Initiating Coverage

Choice Institutional Equities

Bajaj Consumer Care Ltd.

Rebuilding the Core, Scaling the Future: BCCL's Multi-Lever Growth Transformation



May 20, 2026



institutional.equities@choiceindia.com

Bajaj Consumer Care Ltd

May 20, 2026 | CMP: INR 526 | Target Price: INR 690

Expected Share Price Return: 31% I Dividend Yield: 0.0% I Expected Total Return: 31%

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BUY

Company Description

Bajaj Consumer Care, part of the Shishir Bajaj Group, is a leading player in India's hair oil market, with Bajaj Almond Drops Hair Oil holding ~63% share in the Light Hair Oil category and a distribution reach across 30+ countries and 43 lakh+ outlets. Over the years, BCCL has expanded beyond hair oils into broader personal care categories, with key brands including Bajaj Coconut Hair Oil, Bajaj Amla, Bajaj Sarso, Nomarks, and the recently acquired Banjara's.

Company Information

BB Code	**BAJAJCON**
ISIN	INE933K01021
Face Value (INR)	1
52 Week High (INR)	560
52 Week Low (INR)	168
Mkt Cap (INR Bn)	68.8
Mkt Cap (USD Bn)	0.7
Shares Out. (Mn)	131
Free Float (%)	57.01
FY28E EPS (INR)	21.3

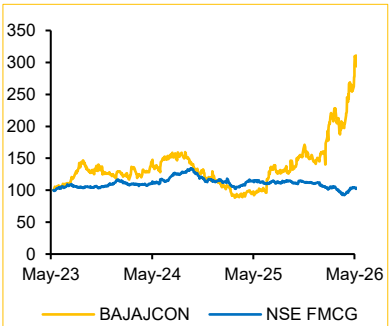
Shareholding Pattern (%)

	Mar-26	Dec-25	Sep-25
Promoters	42.9	42.9	40.9
FIIs	16.5	9.7	10.1
DIIs	14.2	15.7	15.2
Public	26.1	31.5	33.6

Relative Performance (%)

YTD	1Y	6M	3M
NIFTY FMCG	(10.83)	(8.09)	(2.91)
BAJAJCON	211.67	87.69	40.84

Rebased Price Performance (%)



ADHO Turnaround Revives Volume-led Growth Momentum

ADHO, after a prolonged phase of volume decline, market share erosion and margin pressure, **witnessed a strong turnaround in FY26**. The new management implemented a multi-pronged revival **strategy focussed on volume-led growth, strategic pricing, portfolio mix optimisation and higher brand investments.** BCCL's revived sachets and INR 10/20 packs, **improved distribution through "Project Aarohan,"** and significantly increased advertising and digital spend, helped the core ADHO portfolio, **which grew ~25% in FY26**. Simultaneously, calibrated pricing, ml-age (grammage)-optimisation and tighter channel spending supported gradual margin recovery while sustaining a healthy volume growth.

Scaling up Non-ADHO 'Growth Portfolio:' Target of INR 5 Bn

BCCL is scaling up its non-ADHO "Growth Portfolio," comprising Coconut Oil, Banjara's (personal care), and other emerging brands, **with a target to increase revenue, from INR 2.25 Bn in FY26 to INR 5 Bn in the next three years**. BCCL has shifted Coconut Oil towards a **profitability-focused, brand-led strategy through calibrated pricing, mix improvement, and value-added offering, such as Bajaj Gold Enriched Coconut Hair Oil**. Meanwhile, the **VPCL (Banjara's) acquisition strengthens BCCL's South India presence and herbal portfolio**, while Project Aarohan and rising Modern Trade/E-commerce saliency continue to improve distribution, premiumisation and innovation capabilities across the portfolio.

Project Aarohan: Building a Stronger Distribution Engine for Long-term Growth

Project Aarohan is BCCL's large-scale Route-to-Market (RTM) transformation initiative aimed at strengthening distribution reach, outlet productivity and General Trade execution across both, ADHO and non-ADHO, portfolios. Since its rollout in FY25, the program has expanded across eight core states under Phase 1 and 2, **increased direct reach by over 10% to nearly 6 lakh outlets** and added 25,000–38,000 new outlets through better rural penetration, distributor optimisation and technology-led execution using geotagging and geofencing. **Aarohan states delivered 25%–40% higher outlet coverage and ~4% better growth versus non-implementation states, significantly aiding GT recovery in FY26**. Following the success of Phase 1 and 2, **Project Aarohan has now entered Phase 3**, expanding the initiative into Bihar, Gujarat, Jharkhand, Odisha, and Punjab to drive the next leg of distribution-led growth.

Valuation and View: Bajaj Consumer Care offers an attractive medium-term growth story, driven by ADHO recovery, scaling up of the non-ADHO Growth Portfolio, premiumisation and Project Aarohan-led distribution expansion. Sustained Double-Digit growth, improving product mix and operating leverage are expected to drive **Revenue/EBITDA/PAT CAGR of 15%/19%/19%, respectively, over FY26–29E.** We initiate coverage with a 'BUY' rating and a one-year DCF-based target price of **INR 690, implying 31% upside** from the current level implying P/E of ~32x FY28E EPS and implied PEG of 1.8 **(one of the lowest in the sector).**

Upside Trigger: Faster scaling of the non-ADHO portfolio, successful execution of Project Aarohan Phase 3, sustained ADHO market share gains, and stronger traction in Modern Trade, E-commerce, and Quick Commerce.

Key Risks: Raw material inflation, Aggressive competitive pricing, Weaker rural demand, and slower than expected execution of Project Aarohan and Banjara's integration.

Key Financials

INR Mn	FY26	FY27E	FY28E	FY29E
Net Sales	**11,647**	**13,246**	**15,274**	**17,728**
YoY Growth (%)	20.7	13.7	15.3	16.1
EBIDTA	**2,209**	**2,726**	**3,160**	**3,690**
EBITDA Margin (%)	**19.0**	**20.6**	**20.7**	**20.8**
YoY Growth (%)	73.4	23.4	15.9	16.8
PAT	**1,899**	**2,417**	**2,784**	**3,231**
YoY Growth (%)	51.8	27.1	15.2	16.1
EPS, Rs	**14.5**	**18.5**	**21.3**	**24.7**
PER, x	36.0	28.3	24.6	21.2
EV/EBIDTA, x	29.1	23.0	19.4	16.2
ROE, %	25.3	28.7	27.3	27.2
Debt/Equity	0.0	0.0	0.0	0.0

Source: BCCL, Choice Institutional Equities

Bull / Bear Case

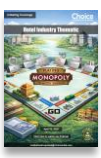
Investors Concerns Answered

Preeyam Tolia
Email: preeyam.tolia@choiceindia.com
Ph.: +91 22 6707 9987

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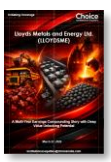
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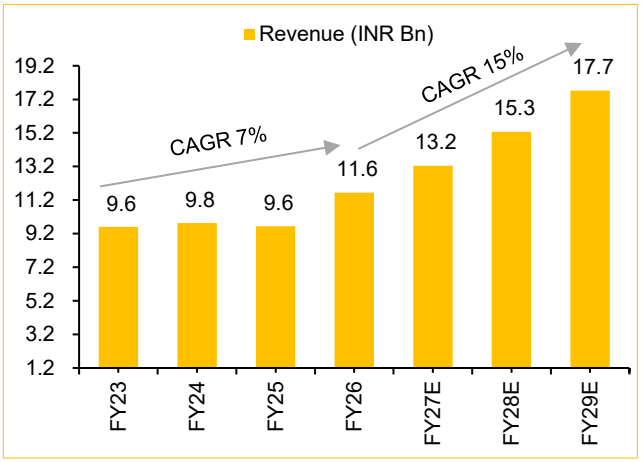


Prisoner's Dilemma at Play in West Asia Conflict_Caution Advised until the Trap is Broken

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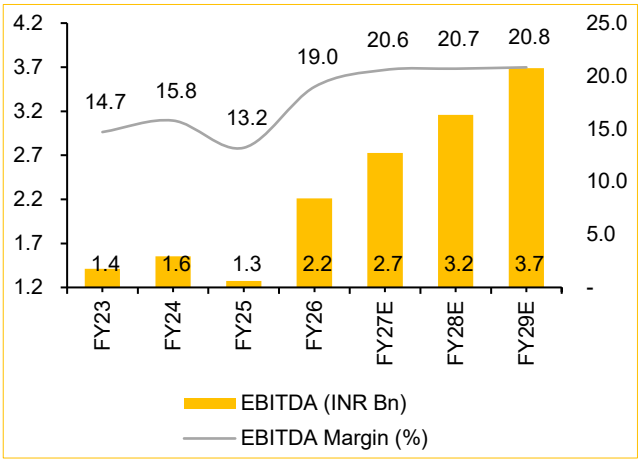
Investment Thesis in Charts

Driven by Sustained ADHO & Non-ADHO Growth, Rev. Expected to Expand at 15% CAGR over FY26–29E



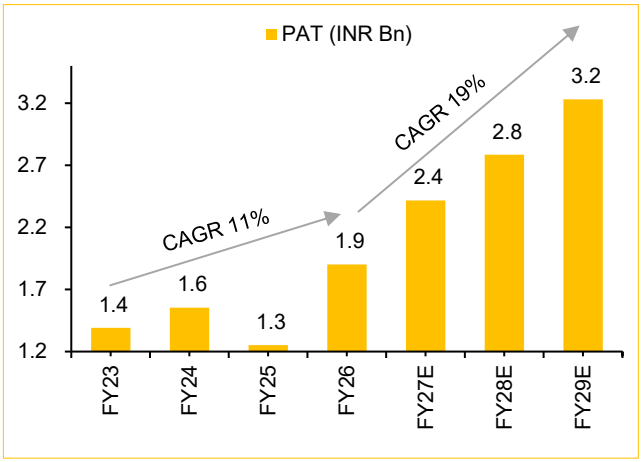
Source: BCCL, Choice Institutional Equities

Improved Product Mix and Higher Operating Leverage to Steer EBITDA Margin



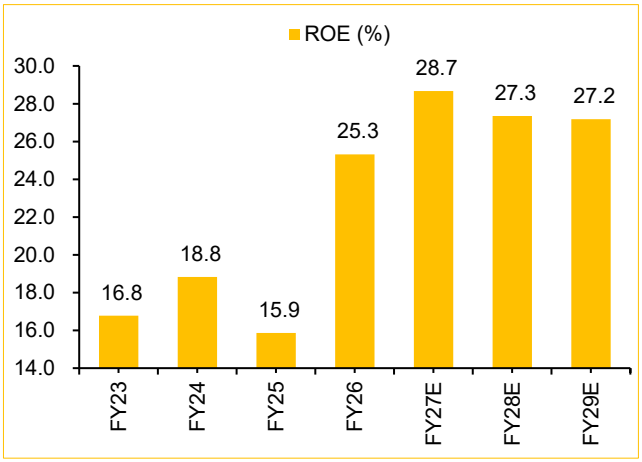
Source: BCCL, Choice Institutional Equities

Driven by Strong Operating Leverage & Rise in Other Income, PAT to Expand at 24% CAGR over FY26–29E



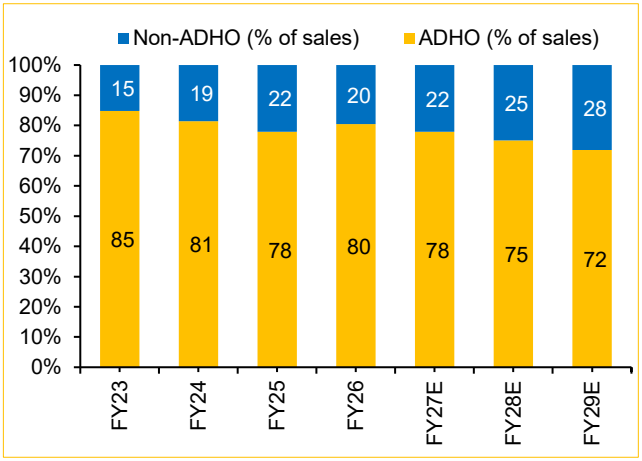
Source: BCCL, Choice Institutional Equities

Sharp Improvement in Operating Performance Led to Increase in ROE



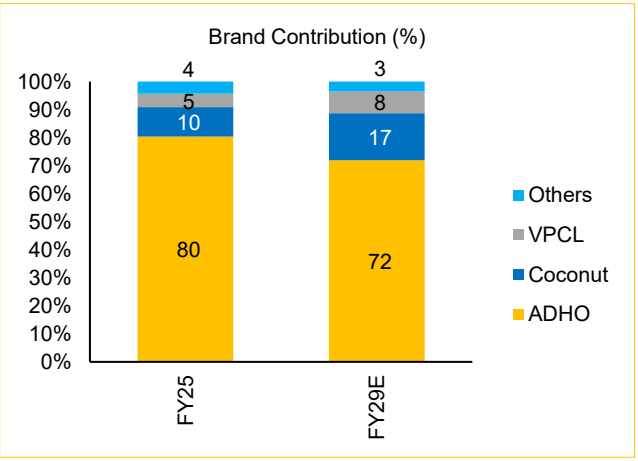
Source: BCCL, Choice Institutional Equities

