Tata Consumer Products Ltd.

18th May 2026 | Close* – ₹1234/- | View – **Accumulate**

Q4FY26 Performance

- Consolidated revenue for the quarter grew 18%, with the India business delivering 16% UVG. For the full year, Revenue grew 15% with the India business UVG of 13%. India tea volumes grew 4%, revenue was minus 1%, primarily because the company has taken a price.
- The International Business maintained strong momentum, recording 21% growth during the quarter (11% in constant currency terms). For the full year, the segment delivered robust growth of 16% (9% in constant currency).
- Consolidated EBITDA grew 27%, with a 100-bps margin expansion to 14.6%. For the full year, due to softness in the first 2 quarters, the EBITDA margin was 13.9%. Working capital is now down to 21 days from 26 days last year, and India is minus 2 versus minus 1 last year.
- Innovation-to-sales continued to ramp up. It's now 4.5% of sales. TCPL launched 80 new products this year, roughly doubling the number from last year. Innovation was all focused on the three pillars: Health & Wellness, Convenience, and Premiumization.

Important Statistics

Nifty	23,644
Sensex	75,238
Close*	1,234
M.CAP (₹ crs)	₹1,22,210.88
52 Week H/L (₹)	₹1,283/₹1,007
NSE Code	TATACONSUM
BSE Code	500800
Bloomberg Code	TATACONS:IN

Close as on 15th May 2026

Shareholding pattern (%)	Mar'26
Promoter	33.8
FIIs	20.8
DIIs	24.2
Public & Others	21.2

Key takeaways from Q4FY26 result

- **India Tea + Foods Business:**
  - India tea volumes grew 4% during the quarter, while revenue remained marginally lower as the company passed on the benefit of lower input costs to consumers. The coffee segment maintained strong momentum, delivering 20% revenue growth. The company also expanded its summer-focused beverages portfolio with launches such as Tata Tea Gold Iced Tea, Tetley Matcha Latte, and Tata Coffee Cold Coffee.
  - RTD (Ready-to-Drink) business delivered its 3rd consecutive quarter of double-digit growth, recording 23% revenue growth in Q4. The business entered the electrolyte beverages category, with the small pack launch of 'Tata Electrolyte' targeting affordability, trial, and high-frequency consumption occasions.
- **The India Foods business** revenue grew 21% YoY.
  - Salt business revenue grew 12% with strong 13% volume growth. The value-added salt portfolio continued its strong growth and grew 31% during the quarter.
  - Tata Sampann portfolio continued to show strong performance and grew 69% for the quarter. It also expanded into protein snacking with Protein Crunch Makhana and Hi-Protein Edamame to cater to young, health-conscious consumers.
  - Capital Foods expanded its portfolio with the launch of Manchurian and Schezwan Cup Noodles, strengthening their presence in convenient snacking formats.
- **Non-branded business** includes tea solubles, coffee solubles, India, Coffee plantation, India and coffee solubles Vietnam, grew 41% YoY (CC) in Q4FY26. The Solubles business grew 43% (CC) led by higher volumes in coffee soluble business. The Plantations business delivered 28% growth, led by higher volumes.
- **International Business:**
  - The international business continued its momentum with a constant 11% currency revenue growth driven by strong coffee performance in the USA.
  - In the USA, Eight O'Clock coffee continued to gain market share, growing at more than double the category rate.

Relative Performance

Absolute Return (%)	1 Yr	3Yr	5 Yr
Tata Cons	**7**	**63**	**92**
Nifty 50	-5	30	56
Sensex	-8	22	49

Source: Company, Way2Wealth Research

Financial Snapshot

(₹ crs)

Particulars	FY24	FY25	FY26
Revenues	15,206	17,618	20,290
YoY Growth	10%	16%	15.2%
EBITDA	2,284	2,479	2,792
EBITDA Margin	15%	14.1%	13.8%
PAT	1,215	1380	1637
PAT Margin	8%	7.3%	7.6%
EPS	12.07	13.0	15.6
PE	102.2	94.9	79.1

Source: Company, Way2Wealth Research

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W2W Lighthouse - A Quick Perspective

- International Business EBITDA declined 6% YoY (CC), with margins down 220bps, due to lower gross margins and higher operating expenses.
- UK business returns to growth with revenue growth of 3% in Q4FY26 supported by strong execution and improved promotional effectiveness
- The Canada business revenue grew 7% YoY driven by higher specialty volumes

- **Commodity Movement:**
  - North India tea prices are moderated in Q4FY26 as it witnessed a seasonal correction post earlier peaks.
  - South India tea prices are firmed up sequentially.
  - Arabica prices have moderated sharply in Q4FY26 led by improved Brazil crop and better supply visibility.
  - Robusta prices softened sequentially with average prices for Q4FY26 at an 8-quarter low
- **Tata Starbucks (JV):**
  - Revenue for the year grew by 7%. Q4 sales growth at 7% YoY with a third consecutive quarter of positive same-store sales growth (SSSG). Full-year SSSG also turned positive.
  - Expanded network with 23 net new stores.
- **Others:**
  - Modern trade grew by 20% YoY, and e-commerce grew by 62% YoY.
  - Management plans to accelerate growth through innovation and channel expansion.

