



emami* limited

Making people healthy & beautiful, naturally

Emami inks deal to acquire Hair & Scalp care business of “Kesh King” on June 2, 2015



June 4, 2015

Key Highlights



- Forayed into the rapidly growing **Ayurvedic Hair and Scalp Care** category with the acquisition of hair & scalp care business under the “Kesh King” brand from Mr Sanjeev Juneja.
- The transaction envisages transfer of the business on a slump sale basis with all assets and liabilities including intellectual property rights, distribution network, formulations, patents, working capital etc **for a total consideration of Rs 1,651 crores** which will be funded by a judicious mix of surplus funds, short term & long term debt.
- Launched in 2009, Kesh King with its ayurvedic formulation provides superior benefits like hair protection, prevention from premature greying, hair fall prevention, nourishment, dandruff prevention etc.
- Brand portfolio includes **Ayurvedic Medicinal Oil, Aloe Vera Herbal Shampoo and Ayurvedic Capsules** for complete hair scalp treatment which are **GMP & Halal India certified**.
- No. 1 player in the category with **32% Value Market Share** (MAT Mar'15).
- Scalp and hair problems are on the rise due to today's lifestyle problems and other environmental issues, hence the company foresees lot of opportunities to grow in this category
- **Kesh King brands had clocked the sales of around Rs 300 Cr in FY 15 with 3 year CAGR of 61%.**



Key Highlights



- Rising levels of pollution and stress have lead to excessive hairfall problems among consumers. Kesh King through its time tested **ayurvedic formulation** has tapped the huge demand for an effective solution to these problems, and is expected to grow exponentially in coming years.
- Presence in **5.4 lac outlets across India**. Emami will also leverage its distribution strength to provide a fillip to the growth of the brand.
- Superior Gross & EBIDTA Margins than Emami.
- Debt Equity not to exceed 1 times.
- Transaction is expected to complete within a month.
- Synergistic blend with Emami's existing ayurvedic product portfolio. Post acquisition, Emami's oil portfolio - **Navratna Oil (Cooling Oil)** , **7 Oils in One (Light Hair Oil)** and **Kesh King (Ayurvedic Hair & Scalp Care Oil)** to address varied needs of the Indian consumer's demographic profile.



Kesh King Ayurvedic Medicinal Hair Oil



- An ayurvedic medicinal oil manufactured from the extracts of 16 natural rare herbs according to the principles as laid down in Ayurvedic text books and Siddha Medicine.

- Available in 2 SKU's - 120 ml (MRP: ₹136/-) & 300 ml (MRP: ₹272/-)

Kesh King Aloevera Herbal Shampoo



- A natural moisturising hair wash containing goodness of Aloe Vera which effectively prevents Dandruff and Fungal infection for longer, stronger, silkier hairs.

- Available in 2 SKU's - 120 ml (MRP: ₹96/-) & 300 ml (MRP: ₹174/-)

Kesh King Ayurvedic Capsules



- An ayurvedic medicinal preparation for hair care without side effects.

- Apart from protecting and nourishing the hair, it also helps in hair regrowth by increasing the blood circulation to the hair follicles.