Non-ADHO Portfolio Likely to See Gradual Rise in Share



Source: BCCL, Choice Institutional Equities

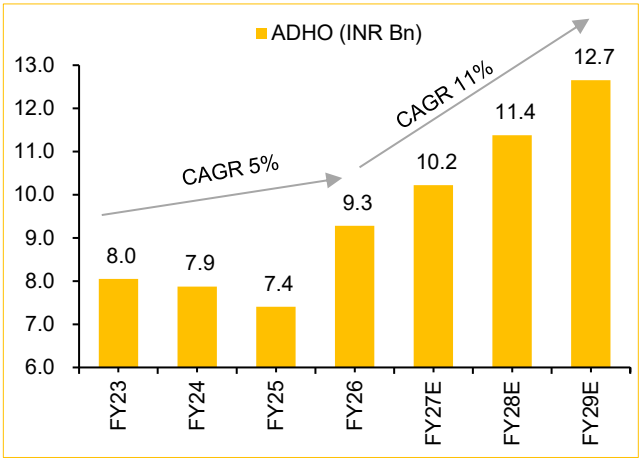
Coconut and VPCL to Drive Non-ADHO Portfolio



Source: BCCL, Choice Institutional Equities

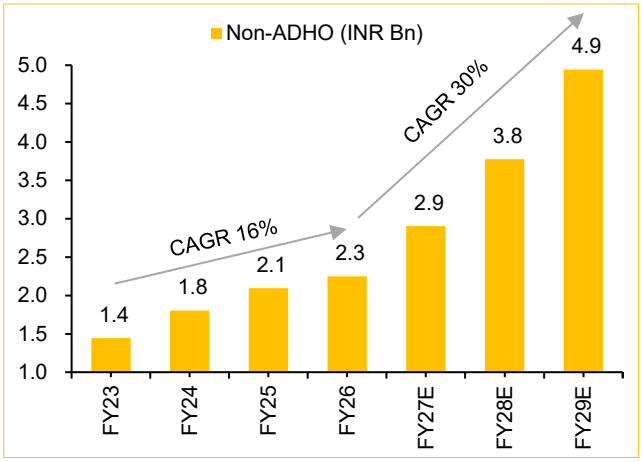
Investment Thesis in Charts

Led by Continued Traction from 'Aarohan,' ADHO Likely to Witness 11% CAGR over FY26-29E



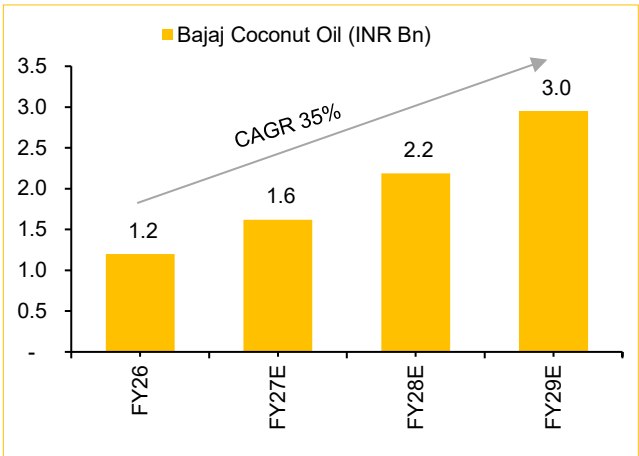
Source: BCCL, Choice Institutional Equities

Non-ADHO portfolio to drive faster led By Coconut and Banjara's



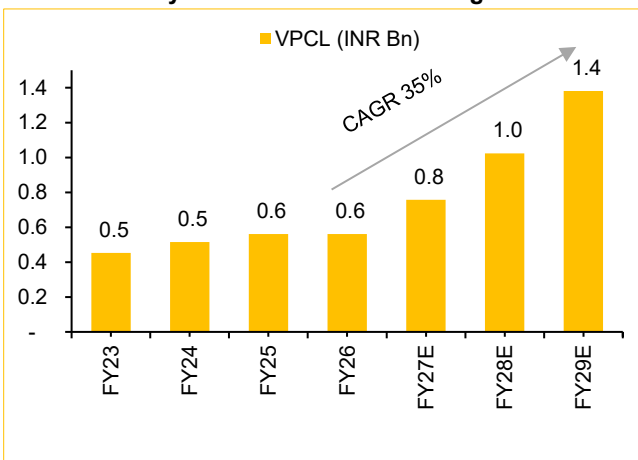
Source: BCCL, Choice Institutional Equities

Bajaj Coconut Oil to Expand at 35% CAGR over FY26-29E



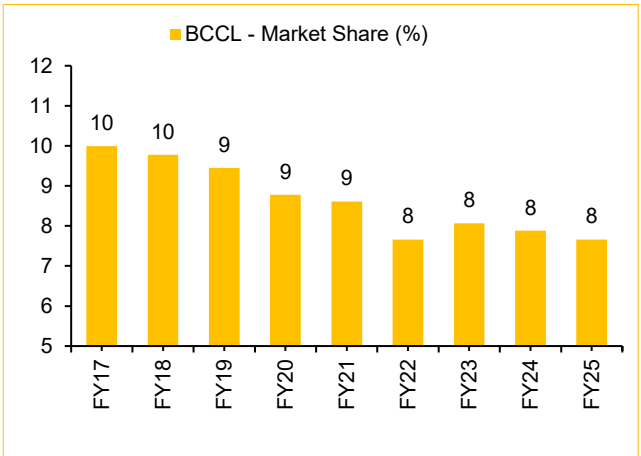
Source: BCCL, Choice Institutional Equities

VPCL too to Expand at ~35% CAGR Over FY26–29E Driven by Scale and Backward Integration



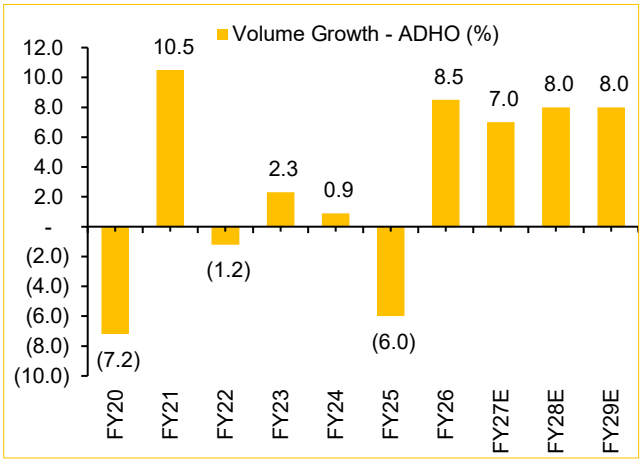
Source: BCCL, Choice Institutional Equities

Increased Competition Intensity; Channel Rejig Led to Market Share Loss for Bajaj Consumer in overall Hair Oil Category



Source: CMIE, Choice Institutional Equities

Vol. Growth Back on Track on Strength of 'Aarohan'



Source: BCCL, Choice Institutional Equities

2.1 ADHO Turnaround Revives Volume-led Growth Momentum

ADHO, after a prolonged phase of volume decline, market share erosion and margin pressure, **witnessed a strong turnaround in FY26**. The new management implemented a multi-pronged revival **strategy focussed on volume-led growth, strategic pricing, portfolio mix optimisation and higher brand investments.** BCCL's revived sachets and INR 10/20 packs, **improved distribution through "Project Aarohan,"** and significantly increased advertising and digital spend, helped the core ADHO portfolio, **which grew ~25% in FY26**. Simultaneously, calibrated pricing, ml-age (grammage)-optimisation and tighter channel spending supported gradual margin recovery while sustaining a healthy volume growth.

EBITDA margin contracted from ~30% to 13–15%

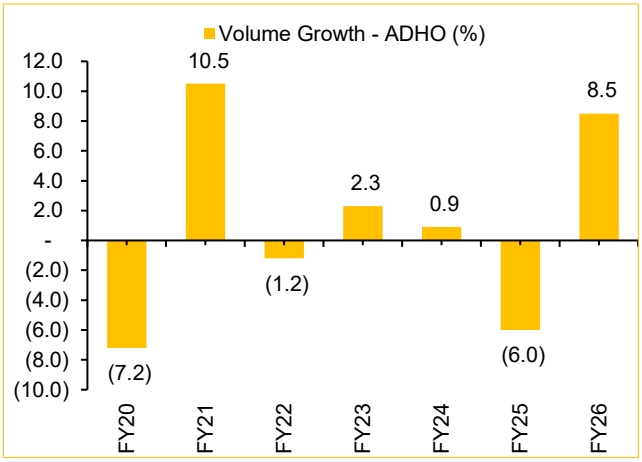
2.1.1 The Past: Growth Stagnation

ADHO faced prolonged stagnation pre-FY26 — sustained volume erosion, market share losses and weakening relevance in its category. EBITDA margin contracted from ~27% to 13–15% (FY23 to FY25). Premium positioning hurt competitiveness; weak distribution and declining low-unit pack traction weighed on performance.

Key headwinds over FY23–FY25

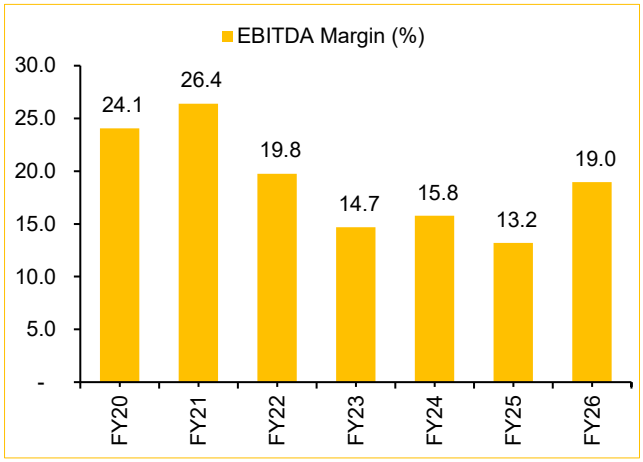
- **Rural Demand Weakness:** Prolonged rural slowdown in key HSMs (UP, Bihar, MP) hit sachet and mid-pack volumes
- **Channel Correction:** Planned wholesale rationalisation (discounts, top-wholesaler dependence, inventory) temporarily affected primary sales
- **GT Execution Gaps:** Weak GT execution and distribution inefficiency impacted market reach
- **Input Cost Inflation & Competition:** LLP (Light Liquid Paraffin) /RMO (Refined Mustard Oil) cost spikes + deep competitive discounting limited pricing pass-through, pressuring gross margin

Headwinds Led Volatility in ADHO over FY22-25



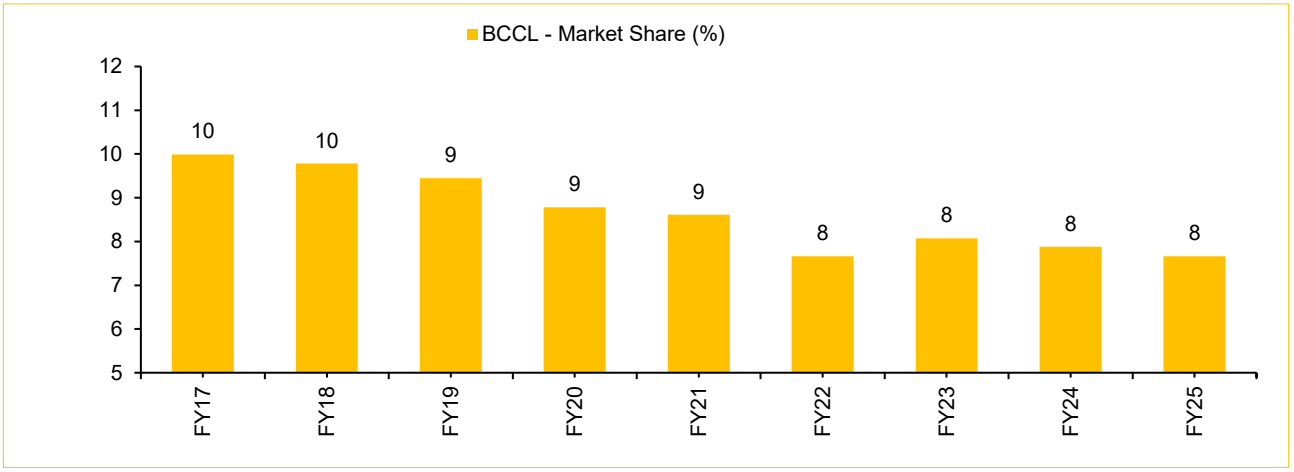
Source: BCCL, Choice Institutional Equities

