Sales, Strategy and Marketing and has handled all core categories like Haircare, Skincare , Homecare there. His last role was as the Global Marketing Director in Homecare category in Unilever.



Dilip Kumar Maloo
Chief Financial Officer

Joined Bajaj Group on April 1991. He is a qualified CA & CS professional having more than 30 years of experience across Finance, Accounts, Taxation & Secretarial. Additionally he has experience in different areas of company operations of Procurement, Operations, Supply chain and project management.



Management Committee



Dipankar Ghosh

Assistant Vice President - Human Resources

Joined BCL 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 BCL on April 2016. He is a PGDBM from IMT, Ghaziabad and has 21 years of experience in organizations like Dabur and Britannia



Devendra Jain

Head - Supply Chain and Procurement

Joined BCL on Nov 2015. He is a Civil Engineer & MBA and has 15 years of experience in organizations like GSK, Johnson & Johnson. & Dabur



Abhishek Prasad

Head - Marketing

Joined BCL on May 2018. He holds a MBA from FMS, Delhi and has 20 years of experience in organizations like Reckitt Benkiser, Kraft Heinz & Pidilite.



Dr. Rajan Raghavachari

Head - R&D

Joined BCL on Feb 2017. He holds a Ph.D. in Chemical Engineering from IISc, Bangalore and has 19 years of R&D leadership in consumer products, Home Care and Personal Care products mostly working in UNILEVER/ HUL



Ravi Nagar

Head - International Business

Joined BCL on May 2018. Ravi is a Textile Engineer and a PGDM from XIM - Bhubaneswar. He has got 16+ years of rich and diverse FMCG experience. Prior to joining Bajaj, he was associated with Godrej Consumer Products Limited as Head-SAARC Business responsible for managing all functions and categories spread across Bangladesh, Sri Lanka, Nepal, Pakistan & Myanmar.



Management Committee



Makarand Karnataki
Head - Legal

Joined BCL 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 Agrovat Ltd.



Naresh Gehlaud
Head - Operations

Joined BCL on May 2018. He is an Electrical Engineer and a MBA in Marketing and has 23+ years of experience in organizations like Emami & Marico.



Dharmesh Sanghavi
General Manager - IT

Joined BCL on Sep 2012. He is a computer Engineer, PMP certified, Strategic management of IT from IIM-A, Diploma in Business Management from ICFAI and has 19 years of experience in organizations like Yash Birla Group, The Loot India (P) Ltd, Planet M (Part of Videocon Group previously Times Group brand)



Ankit Chudiwala
Head - Internal Audit

Joined BCL 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. He has previously worked with L'Oréal and Ernst & Young in multiple geographies across the globe



Financials



Financial Information

Summary Income Statement

(Rs. In Crore)

Particulars	Q2 FY19	Q2 FY18	H1FY19	H1FY18
Total Operating income	212.73	204.13	434.14	401.56
EBITDA	61.94	59.60	132.42	121.49
EBITDA Margin	30.10%	29.26%	31.47%	30.37%
Profit Before Tax(PBT)	65.83	64.47	134.37	134.37
Net Profit after Tax	51.65	50.71	105.42	105.69
Net Profit Margin	25.11%	24.90%	25.06%	26.42%

Summary Balance Sheet

(Rs. In Crore)

Particulars	As at 30.09.2018	As at 31.03.2018
Shareholders Equity	611.31	505.36
Net Fixed Assets	58.63	57.10
Investments (including Bank FDs, Bank CDs and Government Securities & Bonds)	516.70	443.74
Net Current Assets	35.98	4.52

- ✓ Overall Company Operating Income Growth 4.21% (Q-Q) and 8.11%(H1-H1)
- ✓ Q2 EBITDA increased by 3.92% (Q-Q) now increased to Rs. 61.94 Cr (30.10%) from Rs.59.60 Cr (29.26%)
- ✓ H1 EBITDA increased by 8.99% (H1-H1) now increased to Rs. 132.42 Cr (31.47%) from Rs.121.49 Cr (30.37%)



Profit & Loss Quarter ended Sep 30, 2018 (Q2FY19)