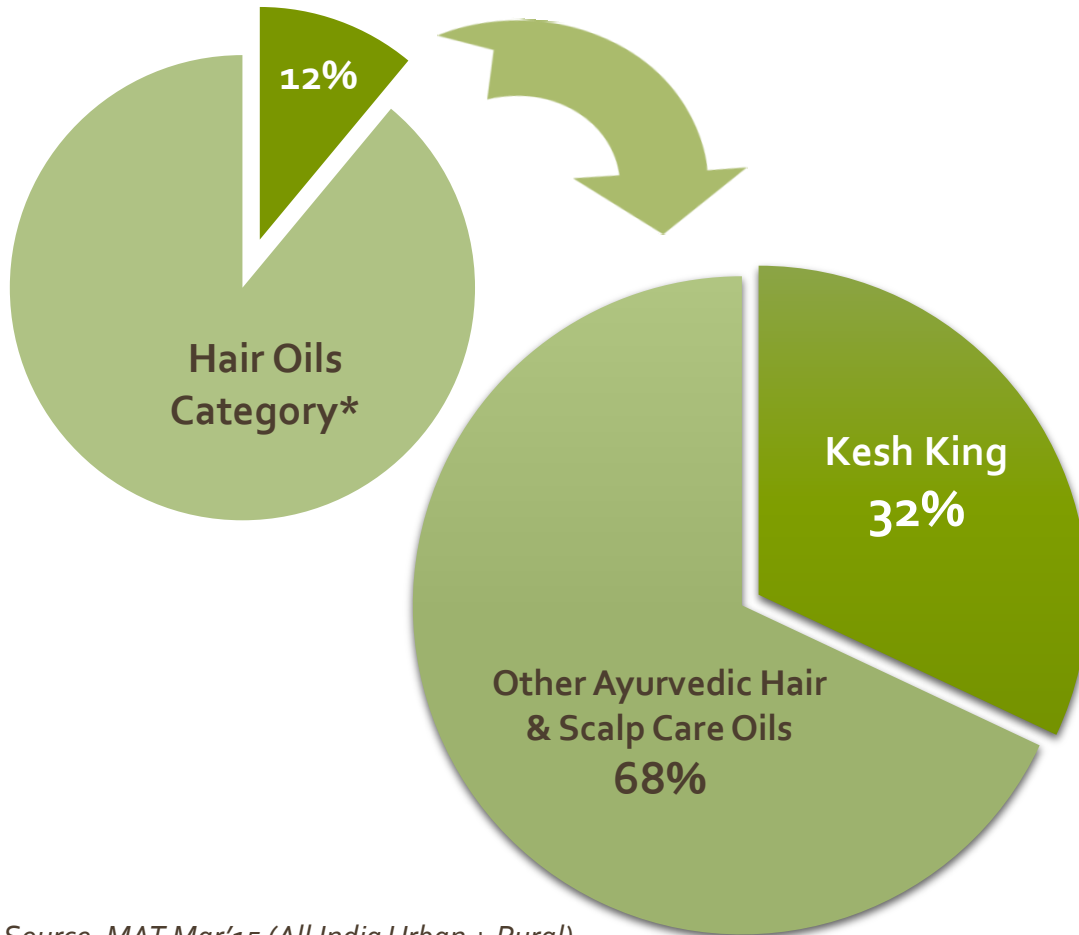
- Available in a pack of 30 capsules (MRP: ₹144/-)

Category Leadership

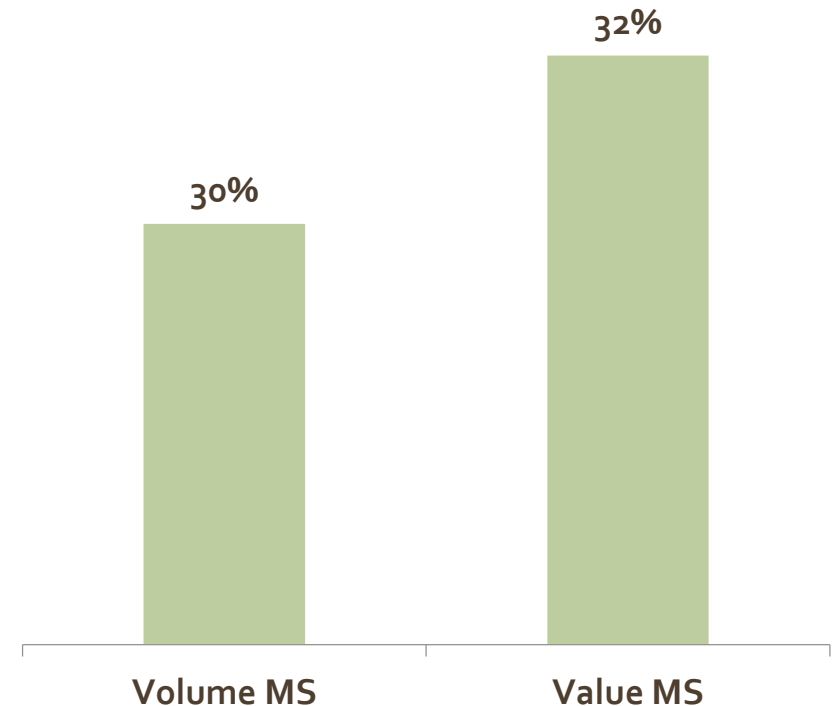


Value Market Share

Ayurvedic Hair and Scalp Care category



Market Leader with
32% Value and 30% Volume Market share
in the Ayurvedic Hair & Scalp Care Category.