……EBITDA margin Took a Plunge



Source: BCCL, Choice Institutional Equities

Bajaj Consumer has seen Continued Market Share Dip



Source: CMIE

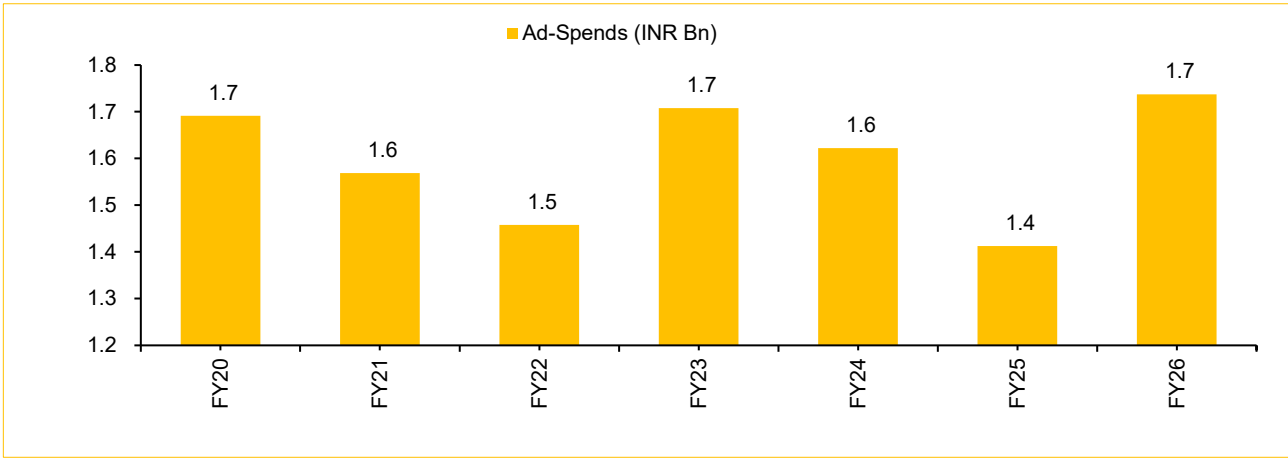
2.1 ADHO Turnaround Revives Volume-led Growth Momentum

Post implementation of renewed strategy ADHO delivered strong 25% growth in FY26

2.1.2 Implementation of Multi-pronged Strategy to Bring ADHO Back to Life

- **Pricing & Mix Optimisation:** Structured pricing intervention and portfolio mix changes (supported by larger packs, PET bottle upgrades and bundled packs) improved the value proposition
- **Revival of Price-point Packs:** Focus on reviving sachets and INR 10/20 price-point packs which had earlier been in decline. This helped drive broader recovery, particularly among new trial users and price-sensitive consumers
- **Higher Brand Investments:** Increased advertising and digital spends strengthened brand visibility and consumer engagement

FY26 Witnessed Higher Ad-Spends



Source: BCCL, Choice Institutional Equities

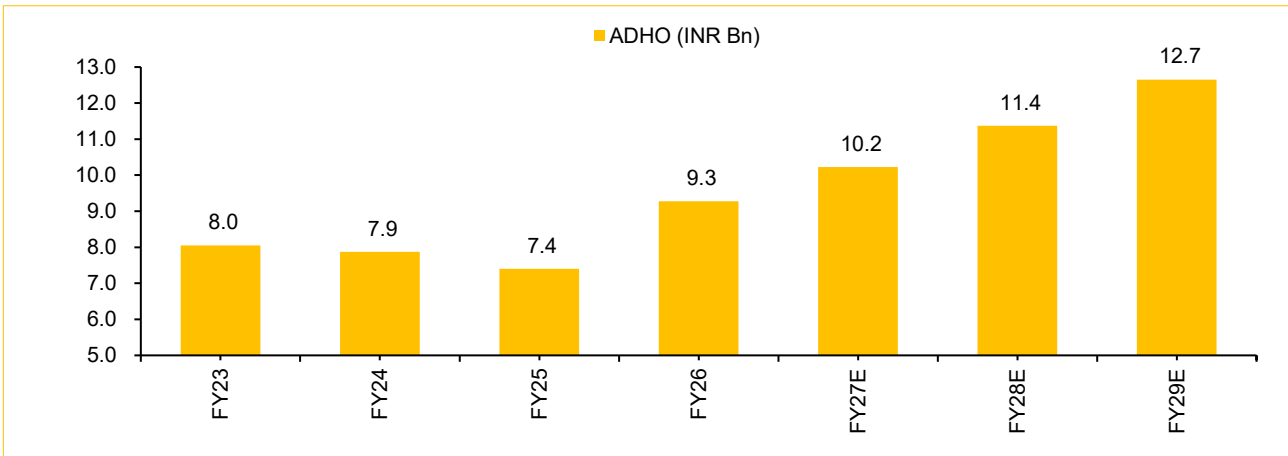
2.1.3 Additional supporting levers

Project Aarohan, Increase Ad-spends, Calibrated pricing and ml-age optimization in ADHO were the key growth levers

The turnaround was further supported by three key structural levers.

- **Project Aarohan:** Improved distribution productivity by expanding direct reach to ~6 lakh outlets and strengthening wholesale channel execution across key states
- **Aggressive Brand-building:** Advertising & Sales Promotion spends increased, from INR 1.4 Bn in FY24 to 1.7 Bn in FY26
- **Revenue Management:** Calibrated pricing, ml-age optimization, better SKU mix, and tighter channel spending supported margin recovery while sustaining healthy volume growth
- We estimate ADHO Revenue CAGR of 11% (7–8% volume growth) over FY26–FY29E

ADHO Expected to Grow at CAGR 11% over FY26–FY29E



Source: BCCL, Choice Institutional Equities

2.2 Scaling up Non-ADHO 'Growth Portfolio:' Target of INR 5 Bn

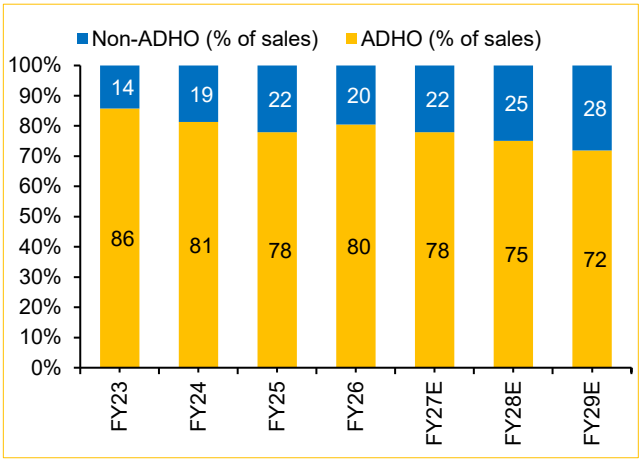
BCCL is scaling up its non-ADHO "Growth Portfolio," comprising Coconut Oil, Banjara's (personal care), and other emerging brands, **with a target to increase revenue, from INR 2.25 Bn in FY26 to INR 5 Bn in the next three years**. BCCL has shifted Coconut Oil towards a **profitability-focused, brand-led strategy through calibrated pricing, mix improvement, and value-added offering, such as Bajaj Gold Enriched Coconut Hair Oil**. Meanwhile, the **VPCL (Banjara's) acquisition strengthens BCCL's South India presence and herbal portfolio**, while Project Aarohan and rising Modern Trade/E-commerce saliency continue to improve distribution, premiumisation and innovation capabilities across the portfolio.

2.2.1 Scaling up Non-ADHO Portfolio

Aims to grow Non-ADHO portfolio to INR 5 Bn over next three years

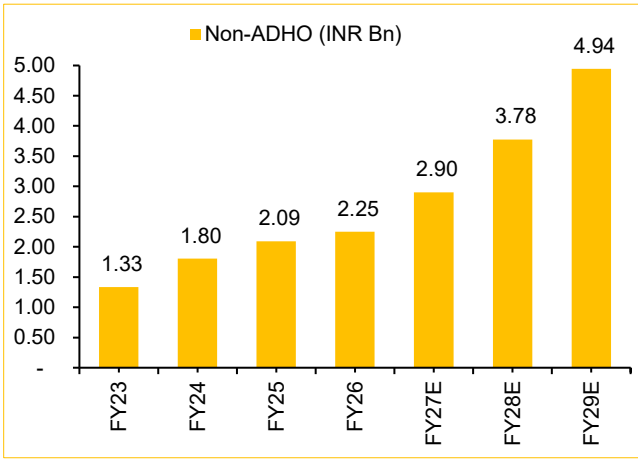
- **Scaling up Non-ADHO 'Growth Portfolio':** BCCL aims to expand its non-ADHO portfolio (Coconut Oil, Banjara's and others) **from INR 2.25 Bn in FY26 to INR 5 Bn in the next three years (~30% CAGR)**
- **Portfolio Diversification:** Historically, BCCL remained heavily dependent on ADHO, but the management is now building a more diversified portfolio with greater **focus on profitability, premiumisation and innovation**
- **Brand-led Strategy:** The management is now focusing on sustainable margin, calibrated pricing, innovation and value-added offering rather than price-led market share gains

Non-ADHO is Expected to see Gradual Increase in Share



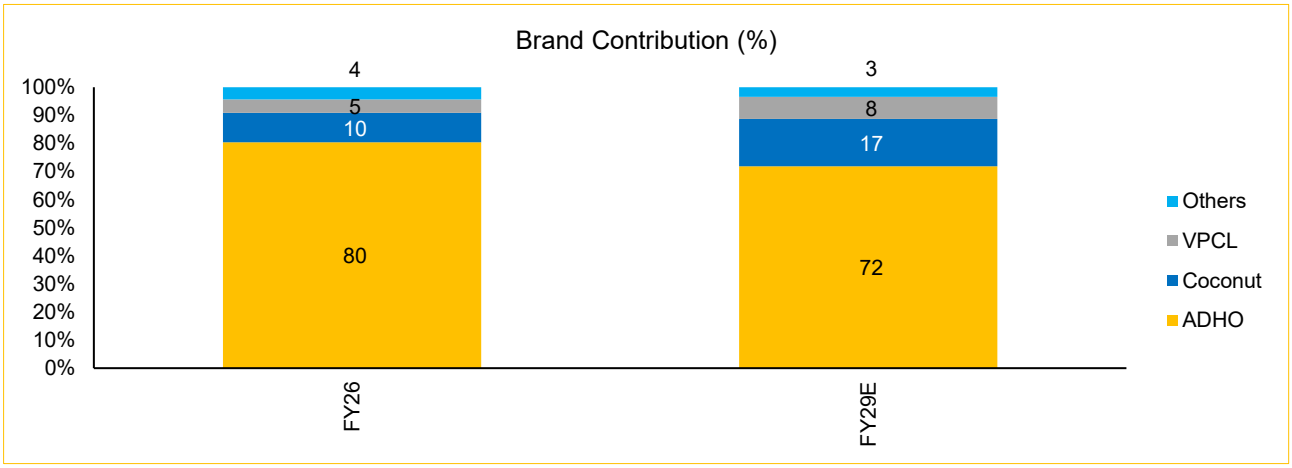
Source: BCCL, Choice Institutional Equities Estimates

Expected to Expand at 30% CAGR over FY26-29E



Source: BCCL, Choice Institutional Equities Estimates

Coconut and VPCL are Likely to be Key Growth Drivers, Going Forward



Source: BCCL, Choice Institutional Equities Estimates

2.2 Scaling up Non-ADHO 'Growth Portfolio:' Target of INR 5 Bn



2.2.2 Coconut Oil to Emerge as the Second Growth Lever

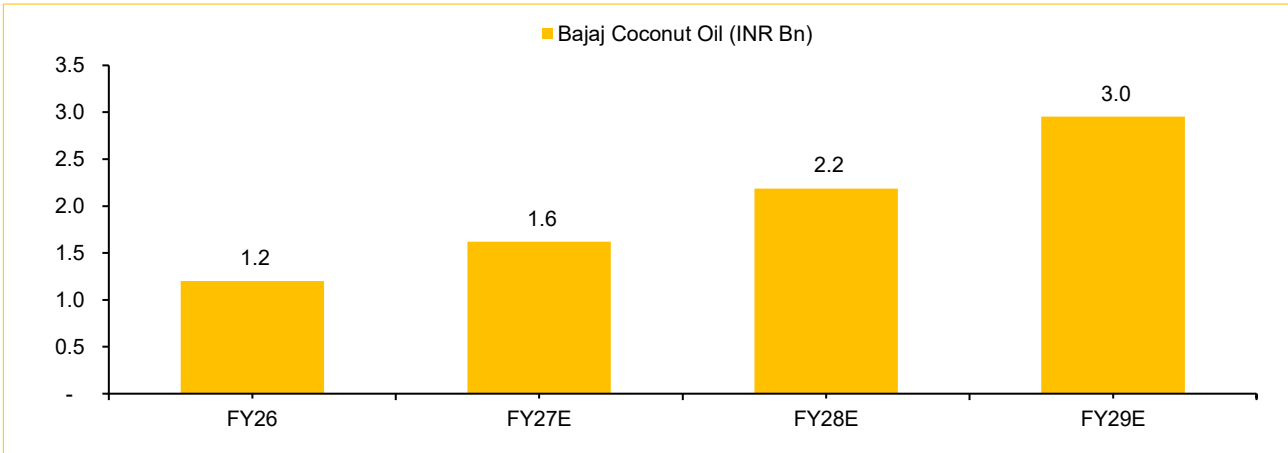
BCCL faced multiple challenges while scaling up its coconut oil portfolio as part of its diversification strategy beyond ADHO.

