

25<sup>th</sup> April 2025

Close\* – ₹1161/-

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**Q4FY25 Performance**

- Consolidated revenue from operations for the quarter at ₹4608.2crs up 17% YoY with 12% organic growth. Organic UVG for the India-branded business was 5.9% YoY.
- India packaged beverages grew 17% (9% organic growth), with tea volumes grew by 2% YoY. India Foods grew 27% (+17% organic). Salt volumes grew 5% YoY. International business recorded 5% revenue growth (2% constant currency).
- For FY25, consolidated revenue grew 16% (9% organic). Organic UVG for the India branded business was 4.5% in FY25. India Beverages grew 10% (+3% organic), with 1% tea volume growth. India Foods grew 29% (+13% organic). Salt volumes grew 4%. International business was up 7% (5% constant currency).
- Consolidated EBITDA for the quarter declined 1% on account of higher input costs (edible oils, tea, cocoa, coffee etc.) in the India and international businesses.
- For FY25, EBITDA grew 8% to ₹2,502crs; EBITDA margin for the year was 14.2%, down 110 bps, primarily impacted by tea cost inflation in India. Adjusted for tea inflation, EBITDA margin would have expanded to 80 bps YoY.
- Capital Foods and Organic India continued to build momentum with a combined revenue growth of 19% during the year. Rollout is being progressed as per plan, for the new channels of Food Services and Pharma.
- Group Net Profit for the quarter at ₹349crs, up 64%, aided by a one-time exceptional gain of ₹45crs. For the year at ₹1,287crs., up 6%.

**Important Statistics**

<b>Nifty</b>	24,329
<b>Sensex</b>	80,116
<b>Close*</b>	1161
<b>M.CAP (₹ crs)</b>	~₹1,14,869
<b>52 Week H/L (₹)</b>	₹1247/₹884
<b>NSE Code</b>	TATACONSUM
<b>BSE Code</b>	500800
<b>Bloomberg Code</b>	TATACONS:IN

*\*Close as on 24<sup>th</sup> April 2025*

<b>Shareholding pattern (%)</b>	<b>Mar'25</b>
Promoter	33.84
FIIIs	21.54
DIIIs	21.96
Public	18.27
Others	4.39

**Key takeaways from Q4FY25 result**

- Strong double-digit consolidated revenue growth in Q4 was led by successive price hikes across core businesses — tea and salt, and the scaling up of margin-accretive inorganic extensions – Soufull, Capital Foods, and Organic India.
- **India Tea + Foods Business:**
  - For the quarter, India Beverages' business revenue grew 9% (excluding Organic India).
  - Tea volume growth recovered in the second half of FY25, and the momentum is expected to continue. Tea price seasonality is tapering off and any subsequent price hike will be taken to recover margins by maintaining competitiveness.
  - Tata Lyfe Alkaline water was launched to cater to the growing consumer demand for premium, functional and health-oriented beverages in the bottled water category.
  - The RTD (Ready to Drink) business delivered a growth of 10%, driven by strong volume growth of 17%
- **The India Foods business** revenue grew 27% (+17% excluding Capital Foods).
  - Tata Soufull had a strong year with 32% growth and launched 'No Maida Rusk' – a healthier take on traditional rusk. The launch was supported by an impactful marketing campaign featuring actor Manoj Bajpayee.
  - Salt revenue grew 13%, with the value-added salt portfolio growing 31% during the quarter. Tata Salt Iron Health, double fortified with iron and iodine was relaunched at an accessible price point to tackle widespread iron deficiency in India.
  - Tata Sampann's portfolio continued its strong momentum and grew 30% YoY in Q4FY25 and 29% in FY25.

