

19 September 2025

India | Equity Research | Company Update

Bajaj Consumer Care

Consumer Staples & Discretionary

CXO 1x1: Naveen Pandey, MD & CEO

In our first meeting with Naveen, we didn't discuss his views on hair oil category. In our opinion, Naveen is a result-oriented professional with a track record of building institutional businesses by turning around and accelerating P&L (growth) and launching categories aided by his techno-commercial experience coupled with on-ground execution. Naveen's professional career spans stints at Asian Paints, senior leadership roles at PepsiCo, a high-stakes (including geopolitical challenges) MD mandate in Marico Bangladesh and scale-up agenda at Unibic India delivering structural cost improvements, distribution productivity and margin-focused growth. Rooted in an academically-inclined upbringing and a management degree from IIM Indore, he brings a finance-led (IDFC internship), sales-first operating style. **BUY**. TP INR 400.

Key highlights/learnings from Naveen's past learning curves / experiences:

- Asian Paints – showcase of efficiency playbook and customer handling:** Naveen started his career in Asian Paints in 2001, handling micro-markets of Bihar; however, he later moved to the Project Business (erstwhile Large User Business). His mandate was to convince institutional customers to do business with Asian Paints (to remain competitive in the Projects business), this is when the company introduced techno-commercial selling. The company shifted packaging economics and started using 200 litres plastic drums (reusable), replacing smaller containers (10/20 litres), delivering cost savings. Overall, we can say Naveen was instrumental in building capabilities across both Decorative (~3.5 years, marketing) and Institutional (c4 years, sales) businesses and has gained contrasting view of retail and institutional sales.
- PepsiCo – GTM and automation edge:** Joined PepsiCo as National Channel Head for Alternate channels and Institutional business and focus shifted on solutioning, automation and distribution management, he was responsible for GTM transformation and Automation project "SAMNA". Later, he moved to head the Fritto Lay business in East India, Nepal and Bangladesh. Naveen has mostly managed Snacks and Nutrition portfolio at PepsiCo, while explicitly not seeing the bottling business.

Financial Summary

Y/E March (INR mn)	FY24A	FY25A	FY26E	FY27E
Net Revenue	9,677	9,428	10,188	11,072
EBITDA	1,582	1,324	1,556	1,825
EBITDA %	16.3	14.0	15.3	16.5
Net Profit	1,588	1,301	1,528	1,793
EPS (Rs)	11.1	9.1	10.7	12.6
EPS % Chg YoY	13.4	(18.0)	17.4	17.4
P/E (x)	23.2	28.3	24.1	20.5
EV/EBITDA (x)	19.3	24.4	20.3	16.9
RoCE (%)	14.6	12.2	14.5	15.8
RoE (%)	18.8	15.7	18.6	20.0

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Market Data

Market Cap (INR)	35bn
Market Cap (USD)	402mn
Bloomberg Code	BAJAJCON IN
Reuters Code	BACO BO
52-week Range (INR)	263 /151
Free Float (%)	59.0
ADTV-3M (mn) (USD)	4.5

Price Performance (%)	3m	6m	12m
Absolute	48.8	60.2	(0.1)
Relative to Sensex	46.8	50.0	(0.2)

ESG Score	2023	2024	Change
ESG score	NA	66.8	NA
Environment	NA	53.2	NA
Social	NA	67.0	NA
Governance	NA	77.3	NA

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

Previous Reports

12-08-2025: [Q1FY26 results review](#)

06-05-2025: [Q4FY25 results review](#)

- **Marico – Adjacency led growth with execution and better profitability:** Joined as MD, Marico Bangladesh and was instrumental in turnaround of the business by resetting the model away from India and recalibrating category economics (~81% coconut oil was organised unlike India at ~60%+). Naveen rethought pricing and packaging, broadened personal care adjacencies while addressing distribution productivity. He returned to India after around two years and first handled India sales and then took responsibility of the foods business (Saffola adjacencies) that has appeal but conversion was inconsistent. Launched honey and then soya chunks, navigating a fragmented and low competition capability.
- **Unibic Foods – Driving scalability and brand awareness:** Joined as the CEO, at a time when prime issues were low brand awareness and scalability. Naveen advanced the thesis that brand could deliver outsized performance but needed a seller mindset along with sustained demand creation. Unibic's revenue scaled up by almost 2x during Naveen's regime of four years driven by the strategic initiatives. Naveen moved out of Unibic towards the end of his first tenure.

