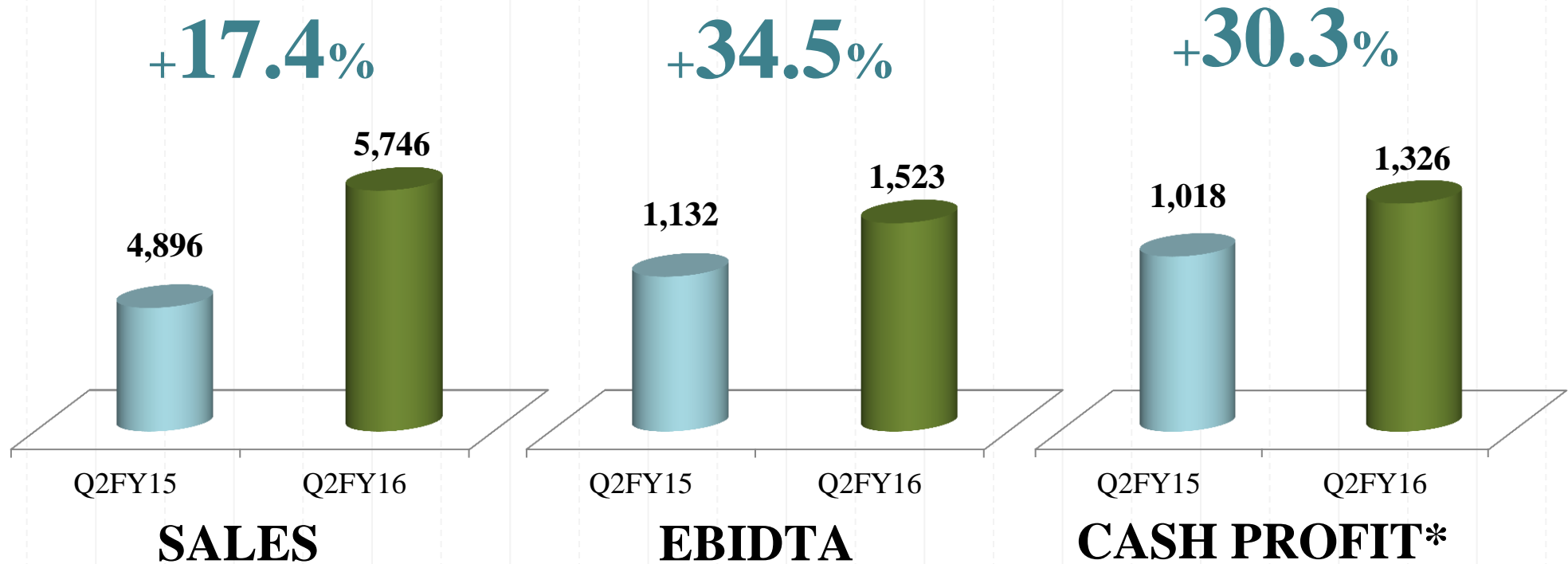






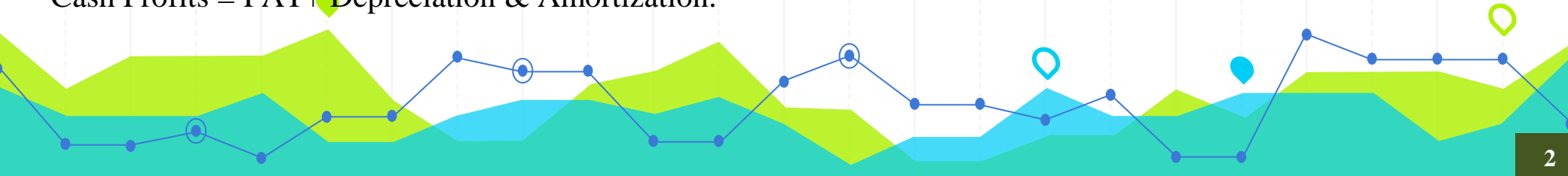
# Q2FY16

## Snapshot...Consolidated



However, PAT degrew by 33.0% on account of Amortization of Kesh King Intangible assets for ₹ 619.8 mns.

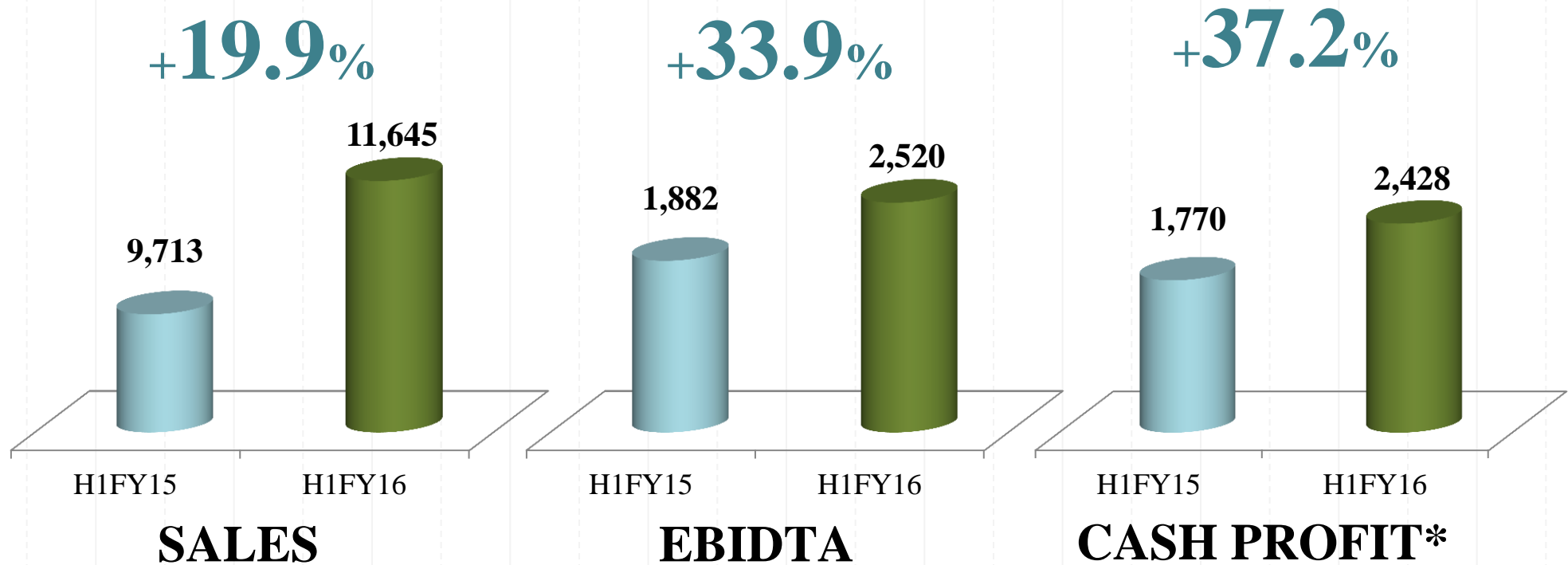
\*Cash Profits = PAT + Depreciation & Amortization.