**Relative Performance**

<b>Absolute Return (%)</b>	<b>1 Yr</b>	<b>3Yr</b>	<b>5 Yr</b>
<b>Tata Cons</b>	<b>6</b>	<b>43</b>	<b>238</b>
<b>Nifty 50</b>	7	41	145
<b>Sensex</b>	7	40	142

*Source: Company, Way2Wealth Research*

	<b>(₹ crs)</b>		
<b>Particulars</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
Revenues	13,783	15,206	17,618
YoY Growth	11%	10%	16%
EBITDA	1,856	2,284	2,479
EBITDA Margin	13%	15%	14.1%
PAT	1,320	1,215	1380
PAT Margin	10%	8%	7.3%
EPS	12.96	12.07	13
PE	89.6	96.2	89.3

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- **Non-branded business** which includes tea solubles, coffee solubles, India, Coffee plantation, India and coffee solubles Vietnam grew 23% YoY (CC) in Q4FY25 led by strong realizations in both, the solubles and plantations businesses. Non-Branded Business EBITDA grew 18% YoY, though margins contracted 110bps, primarily due to higher operating expenses, partially offset by fair valuation gains.
- Momentum on innovation continued with a focus on Health & Wellness, Convenience and Premiumization.
- **Growth Business:** (Tata Sampann, RTD, Tata Soulfull, Capital Foods, Organic India) grew 66% during the Quarter (24% organic). For the year, they accounted for 28% of the India business, reflecting the steady transformation of the portfolio.
- **International Business:**
  - International business recorded 2%YoY (CC) in Q4FY25 with FY25 growth at 5% with all geographies demonstrating growth. South Africa and the Middle East delivered exceptional performances, both growing over 20% for the year.
  - International Business EBITDA declined 15% YoY (CC), with margins down 310bps, driven by lower gross margins and higher operating expenses.
  - For the full year, EBIT grew 21% with margin expanding 190bps to 12.6%, primarily driven by a 350bps expansion in the UK's operating margin.
  - UK businesses saw a revenue decline by 7% in Q4FY25. The US tea business registered a strong 15% growth during the quarter and Coffee grew by 3% YoY. Eight o'clock gained market share during H2FY25.
  - The Canadian business returned to growth as supply normalized post Tetley's transition to new and improved sustainable packaging. Revenue for the quarter grew 5% in Q4FY25.
- **Commodity Movement:**
  - North India tea prices came off the highs given the lean season, in line with the yearly trend.
  - South India tea prices came off sequentially as well.
  - Arabica prices continued to surge during the quarter with prices peaking at above \$c 400/lbs. Robusta prices also remain elevated. The average prices for Q4 were 97%/65% higher YoY for Arabica/Robusta, respectively.
- **Tata Starbucks (JV):**
  - Revenue for the year grew 5%. Growth improved sequentially, with 7% growth in H2 vs 3% in H1.
  - Tata Starbucks continues to be the largest organized café chain in India with 479 stores across 80 cities.
- **Others:**
  - The E-commerce channel grew 66% and Modern Trade recorded 26% growth in the quarter. (excluding Capital Foods and Organic India)
  - **New channels** – Rollout in Food Services and Pharmacies - are progressing as per plan.
  - Net working capital (NWC) reduced to 26 days as of March'25. Net working capital for the India business turned negative at (1) day.

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## Story in charts

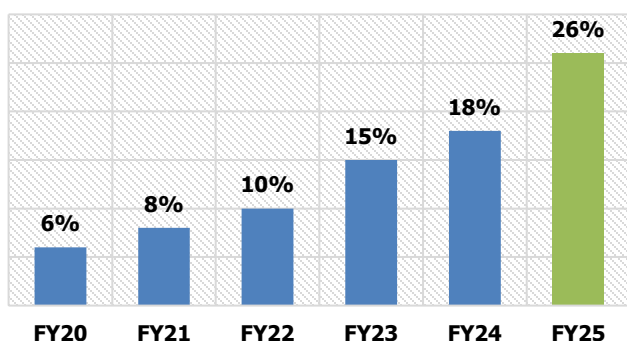
### Key Business Snapshot (Q4FY25)

Q4FY25	India Beverages	India Foods	International (Tea & Coffee)	Non-branded	Consolidated
Revenue (cr)	1,151	1,464	1,104	501	4,608
Revenue growth	17% (9%)	27 (17%)	5%	25%	17% (12%)
Constant currency growth			2%	23%	16% (11%)

