

# ARISAIG PARTNERS

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04 July 2025

To,  
Varun Alagh,  
Chief Executive Officer,  
Honasa Consumer Limited,  
Capital Cyberspace, 11th Floor,  
Golf Course Ext Rd,  
Sector 59, Gurugram,  
Haryana 122102, India.

**Subject: Five-year plan**

Dear Varun,

Hope this letter finds you well.

Firstly, we would like to commend you for inviting independent perspectives as you share your five-year strategic plan. Whilst no one understands your business better than you do, seeking outside views is a rare and valuable trait we've seen in leaders striving to build for the long-term.

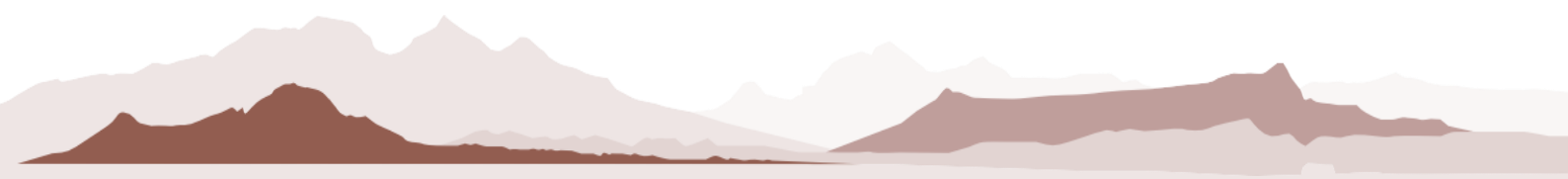
We would like to highlight five key areas worth considering as part of this exercise:

**1. Mamaearth: a more audacious vision**

We have been mighty impressed with Honasa's change in strategy for Mamaearth, which has required you to bear short term pain for building a stronger long-term growth story for the brand. Your focus on core categories, brand investment and product superiority is well placed and should help Mamaearth regain momentum.

That said, we believe that the brand is capable of much faster growth for many years in the future. In our view, no other brand has a greater potential to be relevant to the mass younger consumer in India across a wide range of categories. We wonder if its possible to set an ambitious goal – such as building Mamaearth into a INR 5,000+ crore brand over the next 10 years.

We are slightly concerned that Mamaearth could start being treated as a cash-cow too early in its journey. A strong foundation for Mamaearth will be critical for Honasa's success in scaling its broader house of brands. A more audacious vision for Mamaearth would naturally support—and be supported by—a bolder offline distribution strategy, which we touch on next.



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## **2. Bolder offline distribution strategy**

Honasa has shown significant progress in building its offline distribution strategy after a rocky start. You rightly describe it as an “inch-by-inch” effort. It requires putting multiple building blocks in place and demands immense persistence and attention to detail. The exciting part is that once the rhythm sets in, the expansion potential can last for decades.

Of course, we need to learn to walk before we run, so the near-term target of 150-200k outlets is reasonable. However, Mamaearth (or other mass brands that you may build / acquire) should not slow down the pace of expansion after this milestone. Reaching 500,000+ outlets over the next five years is an achievable goal for Honasa, provided you begin planning now for the next phase of offline expansion—including the product and pricing portfolio required to support it.

## **3. Talent: Investing ahead of the curve**

Honasa has made some excellent hires over the past couple of years. However, this is an area which should continue to remain top of mind for the founders and the board. As the portfolio expands and inevitably becomes more complex, investing behind talent ahead of the curve will stand the business in good stead longer term. During this process, building a structure that maintains agility while adding depth will be key. A team that can be trusted to take ownership and take independent decisions, as well as willingness of founders to let go of some control will be vital in scaling the business.

## **4. Consumer Insights: keep raising the bar**

Honasa’s biggest strength, in our view, is the ability to listen to consumers and come up with a portfolio that can resonate with younger consumers. It is great to see how your investor presentations begin with insights—“Crystal Gazing the Future of I-Beauty”—which we see as a defining trait of the company.

We would encourage you to institutionalise this strength further. Whether it’s through an internal “Consumer Insights University” or a proprietary system that combines AI with your unique approach to product development — codifying the obsession with consumer insights as part of the DNA in every Honasa team can have immense long-term benefits.