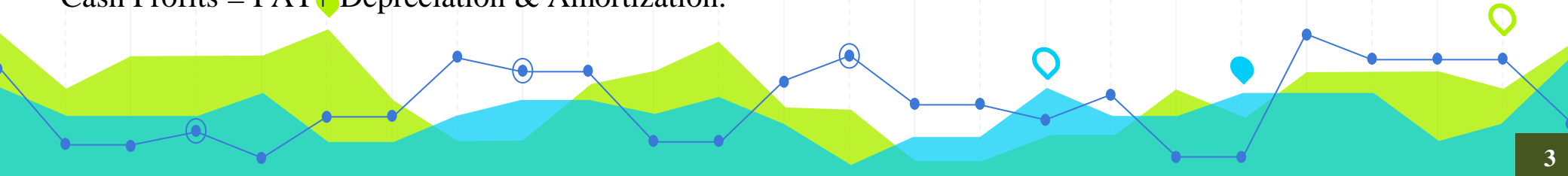
# H1FY16

## Snapshot...Consolidated



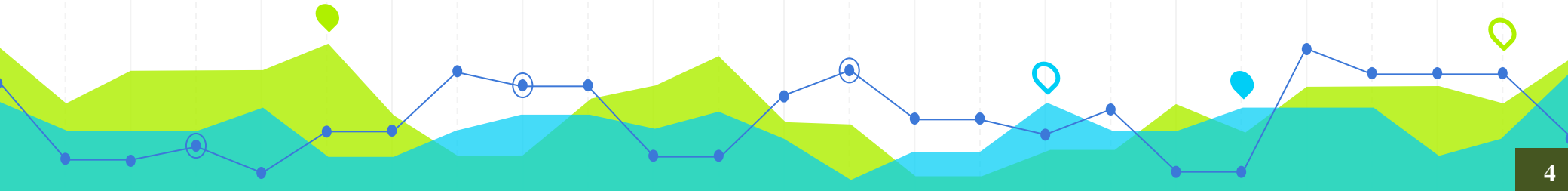
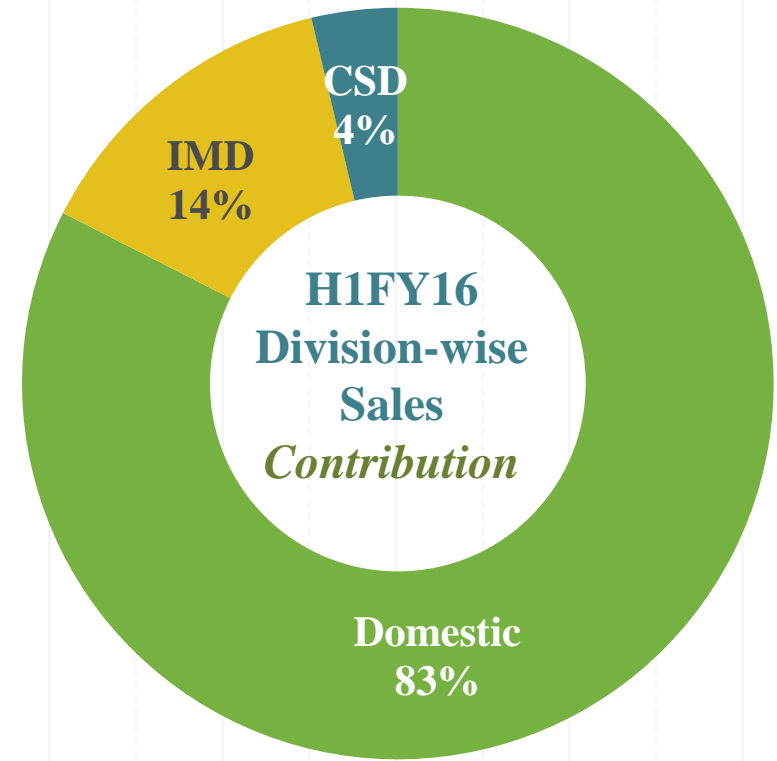
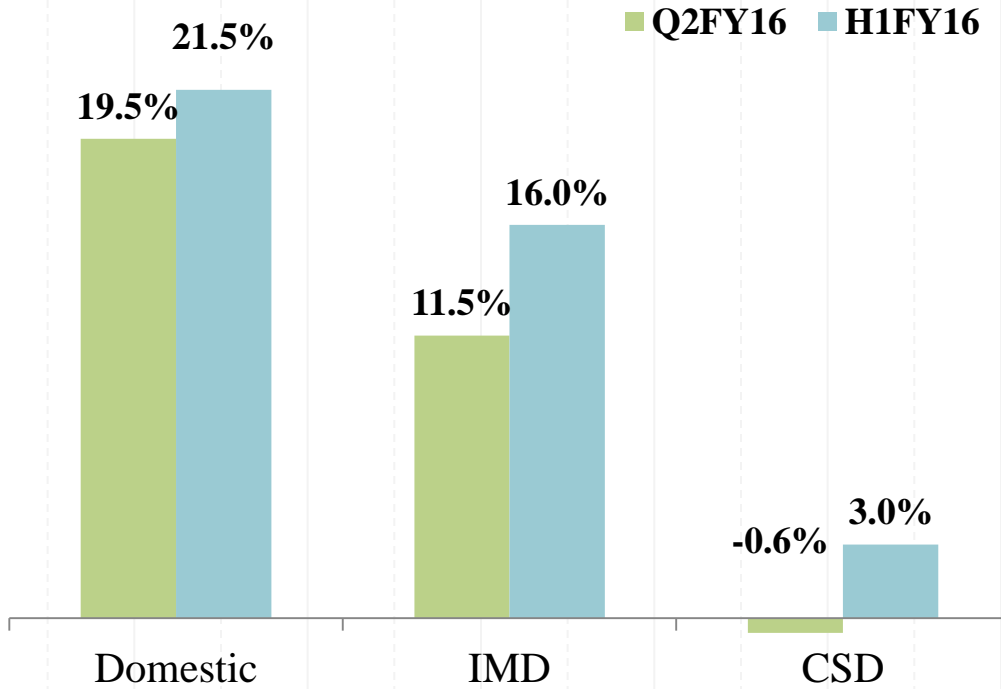
However, PAT degrew by 8.9% on account of Amortization of Kesh King Intangible assets for ₹ 756.4 mns.