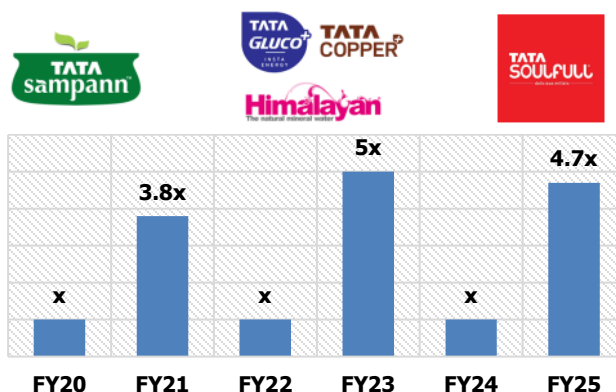
Source: Company, Way2Wealth Research () denotes organic revenue growth, excl the impact of capital Foods and Organic India

### Growth Businesses as a % of India Business

Growth businesses – Tata Sampann, Soufull – crossed ₹3,200crs in revenue in FY25, accounting for 28% of the India business.



### Consistent Growth



CAGR (FY20-25) 31%

CAGR (FY21-25) 49%

CAGR (FY21-25) 47%

Source: Company, Way2Wealth

## Risks

- Inflation in raw material prices
- Slowdown in the economy

## View

TCPL delivered strong revenue growth across India, international, and non-branded business during the year despite a tough operating environment. However, inflationary pressure led to margin contraction with rising tea and coffee costs. Coffee prices remain near all-time highs; a key monitorable going into FY26.

India tea business saw 4% growth in FY25 with a strong performance in H2FY25, up 10% YoY driven by strong execution. India Foods had another strong year, up 29% (+13% organic), driven by broad-based performance across salt, Sampann and Soufull.

The company is strengthening its distribution network and increasing its marketing outlay to capture growth in the significantly under-penetrated segments. TCPL will see EBITDA margin normalizing at the end of Q2FY26, as new tea crop cost comes through the supply chain.

**Given quality play and structurally strong earnings growth, at the current price of ₹1161 TCPL is trading at a premium valuation (P/E 89.3x to FY25 EPS of ₹13). We continue to maintain our positive view on stock and advice investors to Accumulate for the long term.**

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## Quarterly Performance

(₹ Cr)