- **Margin and Cost Pressure:** Sharp copra inflation, delayed pricing intervention and coconut oil's inherently lower margin profile as compared to ADHO impacted profitability and led to margin dilution.
- **Competition and Market Challenges:** Intense competition from larger players, the commoditised nature of pure coconut oil and historically weak South India distribution constrained growth and market expansion
- **Execution and Portfolio Challenges:** Additionally, the management had to balance market share expansion with margin protection, even as some early value-added product launches underperformed and required reformulation. Periodic channel corrections and distributor inventory rationalisation also caused temporary disruption in primary sales growth across the portfolio

Course Correction: *BCCL repositioned the coconut portfolio, from a volume-led business to a profitable "Growth Portfolio" through calibrated pricing, premiumisation and innovation*

- **Strategic Pricing Reset:** Earlier priced at a 40–50% discount to the market leader, the portfolio has now been repositioned closer to 90% of the leader's pricing, improving profitability despite volume pressure
- **Innovation-led Growth:** Launched Bajaj Gold Enriched Coconut Hair Oil in Q2FY26 helped capitalise on the shift towards Value-added Coconut Hair Oil (VACNO)
- **Brand-led Strategy:** The management is increasingly focusing on advertising, digital activation and brand-building rather than aggressive discounting.
- **Distribution Expansion:** Banjara's integration is strengthening BCCL's South India distribution network and improving market penetration
- **Premiumisation Focus:** Modern Trade and E-commerce are being leveraged to drive faster innovation and premiumization within the coconut oil portfolio

Bajaj Coconut Oil Expected to Expand at 35% CAGR over FY26-29E



Source: BCCL, Choice Institutional Equities Estimates

2.2 Scaling up Non-ADHO 'Growth Portfolio:' Target of INR 5 Bn

2.2.3 VPCL's Banjara's Gateway to South India

BCCL acquired South India-based VPCL in Q4FY25 for INR 1.2 Bn (2x sales). VPCL was established in 1991 and sells herbal hair and skin care products under the brand name Banjara's

BCCL is leveraging Banjara's South India network to expand its hair oil and coconut oil portfolio

Strategic South India Entry: Banjara's brings with it strong GT reach (70,000 outlets) across Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Kerala. This acquisition provides BCCL with a strong foothold in South India, where it historically had minimal presence

Emerging Growth Engine: Banjara's offers exposure to the faster-growing herbal and natural personal care segment, which is growing ~1.5x faster than the broader FMCG market

Strong Brand Positioning: Established in 1991, Banjara's is a trusted natural hair and skincare brand with leadership in categories, such as Multani Mitti face packs, positioned as an affordable premium herbal brand

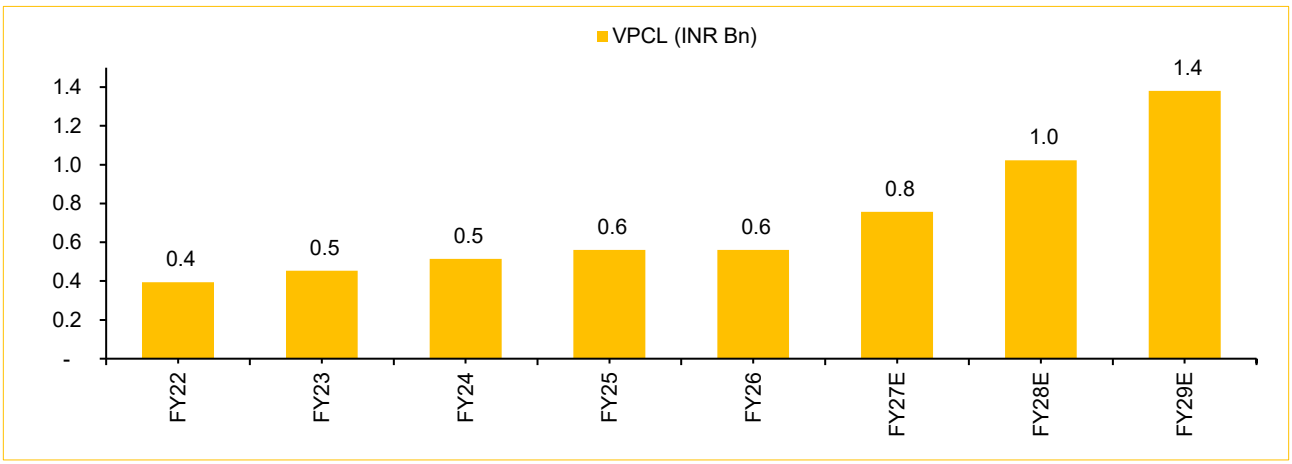
Synergy and Distribution Benefits: BCCL is leveraging Banjara's South India network to expand its hair oil and coconut oil portfolio, while its strong North India distribution can scale up Banjara's products into Hindi-speaking markets and exports without significant incremental cost

Profitability Improvement: Gross margin is comparable to ADHO, while EBITDA margin has improved by ~300 bps after the acquisition. The management expects further scale benefits as the business grows towards INR-2 Bn revenue

Premiumization Opportunity: Modern Trade and E-commerce channels are being used to accelerate innovation, premiumization, and growth for Banjara's portfolio



VPCL is Expected to Grow at CAGR 35% over FY26-29E



Source: BCCL, Choice Institutional Equities Estimates

2.3 Project Aarohan: Building a Stronger Distribution Engine for Long-term Growth

Project Aarohan is BCCL's large-scale Route-to-Market (RTM) transformation initiative aimed at strengthening distribution reach, outlet productivity and General Trade execution across both, ADHO and non-ADHO, portfolios. Since its rollout in FY25, the program has expanded across eight core states under Phase 1 and 2, **increased direct reach by over 10% to nearly 6 lakh outlets** and added 25,000–38,000 new outlets through better rural penetration, distributor optimisation and technology-led execution using geotagging and geofencing. **Aarohan states delivered 25%–40% higher outlet coverage and ~4% better growth versus non-implementation states, significantly aiding GT recovery in FY26**. Following the success of Phase 1 and 2, **Project Aarohan has now entered Phase 3**, expanding the initiative into Bihar, Gujarat, Jharkhand, Odisha, and Punjab to drive the next leg of distribution-led growth.

Aarohan states delivered growth ~4% higher than non-Aarohan regions, significantly aiding General Trade recovery in FY26

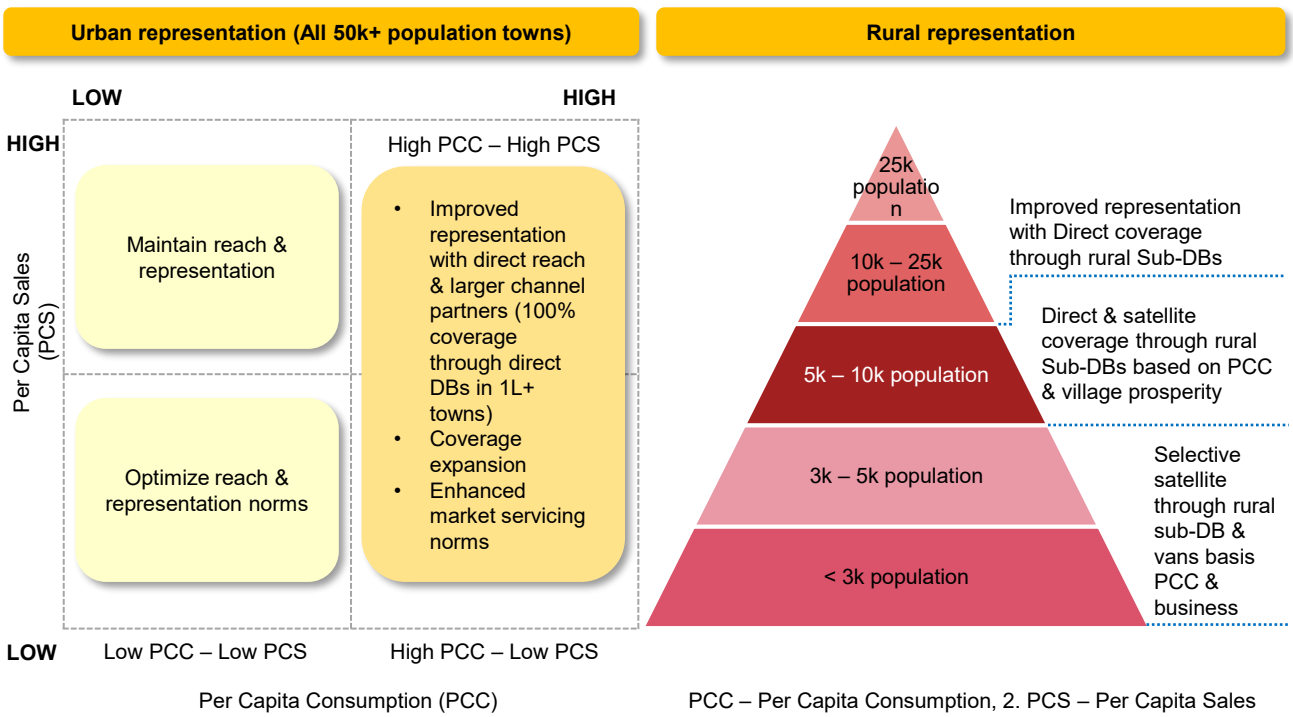
2.3.1 Project Aarohan: Distribution-led Growth Engine

- Project Aarohan is BCCL's Route-to-Market (RTM) transformation initiative aimed at strengthening General Trade distribution and building a scalable multi-brand organisation
- This initiative uses technology-led execution through geotagging of 3.3 lakh outlets and geofencing systems to improve salesforce productivity and tracking efficiency
- Launched in UP and MP in Q4FY25 and, by the end of Q2FY26, it added 38,000 outlets through deeper urban and rural penetration. The states where the project was executed saw a 25% to 40% increase in number of outlets under direct distribution. As on FY26, it has total direct coverage of 6 lakhs outlets (up 10% YoY)
- Aarohan states delivered growth ~4% higher than non-Aarohan regions, significantly aiding General Trade recovery in FY26
- The management also addressed historical wholesale channel inefficiency, improving channel stability and execution quality. This stabilisation directly benefited wholesale-dependent products, leading to a strong revival in INR-1 sachets and INR-10 packs.

Primary Beneficiary: ADHO

While the project supports the entire portfolio, **ADHO** was the largest beneficiary. The revamp allowed the brand to reverse a medium-term trend of volume erosion, resulting in **~25% revenue growth** for the full year and volume market share gains.

Project Aarohan – Revamping RTM so as to Drive Growth



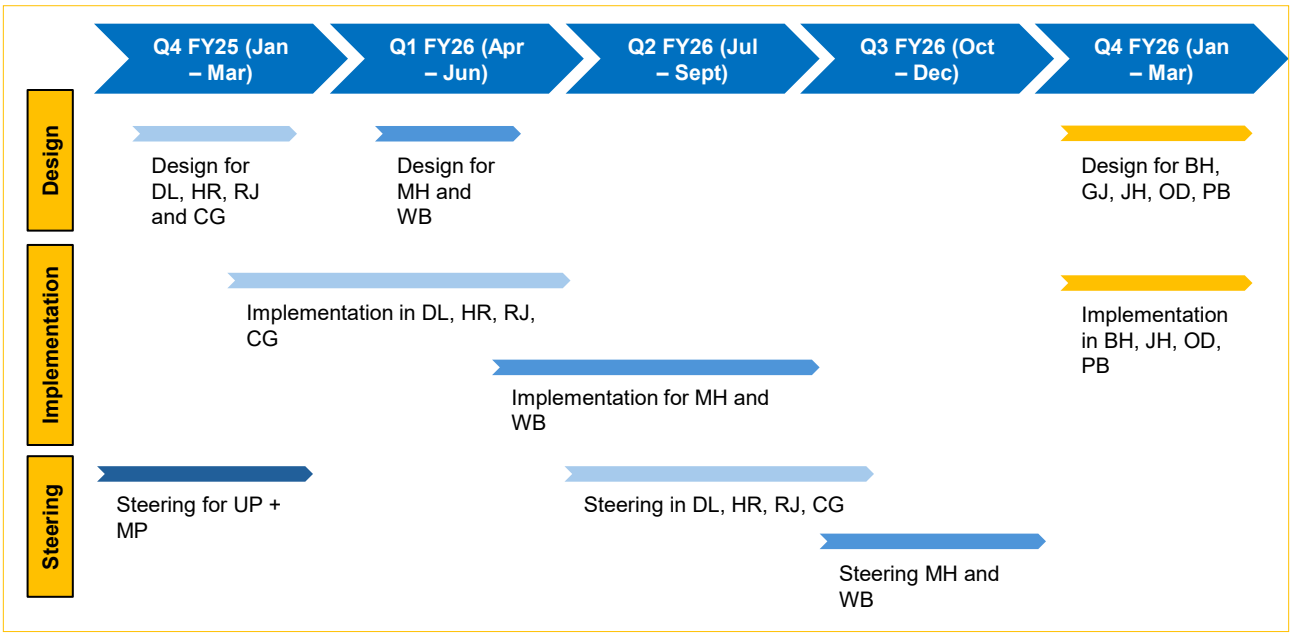
Source: BCCL Q1FY25 Presentation

2.3 Project Aarohan: Building a Stronger Distribution Engine for Long-term Growth

2.3.2 Project Aarohan Enters Phase 3

- Following the successful execution of Phase 1 and 2 in FY26, Project Aarohan has now entered Phase 3. Under this, the plan is to expand in the remaining one-third of the BCCL business which has not yet been covered - Bihar, Gujarat, Jharkhand, Odisha, and Punjab
- The execution of Phase 3 began towards the end of Q4FY26. BCCL plans to work through these geographies and reap the project's benefits throughout FY27.