\*Cash Profits = PAT + Depreciation & Amortization.



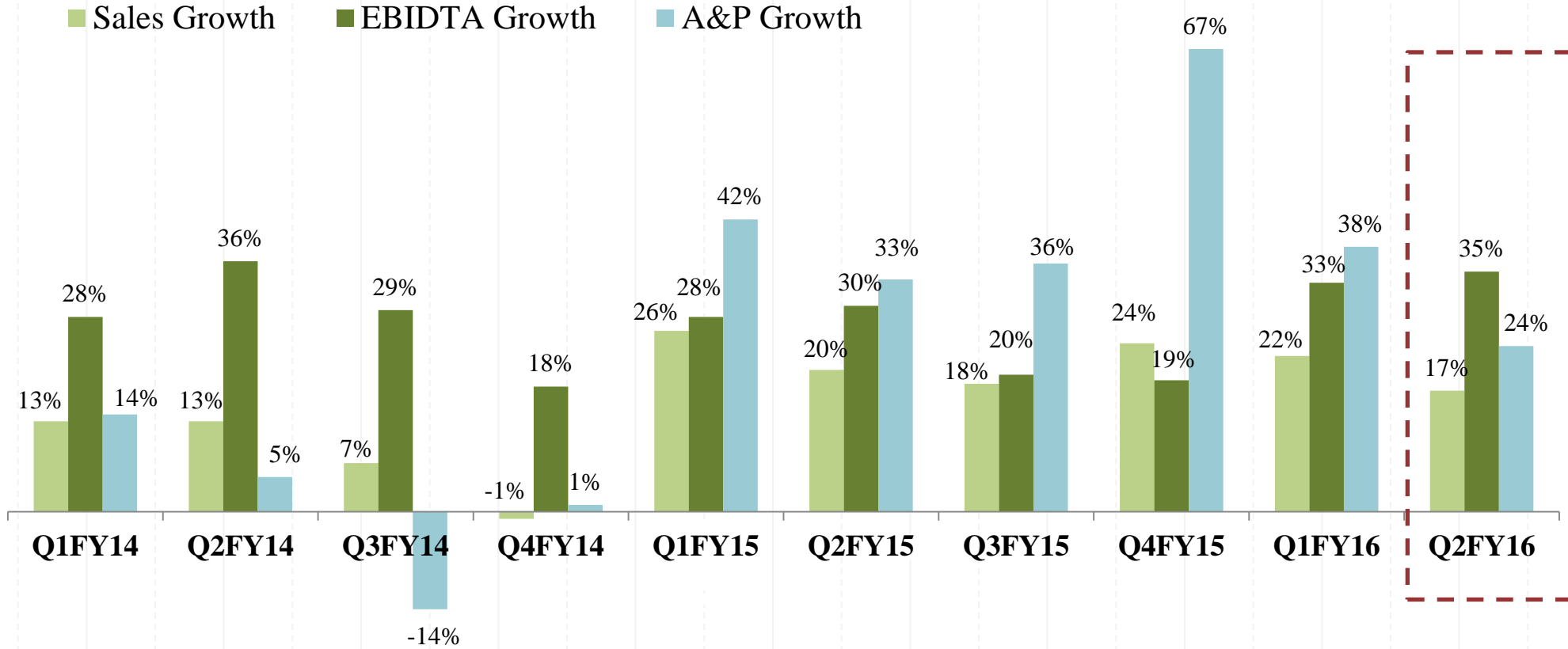
# Sales Growth

- Consolidated Sales grew by **17.4%** in Q2 and by **19.9%** in H1FY16

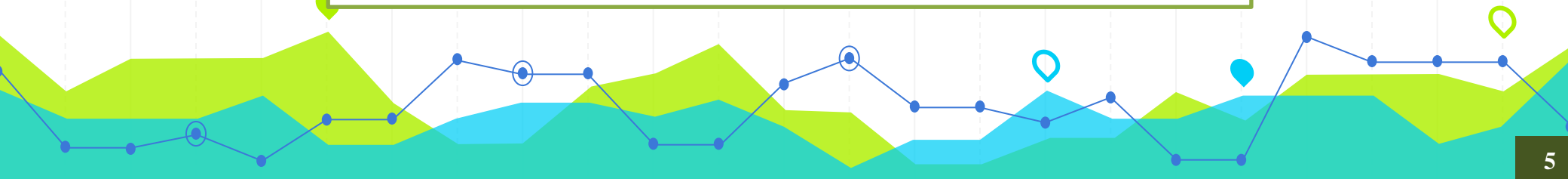


# Quarterly Trends

## Consolidated Sales, EBIDTA and A&P Growth



EBIDTA margins expand by 340 bps YoY in Q2FY16





# Navratna Range

Cool Oils registered flat growth during the quarter due to early rainfall. However, it grew by **10%** in **H1FY16**.