Particulars	Q4FY25	Q4FY24	VAR	Q3FY25	VAR	FY25	FY24	VAR
<b>Revenue</b>	<b>4608.2</b>	<b>3926.9</b>	<b>17.3%</b>	<b>4443.6</b>	<b>3.7%</b>	<b>17618.3</b>	<b>15205.8</b>	<b>15.9%</b>
Other Income	56.5	38.5	47.0%	51.6	9.5%	193.3	245.6	-21.3%
<b>TOTAL INCOME</b>	<b>4664.7</b>	<b>3965.4</b>	<b>17.6%</b>	<b>4495.2</b>	<b>3.8%</b>	<b>17811.6</b>	<b>15451.5</b>	<b>15.3%</b>
Total Raw Material Cost	2676.5	2115.9	26.5%	2618.4	2.2%	10069.3	8563.9	17.6%
Cost of Raw Material & Components Consumed	1865.6	1566.2	19.1%	1806.7	3.3%	6997.4	5730.2	22.1%
(Increase)/ Decrease in Inventories	-78.5	-208.0	-62.2%	-47.4	65.7%	-362.5	-121.6	198.1%
Purchase of Traded Goods	889.5	757.7	17.4%	859.2	3.5%	3434.4	2955.3	16.2%
<i>Total Raw Material Cost % to Sales</i>	<i>58.1%</i>	<i>53.9%</i>	<i>7.8%</i>	<i>58.9%</i>	<i>-1.4%</i>	<i>57.2%</i>	<i>56.3%</i>	<i>1.5%</i>
Employee Cost	343.6	341.3	0.7%	378.0	-9.1%	1430.1	1258.6	13.6%
<i>Employee Cost % to Sales</i>	<i>7.5%</i>	<i>8.7%</i>	<i>-14.2%</i>	<i>8.5%</i>	<i>-12.3%</i>	<i>8.1%</i>	<i>8.3%</i>	<i>-1.9%</i>
Other Expenses	967.1	840.2	15.1%	882.4	9.6%	3639.6	3099.3	17.4%
<i>Other Expenses % of Sales</i>	<i>21.0%</i>	<i>21.4%</i>	<i>-1.9%</i>	<i>19.9%</i>	<i>5.7%</i>	<i>20.7%</i>	<i>20.4%</i>	<i>1.4%</i>
<b>TOTAL EXPENDITURE</b>	<b>3987.3</b>	<b>3297.3</b>	<b>20.9%</b>	<b>3878.8</b>	<b>2.8%</b>	<b>15139.0</b>	<b>12921.8</b>	<b>17.2%</b>
<b>EBIDTA</b>	<b>621.0</b>	<b>629.6</b>	<b>-1.4%</b>	<b>564.7</b>	<b>10.0%</b>	<b>2479.4</b>	<b>2284.1</b>	<b>8.5%</b>
<b>EBIDTA Margin %</b>	<b>13.5%</b>	<b>16.0%</b>	<b>-2.56%</b>	<b>12.7%</b>		<b>14.1%</b>	<b>15.0%</b>	<b>-0.95%</b>
Finance Costs	40.0	42.8	-6.6%	57.9	-31.0%	290.2	129.8	123.6%
<b>PBDT</b>	<b>637.5</b>	<b>625.2</b>	<b>2.0%</b>	<b>558.4</b>	<b>14.2%</b>	<b>2382.4</b>	<b>2399.9</b>	<b>-0.7%</b>
Depreciation, Amortisation & Impairment	153.1	115.8	32.2%	150.3	1.8%	600.7	377.2	59.3%
<b>PBT before Exceptional Items</b>	<b>484.4</b>	<b>509.5</b>	<b>-4.9%</b>	<b>408.1</b>	<b>18.7%</b>	<b>1781.7</b>	<b>2022.7</b>	<b>-11.9%</b>
Exceptional Items	45.3	-215.8	-121.0%	-6.6	-785.6%	-5.6	-327.0	-98.3%
<b>PBT after Exceptional Items</b>	<b>529.7</b>	<b>293.7</b>	<b>80.4%</b>	<b>401.5</b>	<b>31.9%</b>	<b>1776.1</b>	<b>1695.7</b>	<b>4.7%</b>
Tax	122.6	26.0	372.6%	102.2	20.0%	396.2	394.7	0.4%
<i>Tax Rate %</i>	<i>23.2%</i>	<i>8.8%</i>	<i>162.0%</i>	<i>25.5%</i>	<i>-9.0%</i>	<i>22.3%</i>	<i>23.3%</i>	<i>-4.2%</i>
<b>Reported Profit After Tax</b>	<b>407.1</b>	<b>267.7</b>	<b>52.1%</b>	<b>299.3</b>	<b>36.0%</b>	<b>1379.9</b>	<b>1301.0</b>	<b>6.1%</b>
Profit/Loss of Associate Company & JV	-58.4	-55.5	5.2%	-17.8	227.8%	-93.2	-85.6	8.9%
<b>Net Profit after Minority Interest &amp; P/L Asso.Co.</b>	<b>348.7</b>	<b>212.3</b>	<b>64.3%</b>	<b>281.5</b>	<b>23.9%</b>	<b>1286.7</b>	<b>1215.4</b>	<b>5.9%</b>
<b>PAT Margin %</b>	<b>7.6%</b>	<b>5.4%</b>		<b>6.3%</b>		<b>7.3%</b>	<b>8.0%</b>	
<b>EPS</b>	<b>3.52</b>	<b>2.15</b>	<b>64.3%</b>	<b>2.84</b>		<b>13.00</b>	<b>12.28</b>	<b>5.9%</b>
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

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## Segmental Performance

(₹ crs)

