

February 08, 2024

**TATA CONSUMER PRODUCTS LIMITED**  
(Formerly known as Tata Global Beverages Limited)

**Current Price:** ₹ 1166.15

## STOCK DATA

BSE Code	500800
NSE Symbol	TATACONSUM
Reuters	TAGL.BO
Bloomberg	TATACONS IN

## VALUE PARAMETERS

52 W H/L(Rs)	1216.30/685.00
Mkt. Cap.(Rs Cr)	111114.83
Latest Equity(Subscribed)	95.28
Latest Reserve (cons.)	16039.55
Latest EPS (cons.) -Unit Curr.	12.95
Latest P/E Ratio -cons	90.05
Latest Bookvalue (cons.) -Unit Curr.	169.34
Latest P/BV - cons	6.89
Dividend Yield -%	0.71
Face Value	1.00

## SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/01/2024
Foreign	27.37
Institutions	16.90
Govt Holding	0.01
Non Promoter Corp. Hold.	1.58
Promoters	33.55
Public & Others	20.60

## Consolidated Financial Results

Particulars	Qtr Ending		In Cr. Var. (%)
	Dec. 23	Dec. 22	
Total Income	3,803.92	3,474.55	9
OPM (%)	15.10	13.20	190bps
OP	480.85	453.66	6
Other income	59.59	127.50	-53
PBIDT	540.44	581.16	-7
Net Finance Charges	33.19	23.68	40
PBDT	507.25	557.48	-9
Depreciation	85.51	75.16	14
PBT before EO	421.74	482.32	-13
EO	-64.15	60.18	-207
PBT after EO	485.89	422.14	15
Tax expense	106.21	112.87	-6
PAT	379.68	309.27	23
Minority Interest	22.64	12.67	79
Share of Profit of Associates	-14.02	-5.02	179
Profit after Minority Interest and Share of profit of Associates	279.56	351.11	-20
EPS (Rs)	3.69	3.14	

### Tata Consumer Q3 Consolidated PAT slides 23% YoY to Rs 380 cr but margins improved, in line with streets estimates

Revenue from operations rose 9.48% to Rs 3,803.92 crore in Q3 FY24 from Rs 3,474.55 crore recorded in the corresponding quarter previous year. Profit before exceptional items and tax stood at Rs 485.89 crore in Q3 FY24, up 15% as against Rs 422.14 crore posted in Q3 FY23. The company reported an exceptional loss of Rs 64.15 crore in Q3 FY24. EBITDA declined by 7% to Rs 540.44 crore in Q3 FY24, EBITDA margin increased by 190 bps to 15.1% in the third quarter of FY24 over the same period of last year.

## Segment performance

- The company said that the India Packaged Beverages business delivered 8% revenue growth and 2% volume growth in the third quarter. For the quarter, the India Foods business delivered 13% revenue growth and 5% volume growth. Alternate channels continued to fire the company's growth agenda.
- The revenue of the International business revenue grew 11% (6% in constant currency) terms during the period under review.
- Tata Starbucks recorded revenue growth of 7% for the quarter. The company opened 22 net new stores during the quarter and entered 6 new cities. This brought the total number of stores to 392 across 55 cities.

## Management Comment

**Sunil D'Souza, managing director & CEO of Tata Consumer Products, said:** "Our India tea business continued to benefit from our earlier interventions, yielding positive results resulting in a fourth consecutive quarter of volume led growth. We continued to see volume led growth in salt and recorded highest ever quarterly volume market share in salt. In both tea and salt, we saw premiumization at play with the premium portfolio in tea and the value added salt portfolio recording good growth.

Our growth businesses (Tata Sampann, Tata Soulfull, NourishCo and Tata SmartFoodz) continued their strong momentum and have steadily increased their contribution. Tata Starbucks made consistent progress in its expansion agenda expanding its footprint to 55 cities.

Our Sales & Distribution buildout is progressing well, our total reach has expanded to 3.9 million outlets as of December 2023. We have been focused on driving depth in existing geographies and widening our distribution in lower population strata towns and rural areas and will now focus on rural areas as well. Alternate channels (modern trade & e-commerce) recorded good momentum and continue to be instrumental to our growth agenda.

We recently announced two acquisitions capital foods and organic India, which will enable us to expand our total addressable market into high-growth, high-margin spaces. Both these businesses are gross margin accretive, and we see potential to drive significant revenue and cost synergies over the medium term. We closed the capital foods transaction on 1st February and in line with our focus on execution, the first primary as well as secondary billing was done on 2nd February. Additionally, the front-end sales integration has been substantially completed already, with rest of the integration to be completed within the next 100 days."

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