Project Aarohan Enters Phase 3



Source: BCCL

3.1 Risk to our Investment Thesis

Input Cost Volatility: Geopolitical tensions have led to crude-linked inflation across key raw materials, such as LLP (Light Liquid Paraffin), packaging materials, copra, mustard oil, and almond oil, keeping BCCL's overall cost base under sustained pressure

High Dependence on ADHO: Despite diversification efforts, ADHO still accounts for ~80% of BCCL revenue, making its overall performance highly sensitive to category dynamics and market share movements

Execution Risk in Project Aarohan: While Phase 1 and Phase 2 of Project Aarohan successfully delivered growth nearly 4% higher than non-Aarohan states, sustaining a similar growth delta, going forward, is not guaranteed. BCCL has now initiated Phase 3 across five new states, together representing nearly one-third of the business. Given the execution complexity and differing market dynamics in these geographies, replicating the success achieved in earlier implementation states remains a key monitorable.

Competition and Pricing Pressure: Aggressive pricing intervention and MLH (grammage) adjustments undertaken to protect margin could impact competitiveness and market share, especially if peers continue to maintain relatively lower pricing

International Business Weakness: Geopolitical issues, tariff uncertainty and distributor transitions in GCC/KSA markets have led to volatility and periodic revenue declines

Regulatory and GST Risk: The shift towards a 5% GST portfolio has caused inverted tax structure challenges, while future regulatory changes may trigger temporary channel destocking and sales disruption

3.2 Key Investor Questions Answered

1. With revenue growth accelerating to ~30% in recent quarters, how sustainable is this momentum as BCCL moves into FY27 and begins lapping these significantly higher bases?

The management acknowledged that the successful execution of Project Aarohan Phase 1 & 2 and the integration of VPCL have created a high base effect. However, the management believes these initiatives will continue to support strong growth momentum in the next two quarters. As BCCL begins to lap these high-growth periods in FY27, it is simultaneously deploying new growth levers, including the Phase 3 rollout of Project Aarohan across five new states representing nearly 33% of the business, an accelerated innovation pipeline in core ADHO, and a sharper focus on scaling up the non-ADHO portfolio with a target to reach INR 5 Bn revenue in the next three years.

2. What is the tangible "delta" or benefit seen from Project Aarohan, and what is the plan for the remaining portion of the business not yet covered?

Project Aarohan has been a major success, consistently delivering a 4% growth delta in implementation states as compared to non-implementation states. As of the end of FY26, the project covers roughly 66% of the business. BCCL has initiated Phase 3, which targets the final 33% of the business across five new states (Bihar, Gujarat, Jharkhand, Odisha and Punjab). The management expects to extract similar productivity benefits and growth deltas from these new geographies throughout FY27.

3. Despite ongoing volatility in LLP and seed oil prices due to the Gulf war, BCCL reported a sharp EBITDA margin expansion to 23.4% in Q4FY26 (+500bps QoQ / +1000bps YoY). How sustainable is EBITDA margin above 20% amid continued raw material inflation, competition intensity and ongoing investments in brand-building and distribution expansion?

The management highlighted that nearly 100% of BCCL's cost base remains under inflationary pressure. To mitigate this, BCCL is leveraging a combination of ml-age (grammage) reduction, calibrated price hike and a favourable shift towards higher-margin products and brands. These initiatives helped gross margin expand to 63% in Q4FY26 despite rising input cost. While inflationary pressure persists and further price hike may be required, the management remains committed to sustaining EBITDA margin in the low-to-mid 20% range in the medium term.

4. How does BCCL plan to scale up the Growth Portfolio (non-ADHO), from INR 2.25 Bn to INR 5 Bn, in the next three years?

BCCL aims to scale it up through a ~30% CAGR strategy focussed on brand-building, distribution expansion, innovation and premiumisation. The strategy is centred around scaling up Bajaj Coconut and Banjara's (VPCL), while also introducing new products and brands. In Coconut Oil, the management has shifted from a price-led to a brand-led strategy through calibrated pricing, improved profitability and innovation, such as Bajaj Gold Enriched Coconut Hair Oil. Banjara's is expected to be a key growth and profitability driver as scale improves towards the INR 1-2 Bn range, supported by strong South India distribution synergies. Additionally, Modern Trade and E-commerce channels, which now contribute ~30% of sales, are being leveraged to accelerate innovation and premiumization across the non-ADHO portfolio, reducing long-term dependence on ADHO.

5. What are the specific targets for direct reach expansion, and how does this impact the overall portfolio versus just the flagship ADHO brand?

BCCL currently has a direct reach of approximately 6 lakh outlets. The stated strategy is to expand this direct coverage by 10% every year over the next four to five years. While ADHO is the primary beneficiary of this expansion led by project Aarohan — seeing growth across urban retail, wholesale and rural channels — the direct reach model is designed to eventually help build the entire portfolio range in each outlet, providing long-term benefits for the growth portfolio as well.

3.3 Key Insights from Management Meet

BCCL plans to scale its non-ADHO "Growth Portfolio" from INR2.25 Bn in FY26 to INR 5 Bn over the next three years (~30% CAGR), led by Coconut Oil, Banjara's

- **Growth & Margin Outlook:** The management indicated that organic revenue growth is expected to remain in double digits to mid-teens, while maintaining its medium-term aspiration of operating in the low-to-mid 20% EBITDA range despite inflationary pressures.
- **ADHO Continues to Drive Core Profitability:** ADHO continues to contribute ~80% of the portfolio and remains the key profitability engine with EBITDA margin still around ~30% despite materially higher ad spends. The management highlighted that investments in "width, depth and velocity" through higher advertising and stronger distribution execution are driving market share gains and improving growth momentum.

Views Banjara's as a strategic gateway to South India, helping expand Coconut Oil and broader Bajaj portfolio distribution in southern markets where BCCL historically had weak presence

- **Non-ADHO Portfolio Targeting INR 5 Bn:** BCCL plans to scale up its non-ADHO "Growth Portfolio" from INR 2.25 Bn in FY26 to INR 5 Bn in the next three years (~30% CAGR), led by Coconut Oil, Banjara's and selective emerging brands (formats). The management emphasised profitability over aggressive margin expansion, noting that all non-ADHO brands are profitable on an absolute basis.
- **Coconut Portfolio Strategic Reset:** Coconut Oil (~10% of consolidated sales) has undergone a major pricing reset, with pricing moving from ~60 to 70% of the market leader in FY25 to ~90 to 95% at present, without affecting volumes much. The management has reiterated that growth will be "brand-led" rather than "price-led," prioritising sustainable profitability over aggressive discounting.
- **Innovation & Brand Expansion:** The management highlighted a calibrated innovation strategy within both, ADHO and non-ADHO, portfolios. New launches and ADHO extensions are expected to support the next leg of growth, while the management plans to selectively scale up one emerging brand every year from the broader portfolio tail including Brahmi, Sarso, Nomarks and Almond Drops extensions.

Project Aarohan Phase 1 & 2 and VPCL integration have created a high base effect, but expects these initiatives to continue supporting growth for the next two quarters. To sustain momentum, BCCL has already initiated Phase 3 of Aarohan across five new states while accelerating innovation and premiumization initiatives across both ADHO and non-ADHO portfolios

- **Banjara's Emerging as South India Gateway:** Banjara's (~5% of consolidated sales) delivered double-digit growth in FY26 with EBITDA margin improving by 300–400 bps after the acquisition, operating in the teens, at present. The management stated that Banjara's will continue to operate independently while leveraging BCCL's distribution and scale advantages.
- **South India Distribution Synergies:** The management views Banjara's as a strategic gateway to South India, helping expand Coconut Oil and broader Bajaj portfolio distribution in southern markets where BCCL historically had a weak presence. Simultaneously, BCCL's strong North India distribution network is expected to scale up Banjara's products into Hindi-speaking markets.
- **Project Aarohan Driving Structural Distribution Gains: :** Project Aarohan continues to strengthen direct distribution reach, with BCCL now directly servicing nearly 6 lakh outlets and targeting ~9 lakh outlets in the next three years. States where Aarohan has been implemented have delivered materially stronger growth (4% delta) and improved execution productivity.
- **Phase 3 Growth Levers Under way:** The management acknowledged that Aarohan Phase 1 & 2 and VPCL integration have created a high base effect, but expects these initiatives to continue supporting growth for the next two quarters. To sustain momentum, BCCL has already initiated Phase 3 of Aarohan across five new states while accelerating innovation and premiumisation initiatives across both, ADHO and non-ADHO, portfolios.

3.4 SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
Dominant Brand Equity : The core brand, **ADHO**, maintains a commanding market share of **63% to 65%** in the LHO segment	**Portfolio Concentration**: ADHO still contributing 80% it remains more vulnerable to category-specific headwinds than multi-category peers	**International Expansion:** BCCL aims to increase international saliency from **2-3% to 20%** over the next five years.	**Competitive Intensity and Pricing:** BCCL faces competition from smaller regional players who operates at lower net margin and offer **lower prices** reducing ADHO's premium positioning
Project Aarohan: Route-to-market revamp expanded direct reach by 1.5 lakh outlets, with tech-led salesforce efficiency improvements	**Economies of Scale:** BCCL is a significantly smaller player compared to giants like **Marico**. Larger players has better economies of scale	**Natural/Herbal Segment:** Management identifies the Natural BPC market as a significant white space. Leveraging the Banjara's core competency and network	**Rural Demand and Inflation:** Persistent high food inflation in core HSM states (UP, Bihar, MP) has led to **downtrading to Amla and Coconut**
Strategic Acquisition: Banjara's acquisition strengthens entry into the fast-growing natural & herbal segment with high-margin BPC products.	**Geographic Gap:** Traditionally BCCL is weak in South India. Acquisition of Banjara's might help reduce the gap	**Quick Commerce:** While currently contributing **12%** of sales, management sees an opportunity for **triple-digit growth** in Quick Commerce	**Raw Material Volatility:** LLP and **Refined Mustard Oil are the key RM** Significant price spikes in these inputs, combined with the inability to pass on costs to price-sensitive consumers, can severely dilute margin

Source: BCCL, Choice Institutional Equities

BCCL's Distinct Strengths Vs Competitors

BCCL's key strength lies in the dominant brand equity of ADHO, which commands ~63%–65% market share in the Light Hair Oil segment. BCCL has strengthened execution through Project Aarohan, technology-led distribution and rapid expansion in Modern Trade, E-commerce and Quick Commerce. Banjara's acquisition provides a strategic South India foothold and exposure to the fast-growing herbal personal care segment.

BCCL's Distinct Weakness Vs Competition

BCCL faces scale disadvantages versus larger FMCG peers, resulting in relatively higher overhead cost and weaker competition intensity during slow demand periods. Historically, BCCL remained heavily dependent on ADHO and had limited South India distribution, particularly in coconut oil categories. BCCL also lacks the sourcing scale and category expertise of larger players in newer segments, such as pure coconut oil, impacting margin during raw material volatility. Additionally, BCCL has lagged behind in attracting "new-age" urban consumers and remains more vulnerable to international disruption due to limited global manufacturing presence.