Particulars	Q4FY25	Q4FY24	VAR	Q3FY25	VAR	FY25	FY24	VAR
<b>REVENUES</b>								
India Business	2,936.7	2,479.5	18.4%	2,833.7	3.6%	11,240.7	9,736.4	15.4%
% Mix	63.4%	63.0%		63.4%		63.5%	63.9%	
International Business	1,193.7	1,052.5	13.4%	1,192.5	0.1%	4,548.6	3,925.4	15.9%
% Mix	25.8%	26.8%		26.7%	-3.3%	25.7%	25.8%	
<b>Total Branded Business</b>	<b>4,130.40</b>	<b>3,532.03</b>	<b>16.9%</b>	<b>4,026.15</b>	<b>2.6%</b>	<b>15,789.35</b>	<b>13,661.87</b>	<b>15.6%</b>
<b>Non-Branded Business</b>	<b>500.35</b>	<b>401.5</b>	<b>24.6%</b>	<b>446.12</b>	<b>12.2%</b>	<b>1,909.3</b>	<b>1,577.4</b>	<b>21.0%</b>
<b>Total Segment Revenue</b>	<b>4,630.8</b>	<b>3,933.5</b>	<b>17.7%</b>	<b>4,472.3</b>	<b>3.5%</b>	<b>17,698.7</b>	<b>15,239.3</b>	<b>16.1%</b>
Add: Other Unallocable Income	8.1	16.9	-52.0%	9.2	-11.4%	39.7	57.5	-31.1%
Less: Inter Segment Sales	30.8	23.5	31.2%	37.9	-18.5%	120.1	91.0	32.1%
<b>Net Revenue from Operations</b>	<b>4,608.0</b>	<b>3,926.9</b>	<b>17.3%</b>	<b>4,443.6</b>	<b>3.7%</b>	<b>17,618.2</b>	<b>15,205.8</b>	<b>15.9%</b>
<b>Profit/Loss Before Interest and Tax</b>								
India Business	241.6	320.3	-24.6%	210.3	14.9%	1,021.0	1,347.9	-24.3%
Margin %	5.9%	9.1%		5.2%		6.5%	9.9%	
International Business	157.3	164.2	-4.2%	166.7	-5.6%	666.6	484.5	37.6%
Margin %	3.8%	4.6%		4.1%		4.2%	3.5%	
<b>Total Branded Business</b>	<b>398.9</b>	<b>484.5</b>	<b>-17.7%</b>	<b>377.0</b>	<b>5.8%</b>	<b>1,687.6</b>	<b>1,832.4</b>	<b>-7.9%</b>
<b>Non-Branded Business</b>	<b>111.96</b>	<b>91.94</b>	<b>21.8%</b>	<b>92.95</b>	<b>20.5%</b>	<b>407.1</b>	<b>248.2</b>	<b>64.0%</b>
<b>Total Segment Results</b>	<b>510.9</b>	<b>576.4</b>	<b>-11.4%</b>	<b>470.0</b>	<b>8.7%</b>	<b>2,094.7</b>	<b>2,080.6</b>	<b>0.7%</b>
Less: Interest	40.0	42.8	-6.6%	57.9	-31.0%	290.2	129.8	123.6%
Less: Other Un-allocable Expenditure	39.5	60.8	-35.1%	42.3	-6.8%	193.0	134.4	43.7%
Add: Other Income	53.0	36.6	44.6%	38.4	38.0%	170.2	206.3	-17.5%
Less: Extra-Ordinary Income/Expense	45.3	(215.8)	-121.0%	6.2	635.7%	(5.1)	(327.0)	-98.4%
<b>Net Profit/Loss Before Tax</b>	<b>529.7</b>	<b>293.7</b>	<b>80.4%</b>	<b>401.9</b>	<b>31.8%</b>	<b>1,776.6</b>	<b>1,695.7</b>	<b>4.8%</b>

Source: Company, Way2wealth Research



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#### Disclosure of Interest Statement Tata Consumer Products Ltd. as on 25<sup>th</sup> April 2025

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	No
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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