



EMAMI INKS DEAL TO ACQUIRE HAIR & SCALP CARE BUSINESS OF 'KESH KING'

Kolkata June 2, 2015 : Emami Ltd, one of the leading FMCG companies in India, today entered into an agreement with **Mr Sanjeev Juneja** to acquire his hair & scalp care business under the '**Kesh King**' and allied brands. The acquisition marks Emami's foray in the Ayurvedic Hair & Scalp Care segment which is growing at a rapid pace. The transaction envisages transfer of the business as going concern on a slump sale basis and will include brand portfolio of ayurvedic medicinal oil, herbal shampoo & conditioner and ayurvedic capsules along with its respective formulations and all related assets, rights and liabilities including working capital for a total consideration of Rs 1651 crores.

Mr Harsha V Agarwal, Director, Emami Ltd said, *"We are very happy to announce the acquisition of Kesh King business which offers great synergy with our business of personal & healthcare products. This acquisition is a part of our aggressive growth strategy and marks our foray into the Ayurvedic Hair & Scalp care segment. We plan to leverage the target business with our existing strength to make our presence stronger and deeper. The transaction is a perfect strategic fit for Emami ."*

Commenting on the development, **Mr Sanjeev Juneja** said *"My products and formulations enjoy the numero uno status in their segments. The range of Kesh King brand of products offer a complete solution to hair and scalp problems. We are confident of Emami taking this business to even greater heights in the future.*

"The acquisition will be funded by a judicious mix of surplus funds, short term & long term debt and the process is expected to be completed in a month's time", said **Mr N H Bhansali, CEO – Finance, Strategy & Business Development, Emami Limited.**

Scalp and hair problems are on the rise due to today's hectic lifestyle & stress related problems as well as environmental issues. Hair fall is one of the most rising concerns today that affects an individual's confidence and consumers are constantly in search of effective solutions. The business of Kesh King has established itself in the field of Ayurvedic Hair &



Scalp care segment to address these concerns and Emami sees a lot of opportunity to grow this category.

Introduced in 2009 by Mr Sanjeev Juneja, the unique ayurvedic formulations provide superior benefits like hair protection, prevention from premature greying, helps in prevention of hair fall, nourishment, dandruff prevention etc. He created novel products like Ayurvedic Medicinal Oil, Herbal Shampoo & conditioner and Ayurvedic Capsules for complete hair fall treatment which are GMP & Halal India certified. Owing to its effectiveness of the products, the brands have established themselves as the No. 1 players in the category with presence in 5.4 lac outlets across India and turnover of around Rs.300 crores (US\$ 47 mn) in FY15 with 3 year CAGR of 61%. With increasing awareness of ayurveda and its benefits, the category is expected to grow exponentially.

Ms Priti A Sureka, Director, Emami Ltd added, *“As part of our core business strategy, we have always been open to growth through inorganic route. We always consider acquisitions that not only add value and have synergy with our current line of business, but also offer opportunities for us to be present in categories that have high growth potential. Both ‘She Comfort’ and Fravin acquisitions in the recent past, have thus been a part of our aggressive growth strategy and have facilitated our foray into Feminine Hygiene & Natural-Organic personal care space. With ‘Hair and scalp care category business’, we once again reinforce our presence into a niche segment to achieve a significant presence.”*

Emami’s current oil portfolio includes **Navratna Cool Oil**, a trusted and preferred brand in the therapeutic cooling oil segment and **Emami 7 Oils in One Damage Control Hair Oil** in the light hair Oil segment. While Emami 7 Oils in One launched very recently is making its presence felt, Navratna Cool Oil continues to be an undisputed leader in its category

About Emami Group :

Emami: (NSE: Emami Ltd, BSE: 531162), is the flagship company of the Kolkata based Emami Group. Emami Ltd, founded in 1974, is one of India’s leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products. With 250 diverse products, Emami’s portfolio includes trusted power brands like Zandu, BoroPlus, Navratna, Fair & Handsome, Mentho Plus, Fast Relief and Sona Chandi Chyawanprash and new brands like ‘HE’ Deodorant & Emami 7 Oils in One. The company has recently forayed into feminine hygiene space by acquiring ‘SHE Comfort’ sanitary napkin brand. The products from Emami are available in 4 million retail outlets across India through its network of 2800 distributors. Emami’s global footprint spans across 63 countries including GCC, Europe, Africa, CIS countries & the SAARC. Emami has maintained a CAGR turnover of 17% over the last 5 years. Over the years Emami’s products have been endorsed by celebrities like legendary actor Amitabh Bachchan, Madhuri Dikshit, Shah Rukh Khan, Kareena Kapoor Khan, Hrithik Roshan, Bipasha Basu, Sonakshi Sinha,



Yami Gautam, Shruti Haasan, Kangana Ranaut, Mahendra Singh Dhoni, Mary Kom, Saina Nehwal, Sushil Kumar among others.

Emami Group, a diversified business conglomerate with over 20,000 employees also has significant presence with leadership positions in diversified industries such as Paper & Packaging Board - Emami Paper Mills, India's largest newsprint manufacturer; Bio Diesel and Edible Oil - Emami Agrotech (Formerly known as Emami Biotech), largest edible oil refinery in the East & 3rd largest in India; Writing Instrument - CRI Tips, world's 4th largest ball point tip manufacturer; Realty - Emami Realty, a leading real estate company; Healthcare - AMRI Hospitals, Eastern India's largest chain of hospitals; Retail - Frank Ross and Starmark, largest pharmacy chain & leisure stores in the East and Contemporary Art - Emami Chisel Art. The Group is setting up a 4 MTPA cement plant in Chhattisgarh with two split grinding units in West Bengal and Odisha of 1.5 MTPA each at a total investment of around Rs.3000 cr. Another 4 MTPA Cement Plant is being planned to be set up in Rajasthan and Andhra Pradesh. The Group has also set up 30 MW Solar Power Generation Plant in Gujarat.

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