Tata Consumer Products Ltd.

28th October 2026 | Close* – ₹1000/- | View – **ADD**

Key Highlights – Q2FY27: Revenue Growth of 14%, India business volume growth of 11%

- TCPL posted a strong Q2FY27, its second consecutive quarter of double-digit growth. Revenue rose 14% YoY to ₹5,661crs; EBITDA rose 18% to ₹794crs, with margin expanding 40 bps to 14.0%; and PAT rose 16% to ₹470 cr.
- The quality of growth was good. India-branded underlying volume growth (UVG) was 11%. Growth businesses grew 40% and now make up 38% of the India business, up from 32% a year ago.
- Two segments held the quarter back: India tea: In India tea, volumes were flat and revenue declined 1%. International revenue grew 7% but fell 2% in constant currency, as the UK declined 8% (constant currency) due to a heatwave.
- In H1FY27, revenue grew 13% with a 13.8% EBITDA margin. Advertising and promotion spend was 5.5% of sales in Q2 and 5.8% in H1, and the company launched 22 new products in Q2 (36 in H1FY27).
- Management's commentary strengthens visibility on the medium-term growth trajectory. It reiterated FY27 EBITDA margin expansion of 50–70 bps, guided for 30%+ growth in growth businesses over the next 2–3 years, and set an aspiration of 17–20% EBITDA margin for the India business within about three years. **We recommend ADD.**

Important Statistics

Nifty	22,749
Sensex	73,598
Close* (₹)	1000
M.CAP (₹ crs)	₹97,717
52 Week H/L (₹)	1,283/916
NSE Code	TATACONSUM
BSE Code	500800
Bloomberg Code	TCPL:IN

Close as on 27th October 2026*

Shareholding (%)	Mar-26	Jun-26	Sep-26
Promoter	33.83%	33.83%	33.83%
FII	20.79%	20.08%	19.76%
DII	24.18%	24.99%	25.34%
Public	21.16%	21.06%	21.06%

Q2FY27 Result Update

- Consolidated revenue/EBITDA/adj PAT grew by 14%/18%/15.7% YoY, respectively. Employees/other expenses grew by 17%/9% YoY, respectively. India A&P was 5.5% of sales.
- Growth businesses (Sampann, RTD, Capital Foods, Organic India) grew 40% YoY to ₹1,438crs. Tata Sampann grew 57%, led by volumes. Dry fruits and cold-pressed oils are now at about ₹1,000 crs annual run-rate. RTD grew 47%, with volumes up 34%. The portfolio is moving from a tea-led to a food-led story. This supports a structurally higher growth rate.
- Salt revenue rose 15% to ₹1,099crs, with volumes up 9% and value-added salt volumes up 17%. The company took further price increases in October, which should support H2 realizations.

Relative Performance

Absolute Return (%)	1 Yr	3 Yr	5 Yr
TATACONSUM	**-15%**	**11%**	**25%**
Nifty 50	-12%	18%	29%
Nifty FMCG	-24%	-18%	12%

Key Segmental numbers – Q2FY27

Segment	Revenue	YoY	Segment result	YoY	Margin (YoY)
India	3,666	+17%	409	+14%	11.1% (–40 bps)
International	1,370	+6%	182	+23%	13.3% (+180 bps)
Non-branded	659	+12%	98	+28%	14.8% (+190 bps)
Total	**5,661**	**+14%**	**625**	**+19%**	

Source: Company, Way2wealth Research

Volume Growth YoY

UVG YoY	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	Q1FY27	Q2FY27
India branded	**6%**	**6.80%**	**14%**	**15%**	**16%**	**13%**	**11%**
Tea	**2%**	**1%**	**–**	**3%**	**4%**	**2%**	**Flat**
Salt	**5%**	**5%**	**9%**	**15%**	**12%**	**7%**	**9%**

Source: Company, Way2wealth Research

Ashwini Sonawane
ashwinisonawane@way2wealth.com
91-22-4019 2905

W2W Lighthouse - A Quick Perspective

Tata Consumer Products Ltd.