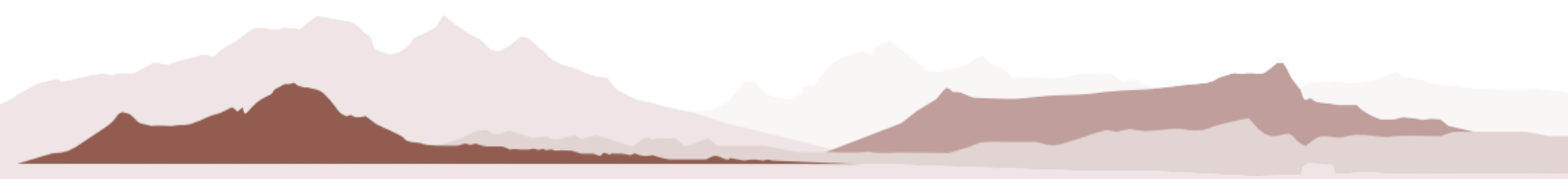
## **5. Long Term Vision: say it, repeat it**

This should perhaps have been the first point we discuss. Clearly articulating and repeating your vision will help all stakeholders understand what Honasa stands for.

What do you want to be known for? What will remain constant and what can keep changing? Which categories make sense for you to enter — and why? What could Honasa look like 15-20 years from now?

You may already have clear answers to these questions but expressing them publicly — and repeating them — can reduce investor anxiety, especially around new organic and inorganic growth initiatives. The key is to strike a balance: keep the vision flexible enough to allow room for evolution, yet simple enough to be widely understood.

The timing and manner of evolving the portfolio to achieve the company’s long-term vision is also worth describing thoughtfully.

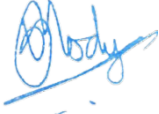


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We would appreciate an opportunity to discuss your emerging vision for the company and the key strategic pillars of your five-year plan, after the June quarter results are announced.

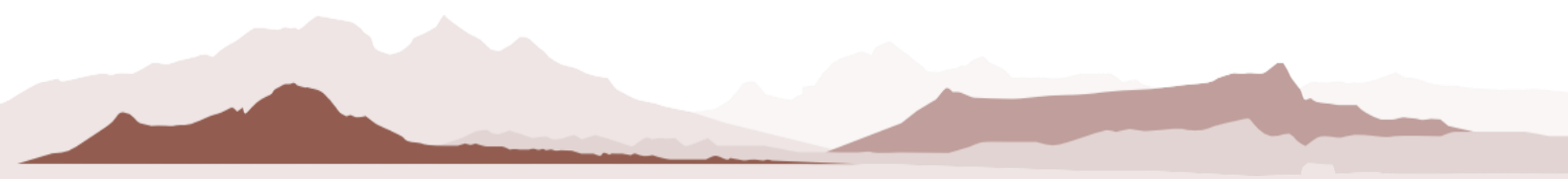
Wish you all the best as you embark on this exciting journey!

Best regards,



Vatsal Mody  
Rebecca Lewis  
Gordon Yeo

*Please note that we might show copies of this letter and any replies received to current or future investors in our funds.*



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31 July 2025

To,  
Suresh Narayanan,  
Chairperson and Managing Director,  
Nestlé India Limited,  
Nestlé House,  
Jacaranda Marg M Block,  
DLF City Phase II Gurugram - 122002,  
Haryana, India

**Subject:** Thank You and Best Wishes for Your Next Chapter

Dear Suresh,

As you may recall, Arisaig Partners have been shareholders of Nestlé India since 2009. Our conviction in the business's ability to seize the India opportunity was, in no small part, bolstered by your steady hand at the tiller. From our first interaction—when you had just joined during the Maggi crisis in a conversation with James Alexandroff—to our recent discussions on royalties and volume-led growth, you invariably left us with a quiet sense of reassurance. It was clear that a thoughtful, long-term minded steward was at the helm.

Your accomplishments in driving both topline and bottom-line growth have, of course, been nothing short of impressive. Yet, to our mind, your most enduring contribution lies in the cultural transformation of Nestlé India. From the outside looking in, it felt as though the company had at last awakened to the volume growth potential that lay, quite obviously, before it. Under your leadership, Nestlé India transformed—from what had once appeared a rather buttoned-up, rule-bound institution—into a responsive, outward-looking enterprise, hungry for growth and genuinely alive to the spirit of innovation.

As you conclude your tenure as Chairman and Managing Director, please accept our heartfelt thanks and warmest appreciation. It has been a true privilege to share this chapter of the company's journey with you. We wish you the best for future.

With sincere appreciation,



Vatsal Mody  
Rebecca Lewis  
Gordon Yeo

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