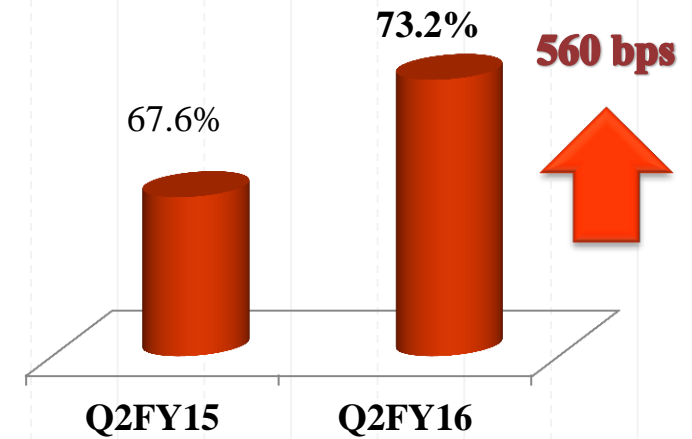
- **560** bps increase in Market Share (Vol.) at **73.2%** in Q2FY16.



Cool Oils- Market Share (Vol.)

Cool Talc de-grew by 20% in the quarter due to early rainfall. However, it grew by **6%** in **H1FY16**.

- Maintained Market Share (Vol.) at **26.7%** in Q2FY16.



# Balms *Range*

- **Balms** grew by **3%** during the quarter and by **13%** in H1FY16.
  - Subdued growth due to huge deficit of monsoons in western India, which is a major market for Balms.
- Balms maintained its leadership with a Market Share (Vol.) of **55.7%** in Q2FY16





# Fair and Handsome *Range*

- Fair & Handsome cream grew by **10%** during the quarter and by **15%** in H1FY16
  - Maintained its leadership with a Market Share (Vol.) of **62.0%** in Q2FY16
- Brand Extension **Fair & Handsome Instant Fairness Facewash** performed well.
  - Market Share (Vol.) at **12.1%** in Q2FY16



Fair and Handsome partners FC Pune City Team as Lead Sponsor for Indian Super League 2015

Fair & Handsome announced a unique digital contest **#HandsomeLife** for the aspirational youth where 10 lucky winners would get a chance to meet the Bollywood superstar Hrithik Roshan and be mentored by him & other experts


 A promotional graphic for the #HandsomeLife campaign. It features the 'Fair and Handsome' logo on the left and the 'Handsome Life' logo on the right. Below the logos, the text reads: '#HandsomeLife IS A LIFE LIVED BEYOND THE COMFORT ZONE TO REALIZE YOUR PASSION.'

# BoroPlus Range



- **BoroPlus Antiseptic cream** grew by **16%** during the quarter and H1FY16.
  - Maintained its leadership with a Market Share (Vol.) of **75.5%** in Q2FY16.
- **BoroPlus Prickly Heat Powder** grew by **10%** during the quarter and by **13%** in H1FY16.



**BoroPlus Antiseptic Cream** came up with a TV commercial created by **Rajkumar Hirani**, bringing in superstars **Amitabh Bachchan & Kangana Ranaut** for the first time together onscreen which was aired in TV, Cinemas and Radio.



# Health Care *Range*

- **Healthcare range** grew by **45%** during the quarter and by **37%** in H1FY16.
  - Sales of **Pancharishta** more than doubled during the quarter and grew by **84%** in H1FY16.



Zandu Pancharishtha TVC's run on regional markets like West Bengal, Andhra Pradesh, Maharashtra and Karnataka enhancing consumer reach.



# Kesh King Range

- Acquired control on 12<sup>th</sup> June, 2015.
- Kesh King contributed to ~**10%** of the domestic sales growth during the quarter and ~**6%** of the growth in H1FY16.
- Shruti Haasan roped in to promote the brand in southern markets



## 7 Oils in One

- Sales grew **150%** in Q2FY16 and by **51%** in H1FY16

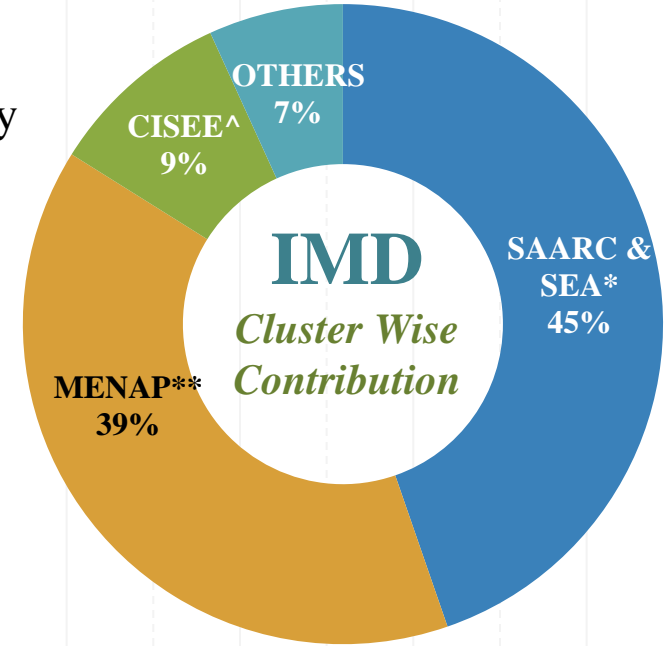




# International Marketing *Division*

- International business grew by **12%** during the quarter and by **16%** in H1FY16.