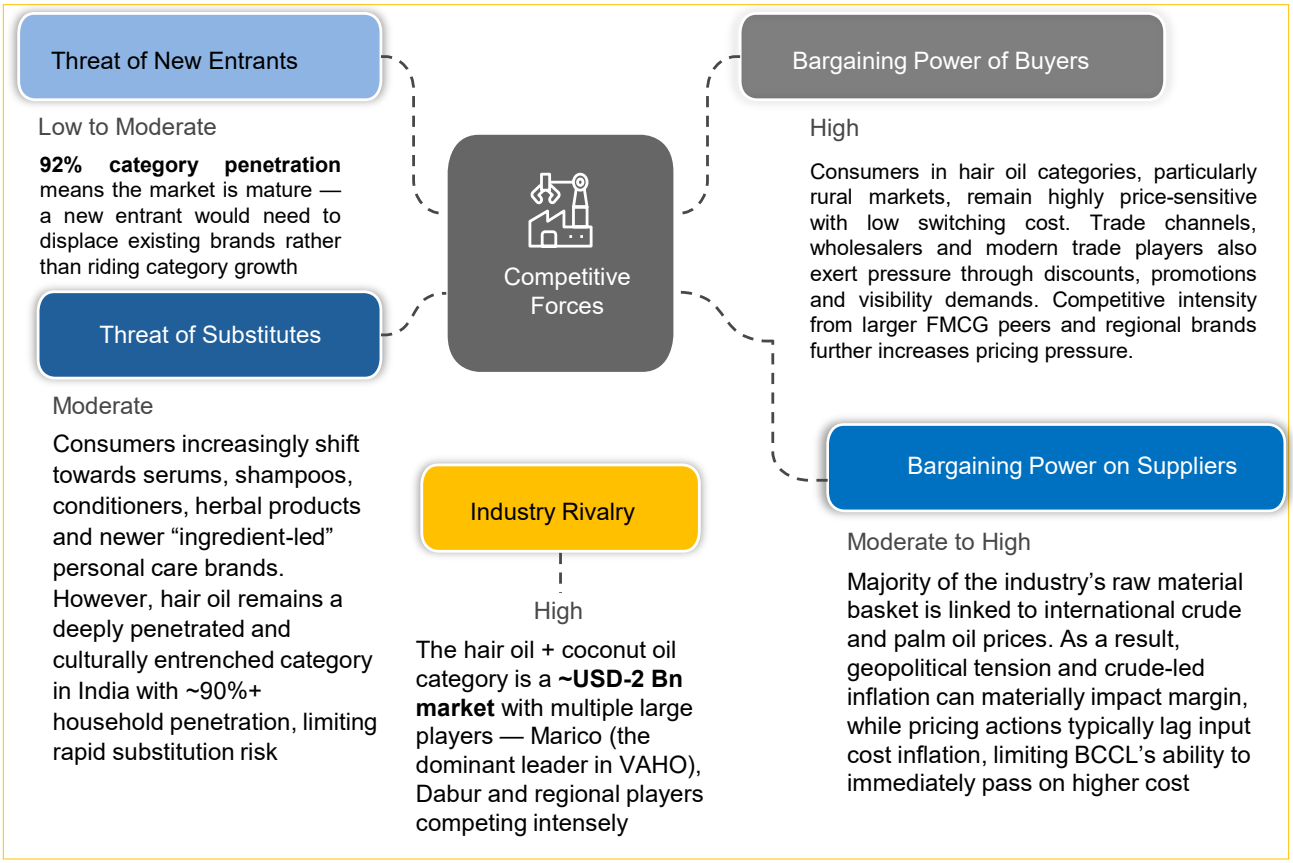
BCCL's Distinct Opportunities Vs Competition

BCCL sees strong growth opportunities through international expansion, with plans to significantly increase overseas contribution in the long term. Banjara's acquisition provides a strategic South India foothold and exposure to the fast-growing herbal personal care segment. BCCL is also transitioning towards a diversified multi-category FMCG portfolio beyond ADHO, supported by Project Aarohan-led distribution expansion and rapid growth in Quick Commerce and digital channels. Additionally, ADHO's strong brand equity provides a "right to win" in premium personal care extensions, such as soaps, lotions and shampoos.

BCCL's Distinct Threats Vs Competitors

BCCL faces intense competition from aggressive discounting, copycat branding and price-sensitive consumers in its core ADHO segment. BCCL is also highly exposed to rural demand weakness, raw material volatility and limited pricing pass-through ability. Compared to larger FMCG peers, BCCL lacks scale and global manufacturing capabilities, making it more vulnerable to competition intensity and supply chain disruption. Additionally, high dependence on ADHO and the wholesale channel increases risk related to category stagnation and channel instability.

3.5 Michael Porter's Five Forces Analysis



Source: BCCL, Choice Institutional Equities

Strong brand equity of ADHO, dominant leadership in the Light Hair Oil category, deep consumer recall across Hindi-speaking markets and an extensive General Trade distribution network create meaningful entry barriers for new competitors in the Hair Oil segment.

Supplier leverage remains relatively higher for Bajaj Consumer Care Limited as BCCL remains dependent on a concentrated basket of volatile raw materials, such as LLP, copra, mustard oil, almond oil and packaging inputs. Unlike larger FMCG peers with greater sourcing scale and global procurement capabilities, BCCL has lower bargaining power with suppliers, making margin more vulnerable to commodity inflation and geopolitical disruption.

FMCG players, such as Marico, Dabur India and regional as well as digital-first personal care brands. Competition remains particularly high in hair oil and coconut oil categories due to aggressive pricing, heavy advertising spend, copycat products and low consumer switching cost. However, BCCL benefits from the strong brand equity of ADHO, improving distribution execution through Project Aarohan and an expanding non-ADHO portfolio led by Coconut Oil and Banjara's.

Bajaj Consumer Care Limited remains relatively exposed to buyer pressure due to the highly competitive and price-sensitive nature of the hair oil and personal care categories. However, strong brand equity in ADHO, deep distribution relationships and increasing presence across General Trade, Modern Trade and E-commerce channels provide some bargaining strength versus smaller regional and unorganised players.

Substitute pressure remains moderate for Bajaj Consumer Care Limited, as hair oil continues to be a deeply penetrated and culturally entrenched category in India with strong household usage habits. However, some substitution risk is emerging from younger consumers shifting towards serums, shampoos, conditioners and ingredient-led personal care products rather than completely exiting the hair care category.

3.6 View & Valuation Rationale

BCCL is Trading at the Lowest P/E Multiple with Higher Earnings Visibility among Larger Peers

Company	CMP	Mcap	Revenue (CAGR) %		EBITDA (CAGR) %		EBITDA Margin (%)		PAT (CAGR) %		ROE (%)			P/E			PEG
	(INR)	(INR Bn)	(FY23-26)	(FY26-29E)	(FY23-26)	(FY26-29E)	FY26	FY29E	(FY23-26)	(FY26-29E)	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY26E
BCCL	526	68	6.6	15.0	16.1	18.6	19.0	20.8	10.9	19.4	29	27	27	28	24	21	1.8
Marico*	836	1,086	11.7	10.3	8.8	15.7	17.1	19.7	11.1	14.7	44	45	40	50	43	39	4.1
Dabur*	456	810	4.6	8.6	4.3	10.9	18.6	19.8	3.2	11.8	17	18	19	38	34	29	3.7
Emami*	417	182	3.9	NA	5.1	NA	26.0	NA	8.2	NA	25	26	NA	20	18	NA	NA
Mean														36	32	31	
Median														38	34	33	

Source: FactSet, BCCL, Choice Institutional Equities; (*) Not under our coverage, estimates taken from FactSet

Bajaj Consumer Care Limited offers an attractive medium-term investment opportunity in FMCG space. Our conviction originates from:

- ADHO reclaiming growth momentum through strategic pricing, premiumization, higher advertising intensity, and distribution-led market share recover
- Scaling of the non-ADHO portfolio from INR2.25 Bn to INR5 Bn over the next three years led by Coconut Oil, Banjara's, and innovation-driven premium offering
- Project Aarohan driving deeper retail penetration, outlet productivity, and stronger General Trade execution across key states
- The acquisition of VPCL (Banjara's) also provides a strategic gateway into South India and the faster-growing herbal personal care segment
- Additionally, BCCL's improving product mix, operating leverage, calibrated pricing strategy, and rising contribution from premium and higher-growth categories are expected to support healthy earnings growth, margin expansion, and gradual improvement in return ratios over the medium term
- We estimate **Revenue/EBITDA/PAT CAGR of 15%/19%/19%, respectively, over FY26–29E.** We initiate coverage with a 'BUY' rating and a one-year DCF-based target price of **INR 690, implying 31% upside** from the current level implying P/E of ~32x FY28E EPS and implied PEG of 1.8 **(one of the lowest in the sector).**

3.7 DCF Valuation

DCF Assumptions

Particular (INR Bn unless specified)	
WACC (%)	**10.3%**
Terminal Growth Rate (%)	5.0%
PV of FCF	**340.8**
Terminal Value	1,937.8
PV of Terminal Value	**552.3**
Net Debt	**(3.9)**
Equity Value	897.0
Equity Value Per Share (INR)	**690**

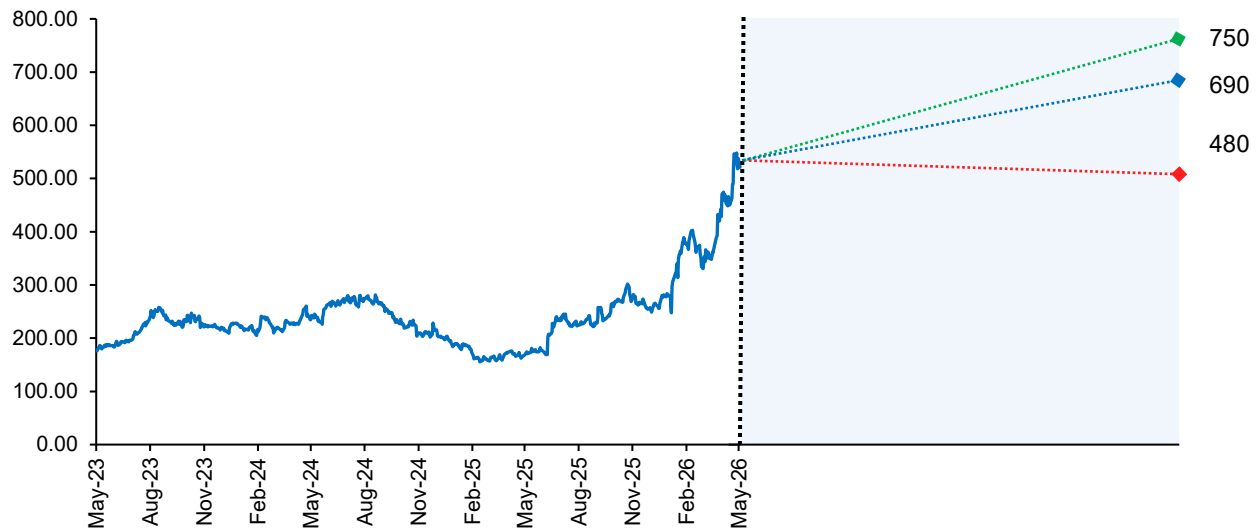
Implied PE Multiple	FY28E
EPS FY28E (INR/sh)	21.3
DCF based TP (INR/sh)	687
Implied PE Multiple (x)	**32.2**

Sensitivity Analysis

		WACC (%)				
		9.3	**9.8**	**10.3**	**10.8**	**11.3**
Terminal growth rate (%)	**3.0**	679	617	564	518	478
	4.0	758	681	616	561	513
	5.0	874	771	690	618	560
	6.0	1,062	909	791	698	623
	7.0	1,418	1,147	960	822	717

Source: Bloomberg, BCCL, Choice Institutional Equities

3.8 Bull and Bear Case Scenarios



INR 750
42% Upside

BULL Assumptions

- ADHO to witness revenue CAGR of 13% over FY26–29E; while Non-ADHO to witness ramp-up at CAGR 35% (guidance of CAGR 30%) over FY26–29E
- Revenue CAGR of **17%** over FY26–29E
- EBITDA CAGR of **24%** over FY26–29E
- PAT CAGR of **24%** over FY26–29E

INR 690
31% Upside

BASE Assumptions

- ADHO to witness revenue CAGR of 11% over FY26–29E; while Non-ADHO to witness ramp-up at CAGR 30% over FY26–29E
- Revenue CAGR of **15%** over FY26–29E
- EBITDA CAGR of **19%** over FY26–29E
- PAT CAGR of **19%** over FY26–29E

INR 480
9% Downside

BEAR Assumptions

- ADHO to witness revenue CAGR of 5% over FY26–29E; while Non-ADHO to witness gradual ramp-up at CAGR 16% (guidance of CAGR 30%) over FY26–29E
- Revenue CAGR of **7%** over FY26–29E
- EBITDA CAGR of **7%** over FY26–29E
- PAT CAGR of **7%** over FY26–29E

3.1 Financials & Ratios

Income Statement (INR Mn)