28th October 2026 | Close* – ₹1000/- | View – **ADD**

Conference Call Key takeaways

- **Guidance**
  - Management reiterated FY27 margin guidance; tea pricing should turn from Q3; 17–20% EBITDA margin targeted for the India business.
  - **Growth businesses:** guided to grow 30%+ a year for the next 2–3 years. They are about ₹1,400crs this quarter and 38% of the India business.
  - **Tea:** management expects value growth to overtake volume growth from Q3, as price increases have taken since Q1 come through.
- **Beverages (Tea)**
  - **Q2:** revenue −1% on flat volumes. In Q1, volumes were +2%, but value was – 4%.
  - Tea and salt cost inflation compressed India margins in Q2. Management expects the calibrated price increases to restore them from Q3.
- **India foods: Salt**
  - Volume +9%, revenue +15%. Market share is about 39.8–39.9%.
  - **Premium and value-added salt** is growing at about twice the rate of the core business.
- **Growth businesses**
  - **Tata Sampann:** revenue +57%, with margin up about 270–280 bps YoY. Dry fruits and cold-pressed oils are at more than ₹1,000crs annual run-rate. Other categories are guided to grow 30%+.
  - **RTD (ready-to-drink beverages):** revenue +47%, volume +34%. The recovery of Tata Gluco+ (*"higher value, higher margin"*) is improving the mix.
  - **Capital Foods and Organic India:** Capital Foods +18%, Organic India +9%
- **International Business:**
  - Revenue +7% reported, −2% in constant currency.
  - **UK:** −8%, due to a heatwave. Management says the weather has since turned.
  - **US:** +4%, with eight successive quarters of coffee market-share gains.
  - **Canada:** +8% in constant currency. South Africa was described as *"very strong."*
  - **Outlook:** revenue growth together with continued margin expansion.
- **Non-Branded Business**
  - **R**evenue +12% (+9% in constant currency), with solubles volumes +21%.
  - **Plantations:** profits swing seasonally from Q2 because of the accounting for crops in the field.
- **Tata Starbucks**
  - Revenue +15%, a fifth straight quarter of positive same-store sales growth, with customer traffic up about 10%.
  - **Stores:** 7 net additions, for 505 stores in total. Management expects openings to accelerate.
- **AI & Productivity**
  - 1,600–1,700 salespeople use the AI sales assistant, with full coverage targeted by December. Main benefit is faster revenue growth, not cost savings.

Risk

Commodity inflation (tea, coffee, salt inputs); intensifying competition in staples and RTD; integration slippage at Capital Foods or Organic India; currency headwinds.

Tata Consumer Products Ltd.

28th October 2026 | Close* – ₹1000/- | View – **ADD**

View

Tata Consumer Products delivered a strong performance in Q2FY27, its second consecutive quarter of double-digit growth, driven by healthy volume growth in the India business, a strong salt performance and the growth businesses. The quarter reflects sustained execution and a robust innovation pipeline (22 launches in Q2), reinforcing the company's growth trajectory. Within the growth portfolio, NourishCo delivered strong RTD growth (revenue +47%, volume +34%), led by the recovery of Tata Gluco+, while Tata Sampann sustained strong momentum across both existing and new categories.

Near-term earnings visibility is improving, supported by three factors. First, cumulative tea price increases of 8–10% taken across Q1-Q2 FY27 should start to show in reported numbers from Q3, with management expecting value growth to exceed volume growth. Second, a further ~2% salt price increase in October, following the May hike, should support realizations and protect margins in H2. Third, the UK business, hit by a heatwave in Q2, should recover as weather conditions normalize.

At the current market price of ₹1000, the stock trades at 43.2x FY28E EPS of ₹23.14, a premium valuation. Given its strong structural growth outlook, improving earnings visibility, and robust execution track record, we recommend ADD for long-term investors.