- **SAARC & MENAP** regions performed well
- **CIS** however degrew due to currency volatility



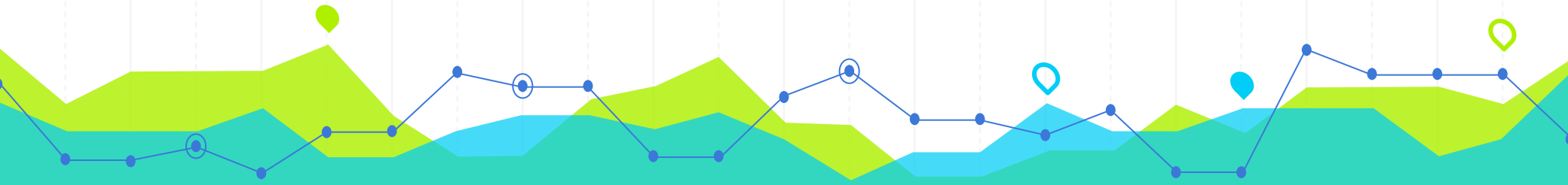
## Leadership *in International Markets*

- Navratna **#1** in Cooling Oil category across UAE, Saudi Arabia & Bangladesh
- Fair & Handsome **#2** in Men's Fairness Cream category across UAE, Saudi Arabia & Bangladesh
- BoroPlus **#2** in Antiseptic and Healing topical Supplement category in Russia

**\*SAARC & SEA:** South Asian Association for Regional Cooperation & South East Asia

**\*\*MENAP:** Middle East, North Africa & Pakistan

**^CISEE:** Commonwealth of Independent States & Eastern Europe



# Q2 & H1FY16 Earnings

# Q2FY16 Summarized Results



₹ in Millions

Particulars	Q2FY16	% of Sales	Q2FY15	% of Sales	Growth %	FY15	% of Sales
<b>Net Sales</b>	<b>5,746.2</b>	<b>100%</b>	<b>4,896.0</b>	<b>100%</b>	<b>17.4%</b>	<b>22,172.5</b>	<b>100%</b>
Materials Cost	1,689.9	29.4%	1,654.7	33.8%	2.1%	7,799.7	35.2%
A&P	1,115.2	19.5%	901.0	18.4%	23.8%	3,919.4	17.7%
Staff Costs	527.9	9.2%	444.0	9.1%	18.9%	1,671.3	7.5%
Admn. & Other Exp.	890.2	15.5%	764.1	15.6%	16.5%	3,381.3	15.2%
<b>EBITDA</b>	<b>1,523.0</b>	<b>26.5%</b>	<b>1,132.2</b>	<b>23.1%</b>	<b>34.5%</b>	<b>5,400.8</b>	<b>24.4%</b>
Other Income	129.2	2.2%	148.7	3.0%	-13.1%	918.2	4.1%
Interest	190.9	3.3%	13.2	0.3%	1346.2%	51.4	0.2%
Amortisation of Acquired Trade Marks / Brands	619.8	10.8%	12.4	0.3%	4898.4%	34.4	0.2%
Depreciation/ Amortisation of other assets	92.3	1.6%	89.9	1.8%	2.7%	308.7	1.4%
<b>PBT</b>	<b>749.2</b>	<b>13.0%</b>	<b>1,165.4</b>	<b>23.8%</b>	<b>-35.7%</b>	<b>5,924.5</b>	<b>26.7%</b>
Tax & Minority Interest	135.8	2.4%	250.2	5.1%	-45.7%	1,068.4	4.8%
<b>PAT</b>	<b>613.4</b>	<b>10.7%</b>	<b>915.2</b>	<b>18.7%</b>	<b>-33.0%</b>	<b>4,856.1</b>	<b>21.9%</b>
EPS - Rs.	3.9		4.0		-4.5%	21.4	
<b>Cash Profit</b>	<b>1,325.5</b>	<b>23.1%</b>	<b>1,017.5</b>	<b>20.8%</b>	<b>30.3%</b>	<b>5,199.2</b>	<b>23.4%</b>
<b>Cash EPS</b>	<b>5.8</b>		<b>4.5</b>		<b>30.3%</b>	<b>22.9</b>	

# H1FY16 Summarized Results



₹ in Millions

Particulars	H1FY16	% of Sales	H1FY15	% of Sales	Growth %	FY15	% of Sales
<b>Net Sales</b>	<b>11,644.9</b>	<b>100%</b>	<b>9,713.3</b>	<b>100%</b>	<b>19.9%</b>	<b>22,172.5</b>	<b>100%</b>
Materials Cost	3,706.0	31.8%	3,512.6	36.2%	5.5%	7,799.7	35.2%
A&P	2,535.8	21.9%	1,929.4	19.9%	31.4%	3,919.4	17.7%
Staff Costs	1,034.2	8.9%	863.5	8.9%	19.8%	1,671.3	7.5%
Admn. & Other Exp.	1,849.0	15.9%	1,525.6	15.7%	21.2%	<b>3,381.3</b>	<b>15.2%</b>
<b>EBITDA</b>	<b>2,519.9</b>	<b>21.6%</b>	<b>1,882.2</b>	<b>19.4%</b>	<b>33.9%</b>	6,319.0	28.5%
Other Income	314.1	2.7%	372.0	3.8%	-15.6%	<b>918.2</b>	<b>4.1%</b>
Interest	234.3	2.0%	21.3	0.2%	1000.0%	51.4	0.2%
Amortisation of Acquired Trade Marks / Brands	756.4	6.5%	12.4	0.1%	6000.0%	<b>34.4</b>	<b>0.2%</b>
Depreciation/ Amortisation of other assets	180.7	1.6%	121.6	1.3%	48.6%	308.7	1.4%
<b>PBT</b>	<b>1,662.6</b>	<b>14.3%</b>	<b>2,098.9</b>	<b>21.6%</b>	<b>-20.8%</b>	<b>5,924.5</b>	<b>26.7%</b>
Tax & Minority Interest	171.7	1.5%	463.1	4.8%	-62.9%	1,068.4	4.8%
<b>PAT</b>	<b>1,490.9</b>	<b>12.8%</b>	<b>1,635.8</b>	<b>16.8%</b>	<b>-8.9%</b>	<b>4,856.1</b>	<b>21.9%</b>
EPS - Rs.	6.5		7.2		-9.2%	21.4	0.1%
<b>Cash Profit</b>	<b>2,428.0</b>	<b>20.9%</b>	<b>1,769.8</b>	<b>18.2%</b>	<b>37.2%</b>	<b>5,199.2</b>	<b>23.4%</b>
<b>Cash EPS</b>	<b>10.7</b>		<b>7.8</b>		<b>37.2%</b>	<b>22.9</b>	<b>0.1%</b>