Particulars	FY26	FY27E	FY28E	FY29E
Net Sales	**11,647**	**13,246**	**15,274**	**17,728**
Gross Profit	**7,050**	**8,213**	**9,470**	**10,992**
EBITDA	**2,209**	**2,726**	**3,160**	**3,690**
Depreciation	(153)	(160)	(167)	(174)
EBIT	**2,056**	**2,565**	**2,993**	**3,516**
Finance Cost	(16)	(16)	(16)	(16)
Other Income	271	391	411	431
Net Profit	**1,899**	**2,417**	**2,784**	**3,231**
EPS	14.5	18.5	21.3	24.7

Key Ratios

Particulars	FY26	FY27E	FY28E	FY29E
Growth Ratios (%)				
Revenue	20.7	13.7	15.3	16.1
EBITDA	73.4	23.4	15.9	16.8
EBIT	75.3	24.8	16.7	17.5
PAT	51.8	27.1	15.2	16.1
EPS	59.3	27.1	15.2	16.1
margin (%)				
Gross margin	59.6	61.1	61.2	61.3
EBITDA	19.0	20.6	20.7	20.8
PAT	16.3	18.2	18.2	18.2
Profitability (%)				
ROE	25.3	28.7	27.3	27.2
ROCE	27.2	27.5	27.1	27.6
Turnover Ratios				
Asset Turnover (x)	1.3	1.3	1.3	1.3
Receivable Days	23.9	23.9	23.9	23.9
Inventory Days	20.9	20.9	20.9	20.9
Payable Days	13.4	13.4	13.4	13.4
Working Capital Days	31.4	31.4	31.4	31.4
Liquidity Ratios				
Current Ratio (x)	3.6	4.5	5.3	5.9
Quick Ratio (x)	3.2	4.0	4.8	5.4
Total Debt/Equity (%)	-	-	-	-
Valuation				
PER (x)	36.0	28.3	24.6	21.2
PEG (x)	0.6	1.0	1.6	1.3
EV/EBITDA (x)	29.1	23.0	19.4	16.2
EV/EBIT (x)	31.3	24.5	20.5	17.0

Source: BCCL, Choice Institutional Equities

Balance Sheet (INR Mn)

Particulars	FY26	FY27E	FY28E	FY29E
Cash & Cash Equivalents	217	1,804	3,337	4,764
Other Bank Balance	175	175	175	175
Marketable Securities at Cost	3,669	3,669	3,669	3,669
Debtors	756	861	993	1,154
Inventory	661	752	868	1,009
Loans & Advances	2	2	2	2
Other Current Assets	595	595	595	595
Total Current Assets	**6,075**	**7,858**	**9,639**	**11,367**
Investments	100	100	100	100
Gross Fixed Assets	4,408	4,608	4,808	5,008
Less: Depreciation	(1,428)	(1,588)	(1,756)	(1,930)
Add: Capital WIP	269	269	269	269
Net Fixed Assets	**3,250**	**3,289**	**3,322**	**3,348**
Other Non-Current Assets	27	27	27	27
Total Assets	**9,451**	**11,274**	**13,087**	**14,841**
Current Liabilities	1,697	1,756	1,830	1,920
Provisions	47	47	47	47
Total Current Liabilities	**1,744**	**1,802**	**1,877**	**1,967**
Non-Current Liabilities	158	158	158	158
Total Liabilities	**1,901**	**1,960**	**2,035**	**2,125**
Paid-Up Capital	131	131	131	131
Reserves & Surplus	7,419	9,183	10,922	12,586
Shareholders' Equity	**7,550**	**9,314**	**11,053**	**12,717**
Total Equity & Liabilities	**9,451**	**11,274**	**13,087**	**14,841**

Cash Flow (INR Mn)

Particulars	FY26	FY27E	FY28E	FY29E
Cash Flow from Operations	1,969	2,456	2,794	3,211
Cash Flow from Investing	(145)	(200)	(200)	(200)
Cash Flow from Financing	(1,965)	(669)	(1,061)	(1,584)

DuPont Analysis

Particulars	FY26	FY27E	FY28E	FY29E
Tax Burden	82%	82%	82%	82%
Interest Burden	113%	115%	113%	112%
EBIT Margin	18%	19%	20%	20%
Asset Turnover	1.3	1.3	1.3	1.3
Equity Multiplier	1.2	1.2	1.2	1.2
ROE (%)	**25.3%**	**28.7%**	**27.3%**	**27.2%**

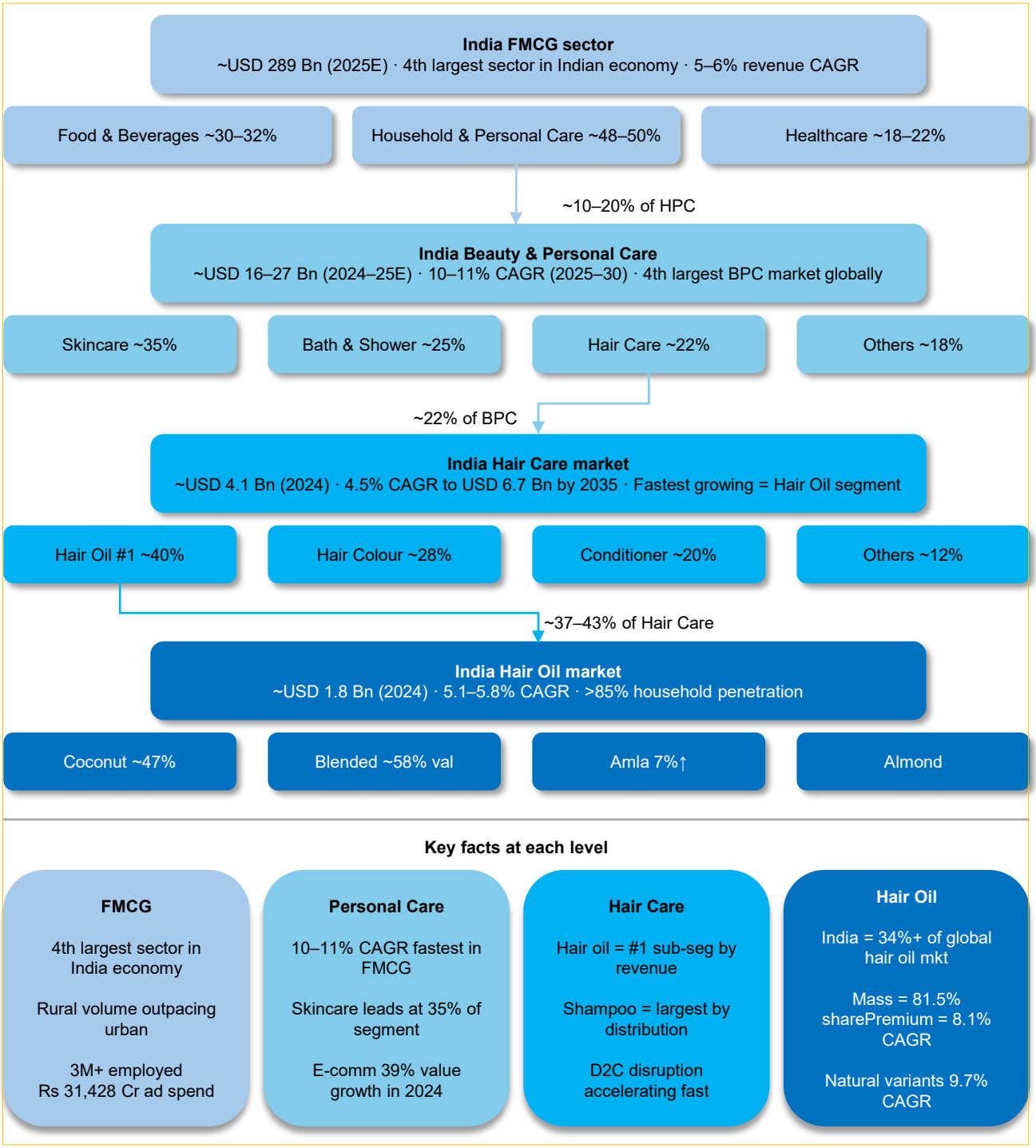
Source: BCCL, Choice Institutional Equities

5.1 Overview: FMCG Market in India

5.1.1 FMCG the Key Pillar of the Domestic Consumption Economy

- India's fast-moving consumer goods (FMCG) sector is the fourth-largest in the world and is one of the most critical pillars of the domestic consumption economy. The sector stood at approximately USD 289 Bn in 2025 (IBEF)
- One of the key structural shifts in India's FMCG sector in the past two years was the sharp revival in rural consumption. After a prolonged period of urban outperformance, rural India re-emerged as a key growth engine in FY25; rural volume growth was at 8.4% versus urban growth of 2.6% (as per NIQ)
- Meanwhile, urban markets are witnessing a shift towards premiumisation and rapid adoption of quick commerce. E-commerce now contributes ~17% of FMCG consumption among affluent urban consumers, while platforms, such as Blinkit, Zepto and Swiggy Instamart have significantly altered shopping frequency and basket dynamics, accounting for nearly two-thirds of e-grocery orders

FMCG Run Down: FMCG > Beauty & Personal Care > Hair Care > Hair Oil



Source: Grand View Research, Mordor Intelligence, NielsenIQ, IBEF, CRISIL Ratings, Emergen Research, Choice Institutional Equities

5.1 Overview: FMCG Market in India

5.1.2 India's BPC Market

- India is the fourth-largest BPC market globally, which was to the tune of around USD 17-27 Bn in 2024–25 and expected to expand at 10-11% CAGR over FY25-30
- BPC market in India is dominated by – Skincare (35%), Bath & Shower (25%) and Hair Care (20-25%)

India's BPC Market — Indicative Segment Ranking, by Revenue (2024–25)

Rank	Segment	Est. Size (USD Bn)	BPC Share	Growth Profile
1	Skincare / Sun Care	~USD 5 to 6 Bn	~35%	Fast (premiumisation)
2	Bath & Shower	~USD 4 to 5 Bn	~25%	Stable (mass volume)
3	Hair Care (total)	~USD 4.1 Bn	~20–25%	Moderate-fast
3a	└ Hair Oil (sub-segment)	~USD 1.5 to 1.8 Bn	~7–11% of BPC	5.1–5.8% CAGR
4	Oral Care	~USD 2 to 3 Bn	~10–15%	Stable
5	Colour Cosmetics / Makeup	~USD 1.5 to 2 Bn	~8–12%	Fast (urban-led)
6	Deodorants / Fragrances	~USD 1 to 1.5 Bn	~5–8%	Moderate

Source: Grand View Research, Mordor Intelligence, NielsenIQ, IBEF, CRISIL Ratings, Emergen Research, Choice Institutional Equities

5.1.3 Hair Care Market in India

Within ~USD-4.1 Bn hair care market in India, hair oil is the dominant sub-segment by revenue — a distinction unique to India among major global markets. This reflects the deep cultural entrenchment of hair oiling as a daily ritual, in contrast to Western markets, where shampoo and conditioner form the core of the hair care spend.

India Hair Care Market — Sub-Segment Value Mix

Sub-Segment	Est. Share of Hair Care	Key Notes
Hair Oil	~37 to 43%	Largest sub-segment; highest household penetration (85%+); uniquely dominant vs global peers
Hair Colour	~25 to 32%	Second-largest; Godrej, L'Oréal, Dabur compete; growing as premiumisation drives salon-grade at-home colour
Conditioner	~20%	Under-penetrated vs global; high growth runway as consumers build multi-step hair routines
Shampoo	~20 to 25%	Largest by distribution/SKU count; more competitive; lower per-unit value than premium oil
Hair Styling Products	~15%	Nascent in India; fastest growing urban category; serums, gels, sprays gaining share in urban youth
Men's Hair Care	~20%	Emerging; Beardo, ManCo, Bombay Shaving Co. scaling; >10% CAGR; currently <10% of total BPC

Source: Grand View Research, Mordor Intelligence, NielsenIQ, IBEF, CRISIL Ratings, Emergen Research, Choice Institutional Equities

5.2 Indian Hair Oil Market Overview

5.2.1 Hair Oil's Position in Personal Care Landscape

Across the full India BPC market — which includes skincare, oral care, fragrances, cosmetics, bath & shower and deodorants — hair oil ranks among the top revenue-generating categories, despite the BPC market being led by skincare (35% share) on the back of premiumization and pollution-awareness trends.

Types of Hair Oils

Light Hair Oil (LHO)

LHO refers to modern, non-sticky, and lighter hair oils which are gaining popularity among younger and urban consumers, particularly in North India. These products are relatively premium in nature. Example: Bajaj Almond Drops.