Strategic priorities for Naveen at Bajaj Consumer:

- **Reviving growth in ADHO:** Naveen believes ADHO has a strong brand equity with market leadership in the light hair oil segment. Naveen's focus remains on reviving ADHO's growth driven by higher investments, better distribution and product innovation.
- **Improving profitability:** As per Naveen, most of the FMCG companies operate at an EBITDA margin in low twenties. Naveen targets to reach closer to the industry EBITDA margin range through pricing, supply chain efficiency and core value chain.
- **Focus on product innovation:** Innovation to be incremental and profitable (focus to reach a certain scale and revenue). Primary focus on alternative and digital channels for new launches; will refrain from a national launch in case of general trade (GT) or launch in select markets if opting GT route.
- **Investment in long term capabilities:** Management to invest behind long-term capabilities like management/employees, technology, research and development (focus on science) to drive growth and remain competitive in the industry.

Brief profile of Naveen Pandey:

Naveen Pandey is the Managing Director of Bajaj Consumer, appointed effective 1st July, 2025, succeeding Jaideep Nandi after his five-year term. He previously served as the CEO of Unibic Foods leading transformation initiatives and brand expansion.

His earlier roles include leadership stints at Marico (EVP and Business Head, Marico India and MD – Marico Bangladesh) and other senior sales positions at PepsiCo and Asian Paints.

He holds a PGP from IIM Indore and a BBA from the University of Lucknow.

Valuation and risks

Maintain **BUY** with a DCF-based revised target price of INR 400 as we increase our long-term growth assumptions. At our target price, the stock will trade at 32x P/E Mar'27E. **Downside risks:** Over reliance on a single brand – ADHO and higher-than-expect commodity inflation and failure of new product launches.

Exhibit 1: Carrer progression

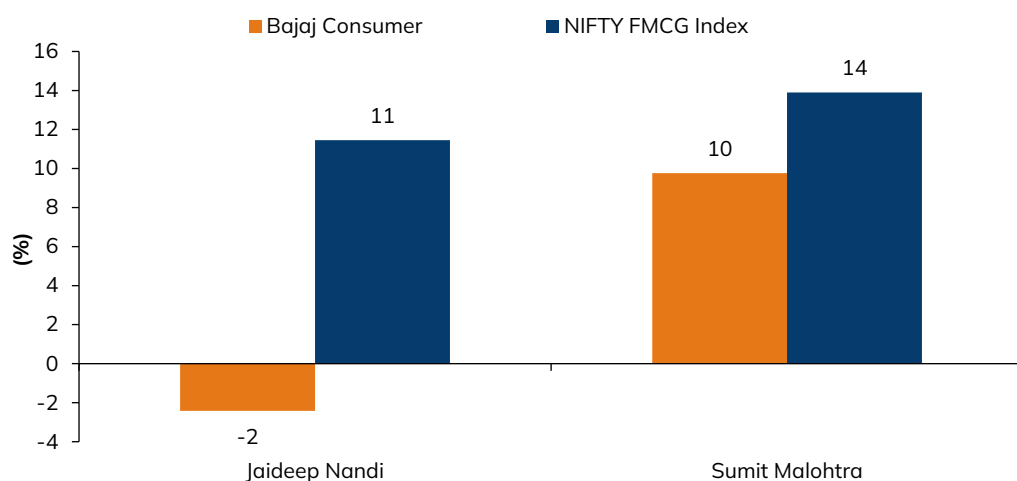
Designation	Location	Duration
Bajaj Consumer Care		
Managing Director	Mumbai, Maharashtra, India	Jul 2025 – Present
Unibic Foods India		
Chief Executive Officer	Bengaluru, Karnataka, India	Jun 2021 – Jun 2025 (4 yrs 1 mo)
Marico		
EVP & Business Head – New Foods	Mumbai Metropolitan Region	Apr 2020 – Jun 2021 (1 yr 3 mos)
EVP & Sales Head – India Business	Mumbai Metropolitan Region	Aug 2018 – Mar 2020 (1 yr 8 mos)
Managing Director – Bangladesh	Dhaka	Jul 2016 – Jul 2018 (2 yrs 1 mo)
PepsiCo		
Sales Director – North	Gurugram, Haryana, India	Aug 2014 – Jul 2016 (2 yrs)
VP Sales – East	Kolkata	Oct 2011 – Jul 2014 (2 yrs 10 mos)
General Manager – Sales IT	Gurgaon	Feb 2010 – Sep 2011 (1 yr 8 mos)
General Manager – Channel Development	Gurgaon	Jun 2008 – Feb 2010 (1 yr 9 mos)
Asian Paints		
Regional Manager	Mumbai	Jan 2007 – Jun 2008 (1 yr 6 mos)
Area Manager	Greater Delhi Area	Apr 2002 – Dec 2006 (4 yrs 9 mos)
Management Trainee	Greater Patna Area	Jun 2001 – Mar 2002 (10 mos)