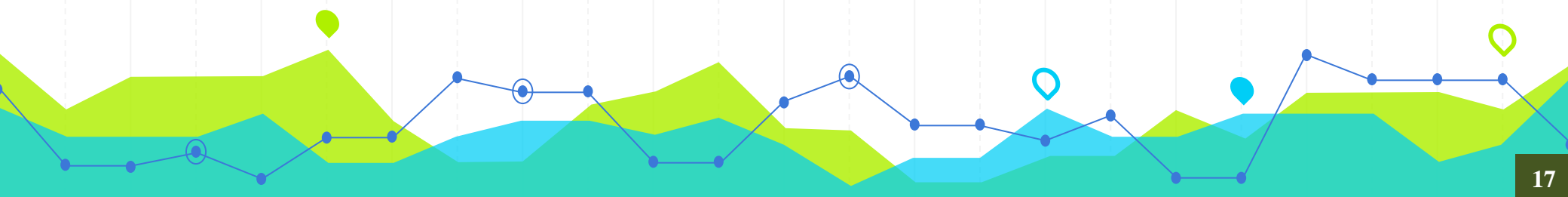


# Summarized *Balance Sheet*

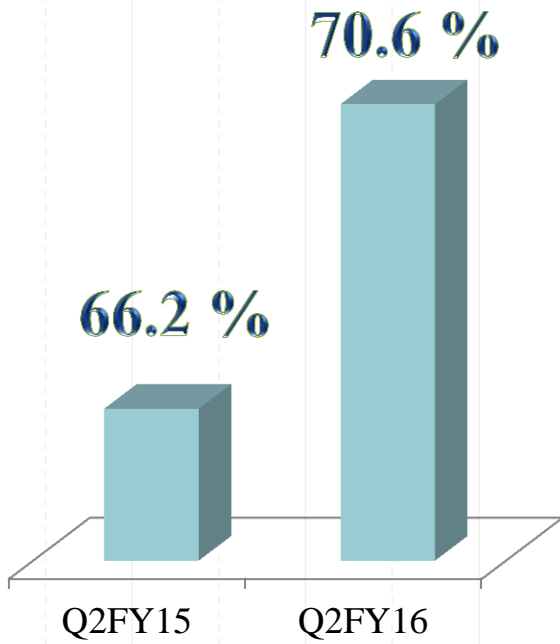


₹ in Millions

S.N.	LIABILITIES	As at 30.09.2015	As at 30.09.2014	As at 31.03.2015	S.N.	ASSETS	As at 30.09.2015	As at 30.09.2014	As at 31.03.2015
1	<b>Shareholders Fund</b>	<b>13,813</b>	<b>9,892</b>	<b>12,306</b>	1	<b>Non-Current Assets</b>	<b>21,694</b>	<b>5,091</b>	<b>5,320</b>
	a. Share Capital	227	227	227		Net Fixed Assets	21,103	4,445	4,776
	b. Reserves and Surplus	13,586	9,665	12,079		Goodwill On Consolidation	41	-	41
2	<b>Minority Interest</b>	<b>40</b>	<b>-</b>	<b>46</b>		Non-Current Investments	66	66	66
3	<b>Non-Current Liabilities</b>	<b>435</b>	<b>635</b>	<b>546</b>		Deferred Tax Asset (net)	0	-	-
	Long-Term Borrowings	23	180	17		Long-Term Loans and Advances	483	579	437
	Deferred Tax Liabilities (Net)	-	89	121		Other Non-Current Asset	1	0	0
	Other Long Term Liabilities	149	151	163	2	<b>Current Assets</b>	<b>5,123</b>	<b>9,136</b>	<b>11,444</b>
	Long-Term Provisions	263	214	245		Current Investments	1,514	3,191	4,947
4	<b>Current Liabilities</b>	<b>12,530</b>	<b>3,699</b>	<b>3,865</b>		Inventories	1,677	1,715	1,267
	Short-Term Borrowings	9,615	595	177		Trade Receivables	1,102	886	1,027
	Trade Payables	2,104	2,387	1,932		Cash and Cash Equivalents	427	2,340	3,541
	Other Current Liabilities	759	576	639		Short-Term Loans and Advances	403	1,004	663
	Short-Term Provisions	52	141	1,117		Other Current Assets	-	-	-
	<b>TOTAL</b>	<b>26,817</b>	<b>14,226</b>	<b>16,763</b>		<b>TOTAL</b>	<b>26,817</b>	<b>14,226</b>	<b>16,763</b>