Risks

- Inflation in raw material prices
- Slowdown in the economy

View

Tata Consumer Products delivered a strong close to FY26, reporting yet another quarter of consistent double-digit revenue growth. The performance was broad-based across both core and emerging businesses, highlighting sustained momentum in execution, innovation, and brand investments.

The company continues to strengthen its long-term growth drivers through an enhanced innovation pipeline, deeper distribution reach, and higher marketing investments aimed at scaling opportunities in under-penetrated categories.

Backed by a strong brand portfolio, improving product mix, and continued focus on execution, the company remains well-positioned to deliver healthy earnings growth over the medium term. At the current market price of ₹1,234, the stock is trading at a premium valuation of 79.1x FY26 EPS of ₹15.6. Nevertheless, supported by its strong structural growth outlook, we retain our positive stance on the stock and **recommend investors accumulate it from a long-term perspective.**

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Quarterly Performance

(₹ crs)

Particulars	Q4FY26	Q4FY25	VAR	Q3FY26	VAR	FY26	FY25	VAR
Net Sales (Net of Excise Duty)	**5433.6**	**4608.2**	**17.9%**	**5112.0**	**6.3%**	**20290.4**	**17618.3**	**15.2%**
Other Operating Income	0.0	0.0	#DIV/0!	0.0	#DIV/0!	0.0	0.0	#DIV/0!
Total Operating Income	**5433.6**	**4608.2**	**17.9%**	**5112.0**	**6.3%**	**20290.4**	**17618.3**	**15.2%**
Other Income	52.6	56.5	-7.0%	33.0	59.2%	164.8	193.3	-14.7%
TOTAL INCOME	**5486.2**	**4664.7**	**17.6%**	**5145.0**	**6.6%**	**20455.2**	**17811.6**	**14.8%**
Total Raw Material Cost	3191.4	2676.5	19.2%	2925.2	9.1%	11855.6	10068.9	17.7%
Cost of Raw Material & Components Consumed	1924.5	1865.6	3.2%	1842.5	4.5%	7788.2	6997.0	11.3%
(Increase)/ Decrease in Inventories	108.9	-78.5	-238.6%	36.8	196.1%	-40.8	-362.5	-88.8%
Purchase of Traded Goods	1158.0	889.5	30.2%	1045.9	10.7%	4108.2	3434.4	19.6%
Total Raw Material Cost % to Sales	*58.7%*	*58.1%*	*1.1%*	*57.2%*	2.6%	*58.4%*	*57.2%*	*2.2%*
Employee Cost	434.2	343.6	26.4%	434.5	-0.1%	1661.0	1430.1	16.1%
Employee Cost % to Sales	*8.0%*	*7.5%*	*7.2%*	*8.5%*	-6.0%	*8.2%*	*8.1%*	*0.9%*
Other Expenses	1015.7	967.1	5.0%	1031.6	-1.5%	3982.0	3639.6	9.4%
Other Expenses % of Sales	*18.7%*	*21.0%*	*-10.9%*	*20.2%*	*-7.4%*	*19.6%*	*20.7%*	*-5.0%*
TOTAL EXPENDITURE	**4641.2**	**3987.3**	**16.4%**	**4391.3**	**5.7%**	**17498.6**	**15138.6**	**15.6%**
EBIDTA	**792.4**	**621.0**	**27.6%**	**720.7**	**10.0%**	**2791.8**	**2479.8**	**12.6%**
EBIDTA Margin %	*14.6%*	*13.5%*	*1.11%*	*14.1%*		*13.8%*	*14.1%*	*-0.32%*
Finance Costs	38.4	40.0	-3.9%	31.6	21.5%	137.0	290.2	-52.8%
PBDT	**806.6**	**637.5**	**26.5%**	**722.1**	**11.7%**	**2819.5**	**2382.8**	**18.3%**
Depreciation, Ammortization & Impairment	165.2	153.1	7.9%	159.3	3.7%	626.7	600.7	4.3%
PBT before Exceptional Items	**641.4**	**484.4**	**32.4%**	**562.8**	**14.0%**	**2192.8**	**1782.1**	**23.1%**
Exceptional Items	2.8	45.3	-93.8%	-22.9	-112.2%	-20.1	-5.1	292.4%
PBT after Exceptional Items	**644.2**	**529.7**	**21.6%**	**539.9**	**19.3%**	**2172.8**	**1777.0**	**22.3%**
Tax	153.0	122.6	24.7%	137.1	11.5%	535.3	396.2	35.1%
Tax Rate %	*23.7%*	*23.2%*	*2.6%*	*25.4%*	-6.5%	*24.6%*	*22.3%*	*10.5%*
Reported Profit After Tax	**491.2**	**407.1**	**20.7%**	**402.8**	**22.0%**	**1637.5**	**1380.7**	**18.6%**
Minority Interest After NP	-67.0	-58.4	14.8%	-18.3		-90.7	-93.2	-2.7%
Net Profit after Minority Interest	**424.2**	**348.7**	**21.7%**	**384.5**	**10.3%**	**1546.8**	**1287.5**	**20.1%**
PAT Margin %	**7.8%**	**7.6%**		**7.5%**		**7.6%**	**7.3%**	
Other Comprehensive Income (net of tax)	**307.2**	**164.3**	86.9%	**80.7**		**840.8**	**307.2**	173.7%
Total Comprehensive Income	**731.4**	**513.0**	42.6%	**465.2**	**57.2%**	**2387.6**	**1594.7**	49.7%
EPS	**4.29**	**3.52**	**21.7%**	**3.89**		**15.63**	**13.01**	**20.1%**
Equity	99.0	99.0		99.0		99.0	99.0	
Face Value	1.0	1.0		1.0		1.0	1.0	