Heavy Hair Oil

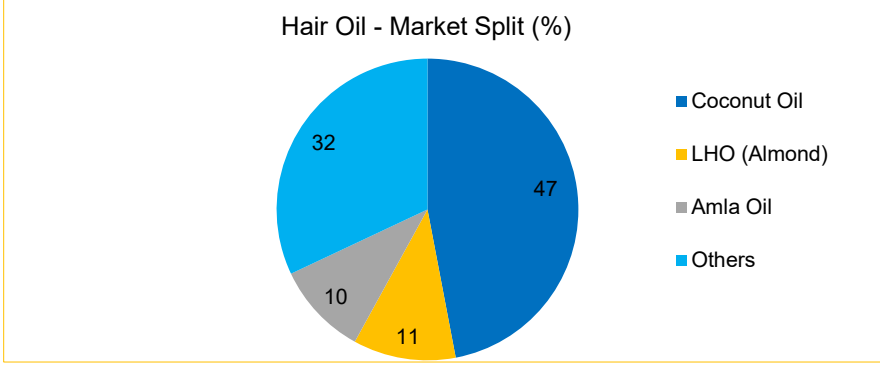
Heavy Hair Oils are traditional, thicker, and stickier oils associated with strong nourishment and herbal positioning, with higher relevance in mass and rural markets. Example: Bajaj Amla.

Value-added Hair Oil (VAHO)

VAHO includes hair oils with added ingredients, fragrances, or functional benefits beyond plain oils, such as perfumed oils, cooling oils, and coconut-plus variants, enabling premiumisation.

Plain Hair Oil (Pure/Coconut Hair Oil)

Plain Hair Oils are pure or minimally processed natural oils, primarily coconut oils, focussed on basic nourishment and protection, with the category being highly price-sensitive and commodity-driven.



VAHO vs. Plain Hair Oil — The Core Distinction

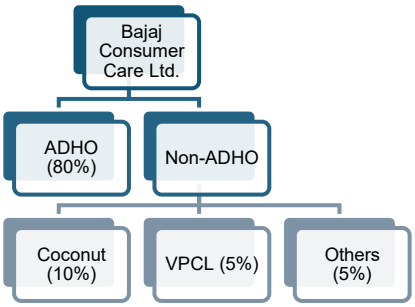
	Plain Hair Oil	VAHO
Base	Pure coconut or commodity oil	Blended / enriched base
Benefits	Basic moisturisation	Targeted — hair fall, growth, fragrance, cooling
Target consumer	Price-sensitive, rural	Urban, benefit-seeking
Pricing	Low	Premium
Growth rate	Moderate	Higher (double-digit historically)

Hair Oil's Contribution to Key Company Revenue

Company	Key Hair Oil Brand(s)	% of Total Revenue	Sub-Segment
Marico Ltd.	Parachute, Nihar, Hair & Care	~55–60%	Coconut + blended
Dabur India	Dabur Amla, Vatika, Anmol	~24%	Amla + herbal
Bajaj Consumer Care	Almond Drops	~80%+	Light hair oil
Emami Ltd.	Navratna, Kesh King	~20–25%	Cooling + medicated
HUL (Indulekha)	Indulekha Bringha Oil	~2–4%	Premium Ayurvedic

Source: Grand View Research, Mordor Intelligence, NielsenIQ, IBEF, CRISIL Ratings, Emergen Research, Choice Institutional Equities

6.1 Company Overview



Bajaj Consumer Care, a part of the Shishir Bajaj Group, has emerged as a leading player in India's hair oil market. Its flagship brand, Bajaj Almond Drops Hair Oil, is the market leader in the Light Hair Oil category with ~63% market share and a distribution reach spanning 30+ countries and over 43 lakh outlets.

Over the years, BCCL has diversified its portfolio beyond hair oils into skincare, lotions, soaps, and other personal care products, catering to a broad consumer base across generations. Its key brands include Bajaj Almond Drops Hair Oil, Bajaj Coconut Hair Oil, Bajaj Amla, Bajaj Sarso, Nomarks and the recently-acquired Banjara's (VPCL).

Key Milestones

1926
- Bajaj Group established by Jamnalal Bajaj

1953
Bajaj Sevashram established by Kamalnayan Bajaj Formal entry into personal care — marketing and selling hair oils and beauty products. ADHO developed

2006
- Incorporated as Bhaumik Agro Products Pvt Ltd (April 25)

2007
- Renamed Bajaj Corp Private Limited

2010
- IPO

2013
- Acquired Nomarks from Ozone Ayurvedics Entry into INR 3.5 Bn anti-marks category

2015-16
- ADHO reached 58.8% LHO Market Share
- International Expansion
- Launched Bajaj Coco Jasmine Hair Oil

2019
- **Renamed Bajaj Consumer Care Limited**

2020
- Appointed Jaideep Nandi as MD (5-year term)

2025
- February 2025 — 49% stake in Vishal Personal Care (Banjara's) for INR 1.2 Bn; 100% by May 2025
- **June 2025 — Naveen Pandey appointed MD (effective July 1, 2025)**

6.2 Business Model

Revenue streams

- ADHO — ~80% of standalone revenue; double-digit volume & value growth in FY26; ~60%+ gross margin
- Non-ADHO (coconut, Banjara's, Nomarks, amla, jasmine) — INR 2.25 Bn in FY26; target INR 5 Bn in 3 years
- International — ~10–15% of consolidated; currently declining; turnaround underway in Rest of World & MENA
- Revenue management levers — Strategic pricing, ml-age (grammage) adjustments, pack mix, grammage optimisation
- Guided EBITDA margin band of low-to-mid 20%, going forward

Cost Structure

- Raw materials — LLP (76.8% of ADHO formulation), almond/mustard oil, copra, packaging; 100% of cost base currently under inflation (Gulf war impact)
- Advertising & sales promotion — ~15% of revenue in FY26; largest controllable cost line
- Manufacturing — 2 own plants + 9 contract manufacturers; asset-light model
- Distribution — 20 warehouses, C&F agents, logistics, Aarohan field teams
- No debt — interest cost negligible; strong free cash flow generation

Brand Portfolio

- ADHO — India's only premium light, non-sticky hair oil position for modern consumers rejecting heavy traditional oils
- Coconut oil — Pure, accessible, mass-market; mid-single digit category
- Banjara's — Ayurvedic hair & skin care; South India penetration play
- Nomarks — Anti-blemish skincare; No. 1 in anti-marks cream segment
- Natyv Soul — Premium hair masque, serum, argan oil; premiumisation
- Sachet strategy — Makes premium products accessible to every household
- Target: Non-ADHO "growth portfolio" to INR 5 Bn in 3 years

Channels

- General trade (GT) — Total reach 4.3 Mn outlets (FY25) -70% of sales; direct retail + wholesale
- Organised trade — 30% of sales; MT + E-commerce outperforming; CSD/CPC muted
- Project Aarohan — phased direct distribution expansion; Phase 3 now entering 5 new states
- International — Distributor model; own subsidiary in Bangladesh & UAE (FZE)

Strategic Opportunities

- Non-ADHO portfolio — Banjara's, expanding coconut oil, new launches; path to INR 5 Bn in 3 years
- South India — Very low ADHO penetration; Banjara's provides entry point; large untapped market
- Premiumisation — Natyv Soul, argan, serum; OT at 30% enables faster premium innovation
- Project Aarohan Phase 3 — 5 new states (Bihar, Gujarat, Jharkhand, Odisha, and Punjab); 4% growth delta expected in line with Phase 1 and 2.
- International turnaround — New leadership in IB; Nepal and Bangladesh already growing profitably

6.3 About the Management

Name	Designation	Qualifications	Experience
 MR. KUSHAGRA BAJAJ	Promoter & Non-Executive Chairman	MS Marketing and Finance	Mr. Kushagra Bajaj is the Chairman of the Board of Bajaj Consumer Care Ltd. He holds a Bachelor of Science degree from Carnegie Mellon, Pittsburgh, USA, and a Master's Degree of Science in Marketing and Finance from Northwestern University, Chicago, USA.
 MR. NAVEEN PANDEY	Managing Director	PGDM, IIM Indore	Naveen Pandey was appointed in July 2025. Prior to joining Bajaj Consumer Care, he served as CEO of Unibic Foods India, where he focused on brand expansion and operational strategy. He also held multiple senior leadership roles at Marico, including EVP & Business Head – New Foods BU, EVP & Sales Head – India Business, and Managing Director – Bangladesh, besides leadership stints at PepsiCo and Asian Paints.
 MR. DILIP KUMAR MALOO	Chief Financial Officer	CA & CS	Dilip Kumar Maloo is a qualified CA & CS professional. He has over 30 years of professional experience across various disciplines of Finance, Treasury & Secretarial functions. He has spearheaded multiple growth initiatives at BCL in the last two decades.
 MS. ANANDAMAYI BAJAJ	GM – Group Strategy	Financial Economics and Mathematics (Columbia University)	Anandamayi Bajaj, General Manager – Group Strategy, represents the fifth generation of leadership at the Bajaj Group. She works closely with Kushagra Nayan Bajaj on strategic planning and growth initiatives across group companies, including Bajaj Consumer Care, Bajaj Hindusthan Sugar, and Bajaj Energy. A graduate in Financial Economics and Mathematics from Columbia University, she focuses on driving future-ready growth while upholding the group's legacy of sustainability, inclusion, and nation-building.
 MR. ANUJ AWASTHI	National Sales Head	MBA - Marketing B.E. (Production Engineering)	Anuj has 21 years of experience in the consumer goods industry. Previously, he led BCCL's Organised Trade and International Business divisions, driving multiple growth and expansion initiatives. Prior to this, he held senior leadership roles across sales, trade marketing and brand marketing at Godrej Consumer Products.
 MR. AAKASH U GUPTA	Head - Finance	CA	Joined BCCL in 2025, Aakash is a Chartered Accountant & holds a Master's degree in Management from IIM Indore. He has a professional experience of 17 years and was associated with Sesa Care Pvt. Ltd. as Chief Financial Officer. He has also worked with Fullife Healthcare Pvt. Ltd. and Sleep Management Pvt. Ltd.

Institutional Research Team			
Utsav Verma, CFA	Head of Institutional Research	utsav.verma@choiceindia.com	+91 22 6707 9440
Ambrish Shah	Analyst - Power	ambrish.shah@choiceindia.com	+91 22 6707 9251
Ashutosh Murarka	Analyst – Building Materials	ashutosh.murarka@choiceindia.com	+91 22 6707 9521
Bhavik Shah, CFA	Analyst – Metals & Mining	Bhavik.shah@choiceindia.com	+91 22 6707 9521
Deepika Murarka	Analyst – Healthcare	deepika.murarka@choiceindia.com	+91 22 6707 9513
Dhanshree Jadhav	Analyst – Technology	dhanshree.jadhav@choiceindia.com	+91 22 6707 9535
Dhaval Popat	Analyst – Energy	dhaval.popat@choiceindia.com	+91 22 6707 9949
Fenil Brahmbhatt	Analyst – Realty & Building Materials	fenil.brahmbhatt@choiceindia.com	+91 22 6707 9930
Ishank Gupta	Analyst – NBFCs	ishank.gupta@choiceindia.com	+91 22 6707 9867
Karan Kamdar	Analyst – Consumer Discretionary, Small and Midcaps	karan.kamdar@choiceindia.com	+91 22 6707 9451
Kunal Bajaj	Analyst – Technology	kunal.bajaj@choiceindia.com	+91 22 6707 9901
Maitri Sheth	Analyst – Pharmaceuticals	maitri.sheth@choiceindia.com	+91 22 6707 9511
Putta Ravi Kumar	Analyst – Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Preeyam Tolia	Analyst – FMCG & Retail	preeyam.tolia@choiceindia.com	+91 22 6707 9987
Aayush Saboo	Sr. Associate– Realty	aayush.saboo@choiceindia.com	+91 22 6707 9930
Avi Jhaveri	Sr. Associate – Technology	avi.jhaveri@choiceindia.com	+91 22 6707 9901
Bharat Kumar Kudikyala	Sr. Associate – Building Materials	bharat.kudikyala@choiceindia.com	+91 22 6707 9521
Samarth Goel	Sr. Associate– Small and Midcaps	samarth.goel@choiceindia.com	+91 22 6707 9451
Subhash Gate	Sr. Associate – Autos	subhash.gate@choiceindia.com	+91 22 6707 9233
Heer Gogri	Associate – Small and Midcaps	heer.gogri@choiceindia.com	+91 22 6707 9433
Heet Chheda	Associate – Autos	heet.chheda@choiceindia.com	+91 22 6707 9233
Rushil Katiyar	Associate – Technology	rushil.katiyar@choiceindia.com	+91 22 6707 9901
Shreya Mehra	Associate – Technology	shreya.mehra@choiceindia.com	+91 22 6707 9535
Stuti Bagadia	Associate – Pharmaceuticals	stuti.bagadia@choiceindia.com	+91 22 6707 9511
Vinay Rawal	Associate – Small and Midcaps	vinay.rawal@choiceindia.com	+91 22 6707 9433

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BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months
Mid & Small Cap*	
BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months
Other Ratings	
NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change
Sector View	
POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

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