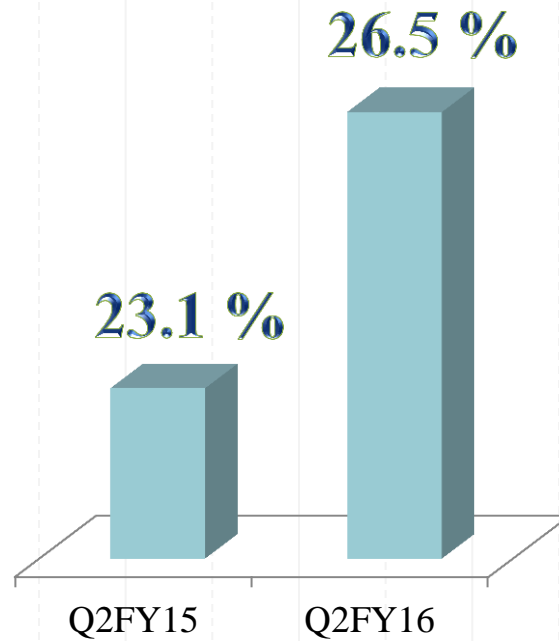
# Q2FY16 Margin Profile



₹ 3,241.3 mn      ₹ 4,055.5 mn

Gross Margins

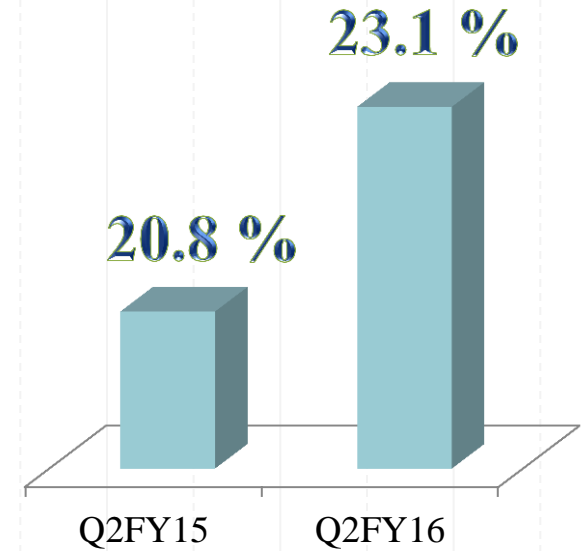
Up  
440 bps



₹ 1,132.2 mn      ₹ 1,523.2 mn

EBIDTA Margins

Up  
340 bps

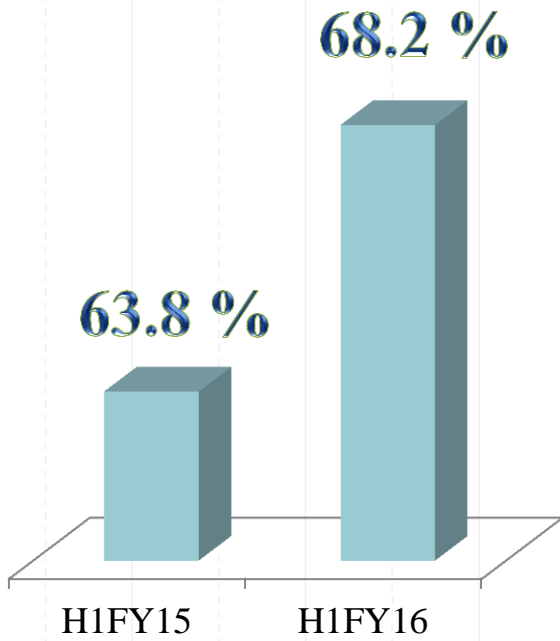


₹ 1,017.5 mn      ₹ 1,325.5 mn

Cash Profit Margins

Up  
230 bps

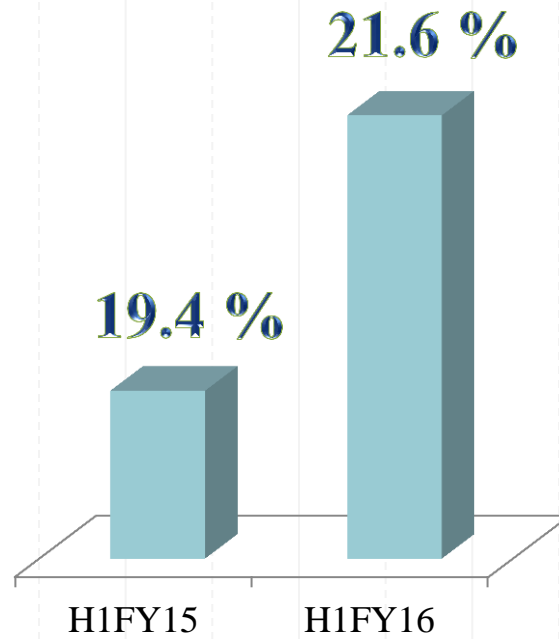
# H1FY16 Margin Profile



₹ 6,200.7 mn      ₹ 7,938.9 mn

Gross Margins

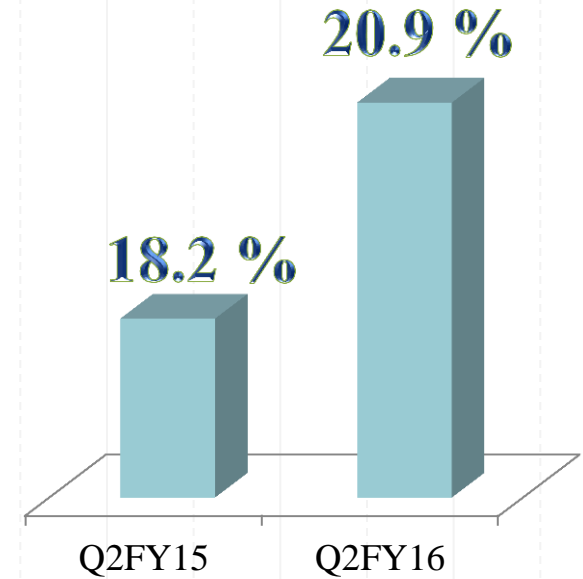
Up  
440 bps



₹ 1,882.2 mn      ₹ 2,519.9 mn

EBIDTA Margins

Up  
230 bps



₹ 1,769.8 mn      ₹ 2,428.0 mn

Cash Profit Margins

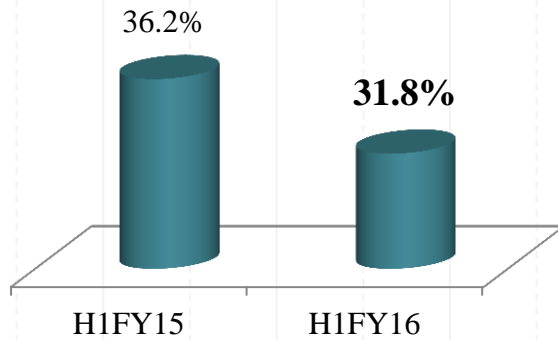
Up  
270 bps

# H1FY16 Earnings Analysis

## Cost of Goods Sold

(as a % of Sales)

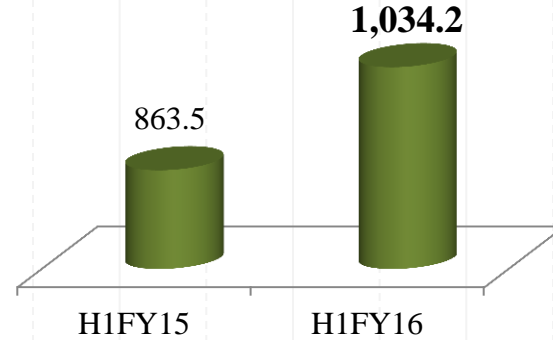
