

Tata Consumer Products – Recommended Stock – Target Price Raised

Dear Investors,

We are pleased to share that **Bajaj Capital's Research Team**—recommended stock, **Tata Consumer Products**, achieved **its first target price of 1,205 on 3 November 2025**, delivered a return of **~12% within just four and a half months, significantly ahead of the original 12-month investment horizon for a large-cap company**. Since our recommendation on **17 June 2025** at a price of **1,076**, the stock has generated a return of **~13.5% over seven months and further strengthened to around 1,220 as of 7 January 2026**, reflecting sustained momentum and strong performance.

During the same period, Tata Consumer Products significantly outperformed the benchmark Nifty 500. From the recommendation date to 3 November 2025, the benchmark rose by **~3.7%** (from 22,963 to 23,818), while the stock delivered **~12%**. As of 7 January 2026, the benchmark has gained **~4.6%** (to 24,017), compared with a **~13.5%** return from the stock, underscoring strong relative performance and consistent execution.

We continue to maintain a constructive and positive outlook on Tata Consumer Products and **have revised our target price upward to 1,347, implying an upside potential of ~12.5% from the current market price of around 1197 over the next 6 months**. We advise investors to remain invested from a medium- to long-term perspective, as the company is well positioned for sustained growth. Premium valuations appear justified given strong consumption demand, successful new product launches, entry into new categories and an increasing focus on higher-margin and premium offerings. We expect improvement in gross and operating margins in H2FY26, supported by softening tea prices, a favourable shift in product mix toward premium tea and the scale-up of growth businesses including RTD, Tata Sampann, Capital Foods and Organic India, which contributed **~30%** of revenues in H1FY26. The company's healthy balance sheet, with approximately INR 1,000 crore in cash, further strengthens the investment case.

Company-specific updates and quarterly results have been consistently shared on the BCML Official WhatsApp Group.

Happy Investing!

Thank you and best regards,

On behalf of Bajaj Capital's Research Team