Way2Wealth Brokers Pvt. Ltd. (CIN U67120KA2000PTC027628) SEBI Rgn. No. : INH200008705.
Registered Office: # 24, Pavanaja Arcade, 1st Floor, 4th Block, Kumara Park West, Sheshadripuram, Bangalore – 560020
Website: www.way2wealth.com Email: research@way2wealth.com ***Way2wealth Research is also available on Bloomberg WTWL<GO>***

Tata Consumer Products Ltd.

28th October 2026 | Close* – ₹1000/- | View – **ADD**

Quarterly Performance

(₹ crs)

Particulars	Q2FY27	Q2FY26	VAR	Q1FY27	VAR	H1FY27	H1FY26	VAR
Net Sales	**5661.1**	**4965.9**	**14.0%**	**5348.9**	**5.8%**	**11010.0**	**9744.8**	**13.0%**
Other Income	38.6	38.0	1.5%	71.9	-46.4%	110.5	79.2	39.6%
TOTAL INCOME	**5699.7**	**5003.9**	**13.9%**	**5420.8**	**5.1%**	**11120.5**	**9824.0**	**13.2%**
Total Raw Material Cost	3302.0	2876.3	14.8%	3066.9	7.7%	6368.9	5739.0	11.0%
Cost of Raw Material & Components Consumed	2032.3	1984.4	2.4%	2084.6	-2.5%	4116.9	4021.1	2.4%
(Increase)/ Decrease in Inventories	-4.9	-65.5	-92.5%	-185.2	-97.4%	-190.1	-186.4	2.0%
Purchase of Traded Goods	1274.6	957.5	33.1%	1167.4	9.2%	2442.0	1904.3	28.2%
Total Raw Material Cost % to Sales	*58.3%*	*57.9%*	*0.7%*	*57.3%*	1.7%	*57.8%*	*58.9%*	*-1.8%*
Employee Cost	475.8	406.7	17.0%	445.8	6.7%	921.6	792.3	16.3%
Employee Cost % to Sales	*8.4%*	*8.2%*	*2.6%*	*8.3%*	0.8%	*8.4%*	*8.1%*	*2.9%*
Other Expenses	1100.0	1011.1	8.8%	1112.0	-1.1%	2212.0	1934.7	14.3%
Other Expenses % of Sales	*19.4%*	*20.4%*	*-4.6%*	*20.8%*	-6.5%	*20.1%*	*19.9%*	*1.2%*
TOTAL EXPENDITURE	**4877.7**	**4294.1**	**13.6%**	**4624.7**	**5.5%**	**9502.5**	**8466.1**	**12.2%**
EBIDTA	**783.4**	**671.8**	**16.6%**	**724.1**	**8.2%**	**1507.5**	**1278.7**	**17.9%**
EBIDTA Margin %	***13.8%***	***13.5%***	***0.31%***	***13.5%***		***13.7%***	***13.1%***	***0.57%***
Finance Costs	25.7	33.2	-22.7%	39.1	-34.3%	64.8	67.0	-3.3%
PBDT	**796.3**	**676.6**	**17.7%**	**757.0**	**5.2%**	**1553.3**	**1290.9**	**20.3%**
Depreciation, Ammortization & Impairment	163.8	153.3	6.9%	164.8	-0.6%	328.6	302.2	8.7%
PBT before Exceptional Items	**632.5**	**523.3**	**20.9%**	**592.2**	**6.8%**	**1224.7**	**988.7**	**23.9%**
Exceptional Items	-7.4		-		-	-7.4	0.0	-
PBT after Exceptional Items	**625.1**	**523.3**	**19.5%**	**592.2**	**5.6%**	**1217.3**	**988.7**	**23.1%**
Tax	157.7	126.2	24.9%	147.4	7.0%	305.0	245.2	24.4%
Tax Rate %	*25.2%*	*24.1%*	*4.6%*	*24.9%*	1.4%	*25.1%*	*24.8%*	*1.0%*
Reported Profit After Tax	**467.4**	**397.1**	**17.7%**	**444.9**	**5.1%**	**912.3**	**743.5**	**22.7%**
Profit/Loss of Associate Company & JV	2.9	9.5	-69.2%	-17.7	-116.5%	-14.8	-5.2	182.2%
Net Profit after Minority Interest & P/L Asso.Co.	**470.3**	**406.5**	**15.7%**	**427.2**	**10.1%**	**897.5**	**738.3**	**21.6%**
PAT Margin %	**8.3%**	**8.2%**		**8.0%**		**8.2%**	**7.6%**	
Other Comprehensive Income (net of tax)	**158.3**	**248.5**	-36.3%	**12.9**		171.1	452.9	-62.2%
Total Comprehensive Income	**628.6**	**655.0**	-4.0%	**440.1**	**42.8%**	**1068.6**	**1191.2**	-10.3%
EPS	**4.75**	**4.11**	**15.7%**	**4.32**		**9.07**	**7.46**	**21.6%**
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