Source: Company data, I-Sec research

Exhibit 2: Bajaj Consumer Care past CEO's performance

	Naveen Pandey	Jaideep Nandi	Sumit Malohtra
Date of joining as CEO	Jul-25	Jul-20	Aug-11
Number of years of experience at the time of appointment	24	30	24
Age when became CEO	47	56	48
No of years served as CEO	NA	5	9
Revenue % CAGR during tenure as CEO	NA	3%	6%
EBITDA % CAGR during tenure as CEO	NA	-6%	7%
Share Price % CAGR during tenure as CEO	NA	7%	3%

Source: Company data, I-Sec research

Exhibit 3: Stock price performance Bajaj Consumer Care vs FMCG Index

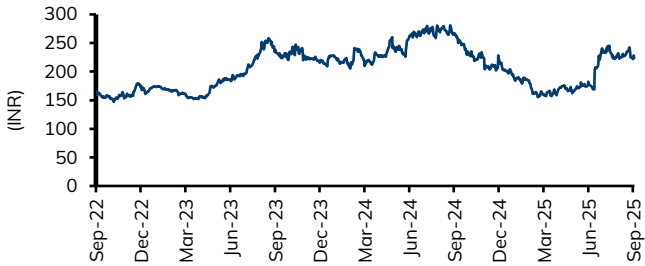
Source: Company data, I-Sec research

Exhibit 4: Shareholding pattern

%	Dec'24	Mar'25	Jun'25
Promoters	41.0	41.0	41.0
Institutional investors	30.7	29.1	27.8
MFs and others	17.7	18.1	16.3
Insurance	2.0	0.3	0.3
FIIIs	11.0	10.7	11.2
Others	28.3	29.9	31.2

Source: Bloomberg, I-Sec research

Exhibit 5: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 6: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Net Sales	9,677	9,428	10,188	11,072
Operating Expenses	8,095	8,103	8,632	9,248
EBITDA	1,582	1,324	1,556	1,825
EBITDA Margin (%)	16.3	14.0	15.3	16.5
Depreciation & Amortization	95	97	108	115
EBIT	1,487	1,227	1,448	1,709
Interest expenditure	10	5	5	6
Other Non-operating Income	446	355	409	469
Recurring PBT	1,924	1,577	1,851	2,173
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	336	276	323	380
PAT	1,588	1,301	1,528	1,793
Less: Minority Interest	-	-	-	-
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	1,588	1,301	1,528	1,793
Net Income (Adjusted)	1,588	1,301	1,528	1,793