Rs. in Crore

Particulars	Q2 FY19	Q2 FY18	YoY%
Net Sales	205.74	203.68	1.01%
Other Operating Income	6.99	0.45	
Total Operating income	212.73	204.13	4.21%
Material Cost	69.49	67.34	
% of Sales	33.78%	33.06%	
Employees Cost	24.05	19.39	
% of Sales	11.69%	9.52%	
Advertisement & Sales Prom.	33.13	32.58	
% of Sales	16.10%	16.00%	
Other Expenses	24.12	25.22	
% of Sales	11.73%	12.38%	
EBITDA	61.94	59.60	3.92%
% of Sales	30.10%	29.26%	
Other Income	7.12	7.95	
Finance Cost	0.22	0.25	
Depreciation	1.64	1.58	
Corporate Social Responsibility	1.36	1.26	
Profit Before Tax(PBT)	65.83	64.47	2.11%
Tax Expenses	14.18	13.76	
Profit After Tax(PAT)	51.65	50.71	1.85%
% of Sales	25.11%	24.90%	
Other Comprehensive Income (net of tax)	-0.07	0.05	
Total Comprehensive Income (net of tax)	51.58	50.76	
Basic & Diluted EPS (Rs.)	3.50	3.44	

- ✓ Total Operating Income increased by 4.21% in Q2FY19 (Q-Q)
- ✓ Increase in EBITDA by 3.92% (Q-Q) in Q2FY19



Profit & Loss Half Year ended Sep 30, 2018 (H1FY19)

Rs. in Crore

Particulars	H1FY19	H1FY18	YoY%
Net Sales	420.70	400.08	5.15%
Other Operating Income	13.43	1.48	
Total Operating income	434.14	401.56	8.11%
Material Cost	143.43	136.14	
% of Sales	34.09%	34.03%	
Employees Cost	46.13	36.26	
% of Sales	10.97%	9.06%	
Advertisement & Sales Prom.	62.21	56.54	
% of Sales	14.79%	14.13%	
Other Expenses	49.95	51.10	
% of Sales	11.87%	12.77%	
EBITDA	132.42	121.49	8.99%
% of Sales	31.47%	30.37%	
Other Income	8.29	19.01	
Finance Cost	0.48	0.50	
Depreciation	3.14	3.12	
Corporate Social Responsibility	2.72	2.51	
Profit Before Tax(PBT)	134.37	134.37	0.00%
Tax Expenses	28.95	28.68	
Profit After Tax(PAT)	105.42	105.69	-0.26%
% of Sales	25.06%	26.42%	
Other Comprehensive Income (net of tax)	-0.07	0.05	
Total Comprehensive Income (net of tax)	105.35	105.74	
Basic & Diluted EPS (Rs.)	7.14	7.17	

- ✓ Total Operating Income increased by 8.11% in H1FY19
- ✓ Increase in EBITDA by 8.99% in H1FY19

Sales Value Growth Q2 FY19

Sales Vertical	Q2FY19 Salience %	Growth Q2FY19
General Trade	85.10%	2.1%
Modern Trade	6.93%	23%
Total Domestic (Excluding CSD)	92.03%	3.7%
Canteen Stores Department	4.73%	-44.96%
Total Domestic	96.77%	1.3%
International Business	3.23%	-6.8%
Total for the Company	100.00%	1.01%

- ✓ Growth in Domestic Sales (Exc. CSD) 3.7%. Sharp decline in CSD & Export Sales thereby overall Sales growth reduced to 1.01% Q-Q



Sales Value Growth H1 FY19

Sales Vertical	H1FY19 Salience %	Growth H1FY19
General Trade	86.11%	9.7%
Modern Trade	5.55%	28.7%
Total Domestic (Excluding CSD)	91.67%	10.93%
Canteen Stores Department	3.99%	-37.0%
Total Domestic	95.65%	9.1%
International Business	4.35%	-52.9%
Total for the Company	100.00%	6.9%

- ✓ **Growth in Domestic Sales (Exc. CSD) 10.93%. Sharp decline in CSD & Export Sales thereby overall Sales growth reduced to 6.89%(H1-H1)**

Note: The Growth number for the company post GST period has been arrived at after adjusting GST impact.



Breakup of RM/PM Costs (for Q2FY 19)