Tata Consumer Products Ltd.

28th October 2026 | Close* – ₹1000/- | View – **ADD**

(₹ crs)

Segmental Performance	Q2FY27	Q2FY27	VAR	Q1FY27	VAR	H1FY27	H1FY26	VAR
REVENUES								
India Business	3,666.1	3,122.2	17.4%	3,540.3	3.6%	7,206.4	6,247.9	15.3%
% Mix	*64.4%*	*62.4%*		*65.8%*		*65.1%*	*63.7%*	
International Business	1,370.2	1,287.7	6.4%	1,342.8	2.0%	2,713.0	2,432.9	11.5%
% Mix	*24.1%*	*25.8%*		*25.0%*	-3.6%	*24.5%*	*24.8%*	
Total Branded Business	**5,036.29**	**4,409.86**	14.2%	**4,883.10**	3.1%	**9,919.39**	**8,680.76**	14.3%
Non-Branded Business	**658.77**	**590.16**	11.6%	**497.64**	32.4%	1,156.4	1,125.9	2.7%
Total Segment Revenue	**5,695.1**	**5,000.0**	**13.9%**	**5,380.7**	**5.8%**	**11,075.8**	**9,806.7**	**12.9%**
Add : Other Unallocable Income	12.2	11.5	5.7%	11.5	6.2%	23.7	21.8	8.4%
Less : Inter Segment Sales	46.1	45.7	1.0%	43.3	6.4%	89.5	83.7	6.9%
Net Revenue from Operations	**5,661.1**	**4,965.9**	**14.0%**	**5,348.9**	**5.8%**	**11,010.0**	**9,744.8**	**13.0%**
Profit/Loss Before Interest and Tax								
India Business	408.5	358.8	13.9%	394.0	3.7%	802.5	649.1	23.6%
Margin %	*8.1%*	*8.1%*		*8.1%*		*8.1%*	*7.5%*	
International Business	182.1	147.8	23.2%	175.2	3.9%	357.3	302.3	18.2%
Margin %	*3.6%*	*3.4%*		*3.6%*		*3.6%*	*3.5%*	
Total Branded Business	**590.6**	**506.5**	**16.6%**	**569.2**	**3.8%**	**1,159.8**	**951.4**	**21.9%**
Non-Branded Business	***97.51***	***75.97***	**28.4%**	***49.07***	**98.7%**	146.6	140.5	**4.3%**
Total Segment Results	**688.2**	**582.5**	18.1%	**618.2**	11.3%	**1,306.4**	**1,091.9**	19.6%
Less : Interest	25.7	33.2	-22.7%	39.1	-34.3%	64.8	67.0	-3.3%
Less: Other Un-allocable Expenditure	58.3	60.4	-3.5%	53.2	9.6%	111.5	103.3	7.9%
Add : Other Income	28.1	34.5	-18.3%	66.3	-57.5%	94.4	67.2	40.5%
Less: Extra-Ordinary Income/Expense	7.4		-		-	7.4	-	-
Net Profit/Loss Before Tax	**624.9**	**523.3**	**19.4%**	**592.2**	5.5%	**1,217.1**	**988.7**	**23.1%**

Source: Company, Way2wealth Research

Financials & Valuation

(₹ crs)