Source Company data, I-Sec research

Exhibit 7: Balance sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Total Current Assets	7,788	6,435	7,265	8,233
of which cash & cash eqv.	6,226	4,477	5,150	5,936
Total Current Liabilities & Provisions	1,305	1,336	1,443	1,567
Net Current Assets	6,483	5,099	5,822	6,666
Investments	1,713	2,327	2,327	2,327
Net Fixed Assets	449	452	400	350
ROU Assets	-	-	-	-
Capital Work-in-Progress	14	14	14	14
Total Intangible Assets	7	6	6	6
Long Term Loans & Advances	124	86	86	86
Deferred Tax assets	-	-	-	-
Total Assets	8,791	7,983	8,654	9,448
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	-	-	-	-
Provisions	48	57	57	57
Other Liabilities	88	42	42	42
Minority Interest	-	-	-	-
Equity Share Capital	143	137	137	137
Reserves & Surplus	8,512	7,747	8,418	9,212
Total Net Worth	8,655	7,884	8,555	9,349
Total Liabilities	8,791	7,983	8,654	9,448

Source Company data, I-Sec research

Exhibit 8: Quarterly trend

(INR mn, year ending March)

	Sep 24	Dec 24	Mar 25	Jun-25
Net Sales	2,288	2,293	2,505	2,667
% growth (YOY)	(1.3)	(2.7)	6.2	8.4
EBITDA	339	284	319	405
Margin %	14.8	12.4	12.7	15.2
Other Income	89	76	81	78
Extraordinaries	-	-	-	-
Adjusted Net Profit	332	275	310	379

Source Company data, I-Sec research

Exhibit 9: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Operating Cashflow	1,592	1,327	1,965	2,294
Working Capital Changes	(69)	(370)	(50)	(58)
Capital Commitments	(41)	(49)	(57)	(65)
Free Cashflow	1,143	630	1,535	1,791
Other investing cashflow	121	1,589	-	-
Cashflow from Investing Activities	80	1,539	(57)	(65)
Issue of Share Capital	-	-	-	-
Interest Cost	0	0	(5)	(6)
Inc (Dec) in Borrowings	-	-	-	-
Dividend paid	(1,141)	-	(857)	(1,000)
Others	(57)	(2,116)	-	-
Cash flow from Financing Activities	(1,198)	(2,116)	(862)	(1,005)
Chg. in Cash & Bank balance	67	103	673	786
Closing cash & balance	205	472	1,743	2,529

Source Company data, I-Sec research

Exhibit 10: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	11.1	9.1	10.7	12.6
Diluted EPS (Adjusted)	11.1	9.1	10.7	12.6
Cash EPS	11.8	9.8	11.5	13.4
Dividend per share (DPS)	3.0	5.0	6.0	7.0
Book Value per share (BV)	60.6	55.2	59.9	65.5
Dividend Payout (%)	27.0	54.9	56.1	55.7
Growth (%)				
Net Sales	1.4	(2.5)	8.0	8.6
EBITDA	11.9	(16.3)	17.5	17.3
EPS (INR)	13.4	(18.0)	17.4	17.4
Valuation Ratios (x)				
P/E	23.2	28.3	24.1	20.5
P/CEPS	21.9	26.3	22.5	19.3
P/BV	4.3	4.7	4.3	3.9
EV / EBITDA	19.3	24.4	20.3	16.9
P / Sales	3.9	4.0	3.7	3.4
Dividend Yield (%)	1.2	1.9	2.3	2.7
Operating Ratios				
Gross Profit Margins (%)	54.1	53.2	53.6	53.8
EBITDA Margins (%)	16.3	14.0	15.3	16.5
Effective Tax Rate (%)	17.5	17.5	17.5	17.5
Net Profit Margins (%)	16.4	13.8	15.0	16.2
Working Capital Days	9.8	23.8	25.0	25.1
Inventory Turnover Days	20.4	19.7	20.8	20.8
Fixed Asset Turnover (x)	12.0	11.1	11.3	11.5
Receivables Days	16.5	27.9	29.4	29.4
Payables Days	15.2	18.8	19.8	19.8
Net Debt / Equity (x)	(0.7)	(0.6)	(0.6)	(0.6)
Net Debt / EBITDA (x)	(3.9)	(3.4)	(3.3)	(3.3)
Profitability Ratios				
RoCE (%)	14.6	12.2	14.5	15.8
RoE (%)	18.8	15.7	18.6	20.0
RoIC (%)	51.7	34.7	35.1	41.4

Source Company data, I-Sec research

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