Source: Company, Way2wealth Research

W2W Lighthouse - A Quick Perspective

Segmental Performance

(₹ crs)

Particulars	Q4FY26	Q4FY25	VAR	Q3FY26	VAR	FY26	FY25	VAR
REVENUES								
India Business	3,327.9	2,936.7	13.3%	3,203.1	3.9%	12,778.9	11,240.7	13.7%
% Mix	*60.9%*	*63.4%*		*62.2%*		*62.6%*	*63.5%*	
International Business	1,418.1	1,193.7	18.8%	1,399.7	1.3%	5,250.7	4,548.6	15.4%
% Mix	*26.0%*	*25.8%*		*27.2%*	-4.5%	*25.7%*	*25.7%*	
Total Branded Business	**4,746.00**	**4,130.40**	14.9%	**4,602.79**	3.1%	**18,029.55**	**15,789.26**	14.2%
Non-Branded Business	**714.41**	**500.55**	42.7%	**546.67**	30.7%	**2387**	**1909.53**	25.0%
Total Segment Revenue	**5,460.4**	**4,631.0**	**17.9%**	**5,149.5**	**6.0%**	**20,416.6**	**17,698.8**	**15.4%**
Add : Other Unallocable Income	8.4	8.1	3.8%	10.4	-18.6%	40.6	39.7	2.4%
Less : Inter Segment Sales	35.2	30.8	14.2%	47.8	-26.4%	166.7	120.1	38.8%
Net Revenue from Operations	**5,433.6**	**4,608.2**	**17.9%**	**5,112.0**	**6.3%**	**20,290.4**	**17,618.3**	**15.2%**
Profit/Loss Before Interest and Tax								
India Business	454.5	241.6	88.1%	400.2	13.6%	1,503.7	1,021.0	47.3%
Margin %	*9.6%*	*5.9%*		*8.7%*		*8.3%*	*6.5%*	
International Business	151.6	157.3	-3.6%	172.2	-12.0%	626.1	666.6	-6.1%
Margin %	*3.2%*	*3.8%*		*3.7%*		*3.5%*	*4.2%*	
Total Branded Business	**606.1**	**398.9**	**51.9%**	**572.5**	**5.9%**	**2,129.9**	**1,687.6**	**26.2%**
Non-Branded Business	*74.47*	*111.96*	**-33.5%**	*65.51*	**13.7%**	*280.47*	*407.11*	**-31.1%**
Total Segment Results	**680.5**	**510.9**	33.2%	**638.0**	6.7%	**2,410.3**	**2,094.7**	15.1%
Less : Interest	38.4	40.0	-3.9%	31.6	21.5%	137.0	290.2	-52.8%
Less: Other Un-allocable Expenditure	50.0	39.5	26.6%	68.9	-27.5%	222.2	193.0	15.1%
Add : Other Income	49.2	53.0	-7.1%	25.4	94.0%	141.8	170.2	-16.7%
Less: Extra-Ordinary Income/Expense	2.8	45.3	-93.8%	22.9	-87.8%	20.1	5.1	292.6%
Net Profit/Loss Before Tax	**644.2**	**529.7**	**21.6%**	**539.9**	19.3%	**2,172.8**	**1,776.6**	**22.3%**

Source: Company, Way2wealth Research

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Name of the Security	Tata Consumer Products Ltd.
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
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