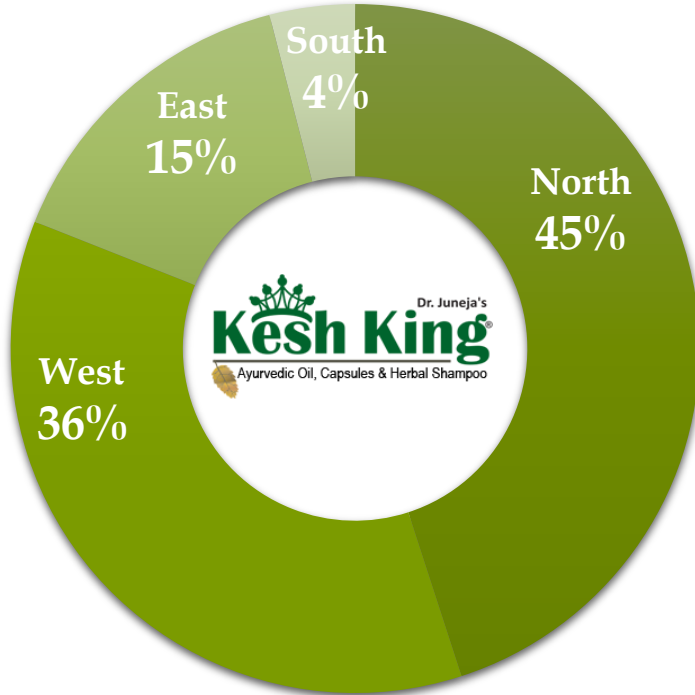
Source: MAT Mar'15 (All India Urban + Rural)

* Except Coconut Oils

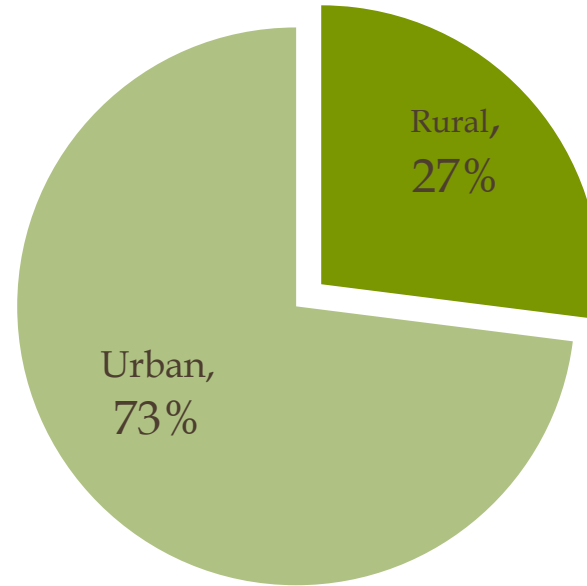
Market Presence



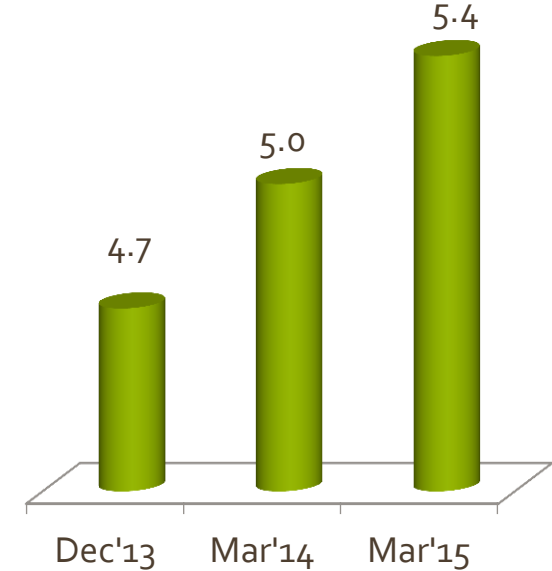
Domestic - Breakup of Sales



Domestic - Rural-Urban Split



Dealer Reach (Lacs)



Source: MAT Mar'15 (All India Urban + Rural)



Thank You