**- 440 bps**



## Staff Costs

(₹ in Millions)

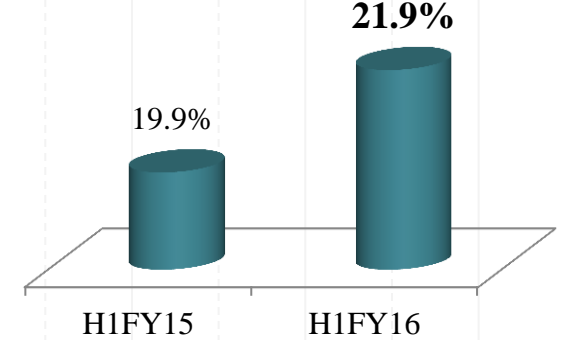
**+ 19.8%**



## A&P Spends

(as a % of Sales)

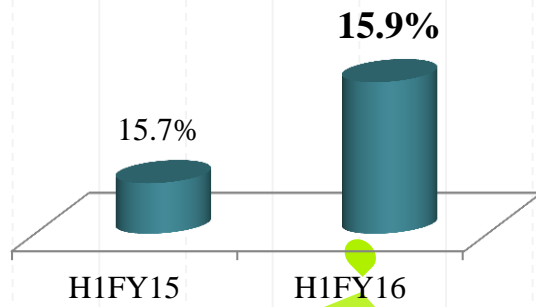
**+ 200 bps**



## Admin & other Expenses

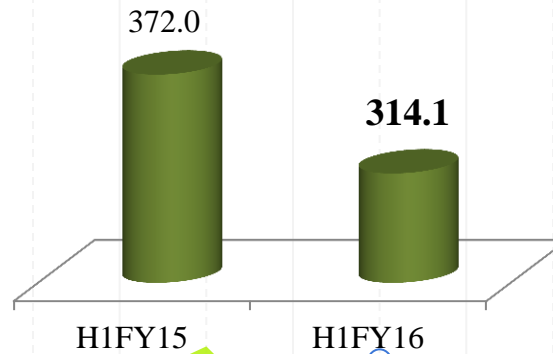
(as a % of Sales)

**+ 20 bps**



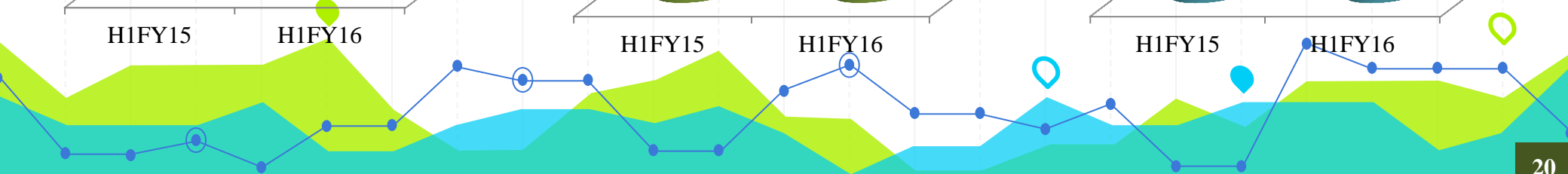
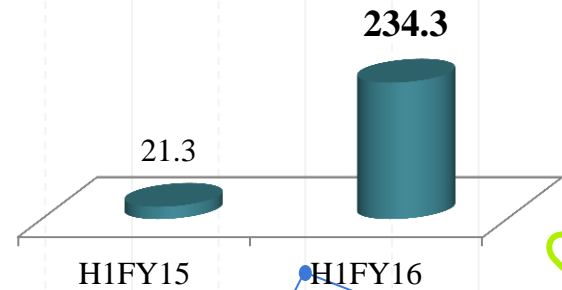
## Other Income

(₹ in Millions)



## Interest Paid

(₹ in Millions)



# Accolades...Q2

- Ranked at **84<sup>th</sup>** position (*PY: 120*) in **Business Today's "BT 500 India's Most Valuable Companies" Ranking 2015.**
- Featured among the **Top 10 Companies** having the **highest RoE** and ranked **390<sup>th</sup>** (*PY: 420*) in the **ET 500 Rankings 2015.**



# *Thank you*



*Making people Healthy & Beautiful, Naturally*