Profit and Loss Statement	FY26	FY27E	FY28E	FY29E
Revenue from operations	**20,290**	**23,090**	**26,323**	**30,061**
Gross profit	**8,210**	**9,421**	**10,792**	**12,415**
Operating expenses	5,440	6,234	7,081	8,056
EBITDA	**2,770**	**3,186**	**3,712**	**4,359**
Depreciation & amortisation	627	621	626	647
EBIT	**2,143**	**2,565**	**3,086**	**3,712**
Other income	145	198	221	243
Finance costs	124	155	156	152
Share of JV & associates	(91)	(80)	(60)	(40)
Exceptional items	8	-	-	-
Profit before tax	**2,082**	**2,528**	**3,091**	**3,763**
Tax	535	645	788	959
Profit after tax	**1,547**	**1,883**	**2,303**	**2,803**
Minority interest	5	9	12	14
Net Profit	**1,542**	**1,874**	**2,291**	**2,789**
EPS (₹)	**15.58**	**18.93**	**23.14**	**28.17**
DPS (₹)	10.00	12.30	15.04	18.31

Source: Company, Way2Wealth Research

W2W Lighthouse - A Quick Perspective

28th October 2026 | Close* – ₹1000/- | View – **ADD**

(₹ crs)

Balance Sheet	FY26	FY27E	FY28E	FY29E
Assets				
Cash & investments (current)	4,391	4,918	5,394	5,829
Trade receivables	2,175	2,467	2,813	3,212
Inventories	3,527	3,932	4,468	5,076
Other current assets	224	254	290	331
Net PP&E	3,270	3,295	3,406	3,600
Other non-current assets	20,866	20,786	20,726	20,686
Total Assets	**34,453**	**35,653**	**37,096**	**38,734**
Liabilities				
Trade payables	3,875	4,307	4,893	5,560
Other current liabilities	795	877	1,000	1,142
Deferred tax liabilities	2,199	2,199	2,199	2,199
Borrowings	2,120	2,120	2,000	1,800
Other non-current liabilities	3,676	3,706	3,758	3,812
Shareholders' equity	21,788	22,443	23,245	24,221
Total liabilities & equity	**34,453**	**35,653**	**37,096**	**38,734**

Source: Company, Way2wealth Research

Key Ratios	FY26	FY27E	FY28E	FY29E
Gross margin	40.5%	40.8%	41.0%	41.3%
EBITDA margin	13.7%	13.8%	14.1%	14.5%
Net profit margin	7.6%	8.1%	8.7%	9.3%
EPS growth	19.3%	21.5%	22.3%	21.7%
ROE	7.4%	8.5%	10.0%	11.8%
ROCE	8.6%	9.7%	11.4%	13.3%
Debt/equity	0.13	0.13	0.12	0.11
Interest cover	17.2x	16.5x	19.8x	24.5x
EPS (₹)	15.58	18.93	23.14	28.17
Book value per share (₹)	220.1	226.7	234.8	244.7
Free cash flow (₹ cr)	1,973	1,725	2,044	2,408
FCF per share (₹)	19.93	17.42	20.65	24.32
P/E at current price	64.2x	52.8x	43.2x	35.5x

Source: Company, Way2wealth Research

Way2Wealth Brokers Pvt. Ltd. (CIN U67120KA2000PTC027628) SEBI Rgn. No. : INH200008705.
Registered Office: # 24, Pavanaja Arcade, 1st Floor, 4th Block, Kumara Park West, Sheshadripuram, Bangalore – 560020
Website: www.way2wealth.com Email: research@way2wealth.com ***Way2wealth Research is also available on Bloomberg WTWL<GO>***

28th October 2026 | Close* – ₹1000/- | View – **ADD**

Disclaimer

Analyst Certification: I, Ashwini Sonawane, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Ashwini Sonawane, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavorable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

To enhance transparency, Way2Wealth has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report.

Disclosure of Interest Statement Tata Consumer Products Ltd. as on October 28, 2026

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	NIL No 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

This information is subject to change without any prior notice. Way2Wealth reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, Way2Wealth is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and Enlistment with RAASB/BSE and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

W2W Lighthouse - A Quick Perspective