

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

- Kesh King
 Ayurvedic Oil, Capsules & Herbal Shampoo
- 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.



Brand Portfolio



Kesh King Ayurvedic Medicinal Hair Oil

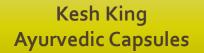


- An ayurvedic medicinal oil manufactured from the extracts of 16 natural rare herbs according to the principles as laid down in Ayurvedic text books and Siddha Medicine.
- Available in 2 SKU's 120 ml (*MRP*: ₹136/-) & 300 ml (*MRP*: ₹272 /-)

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 /-)

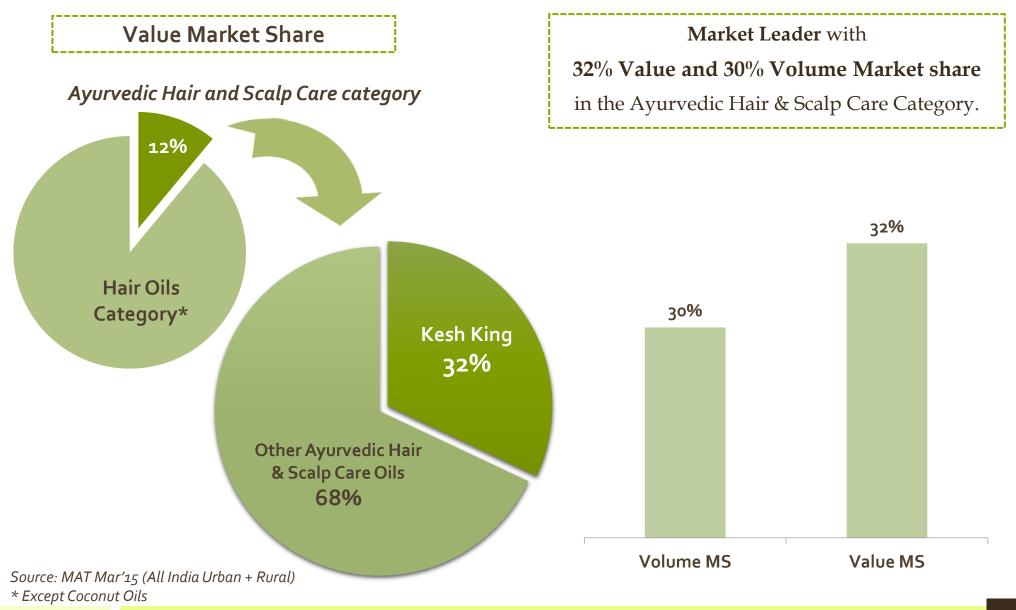




- An ayurvedic medicinal preparation for hair care without side effects.
- Apart from protecting and nourishing the hair, it also helps in hair regrowth by increasing the blood circulation to the hair follicles.
- Available in a pack of 30 capsules (*MRP*: ₹144 /-)

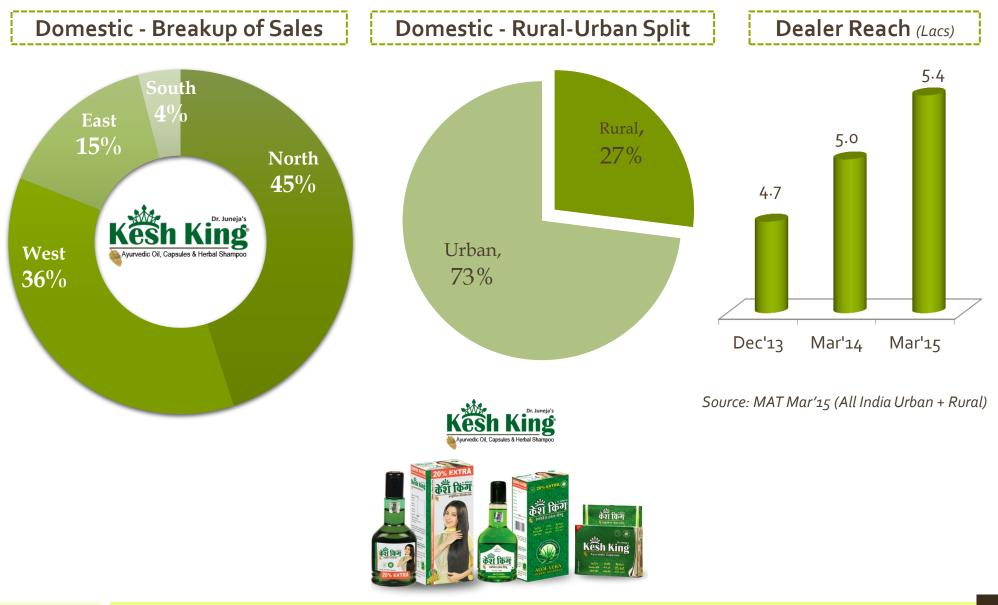
Category Leadership





Market Presence





Thank You