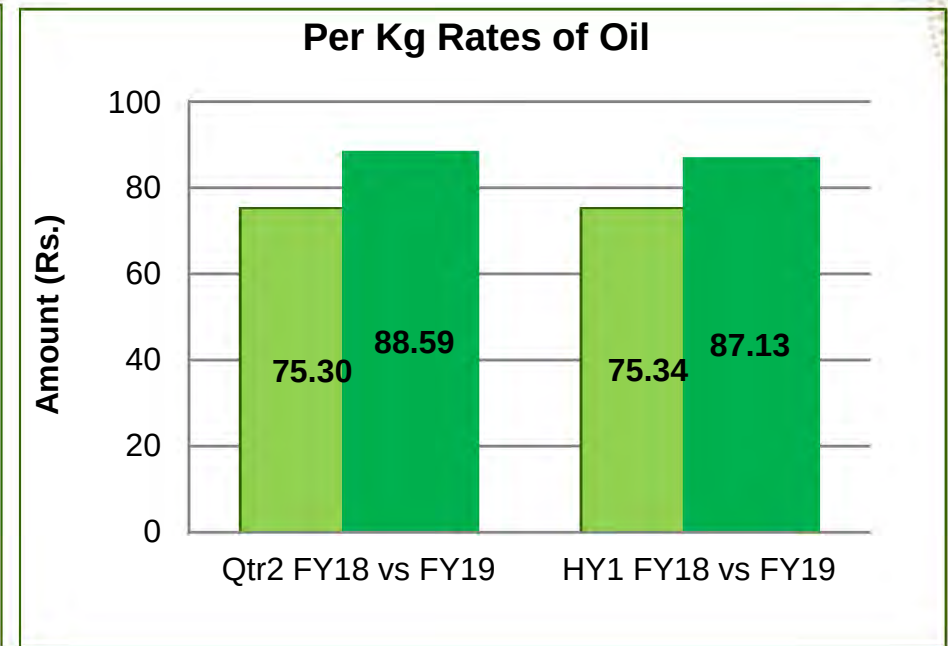
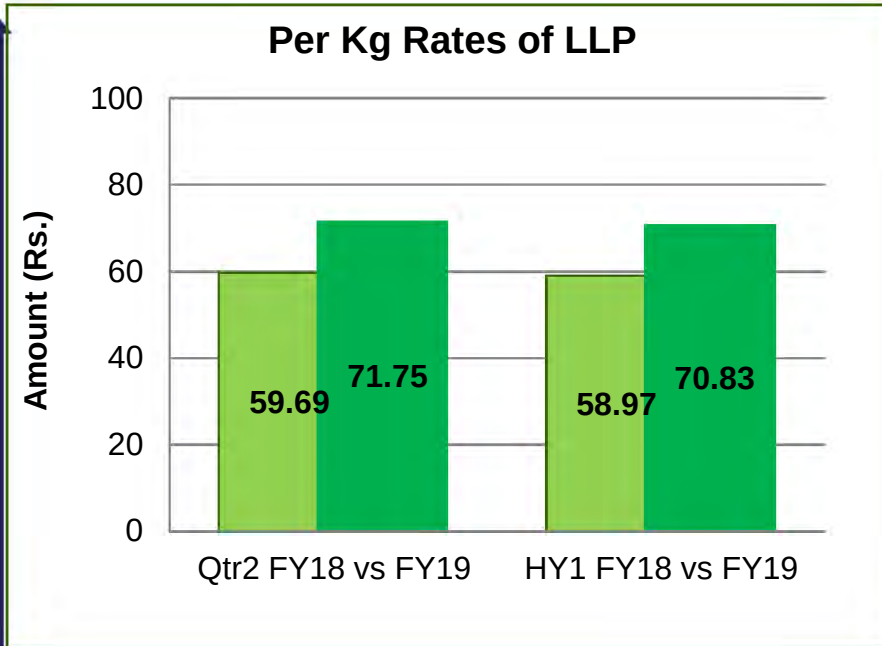
Key Raw & Packing Material	% to Sales	% to Total Cost
LLP	10.46%	31.14%
Bottles (Glass & Pet)	9.04%	26.90%
Refined Veg. Oil	4.61%	13.73%
Perfumes & other additives	2.42%	7.21%
Corrugated Boxes	1.54%	4.60%
Caps	1.87%	5.56%
Others	4.30%	12.79%
TOTAL	33.60%	100.00%

*** Consumption is 33.60% of Sales**

**For Bajaj Almond Drops*



Change in Prices of Key Ingredients



- ✓ The adjusted landed cost (Net of input credit) of LLP during the quarter is increased to Rs. 61.86/Kg from Rs. 51.80/Kg of corresponding quarter
- ✓ The adjusted landed cost (Net of input credit) of Refined Oil during the quarter is increased to Rs. 84.37/Kg from Rs. 72.68/Kg of corresponding quarter

GOING FORWARD..



Plan

- Focus on driving volumes harder in ADHO post relaunch and continue to grow ahead of the market
- Sustain the momentum for NOMARKS across all key channels
- Keep the drive on new innovations and land them much faster in the market
- Capitalize on strong growths in Modern trade and Ecommerce channels
- With stabilization in IB business, renew efforts to drive growth there through organic and inorganic efforts.

Risk to Plan

- Rising crude oil prices and depreciating currency
- Government policies for CSD business
- Increasing competitive intensity in hair oil and skin care



For More Information



For more information & updates

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