



Analyst Meet  
13<sup>th</sup> February 2013

# Disclaimer

**This presentation may contain statements which reflect Management's current views and estimates and could be construed as forward looking statements. The future involves risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include factors such as general economic conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.**

# Quick Recap

Food is a USD 240 billion opportunity

Branded food growing faster than overall food and non-food

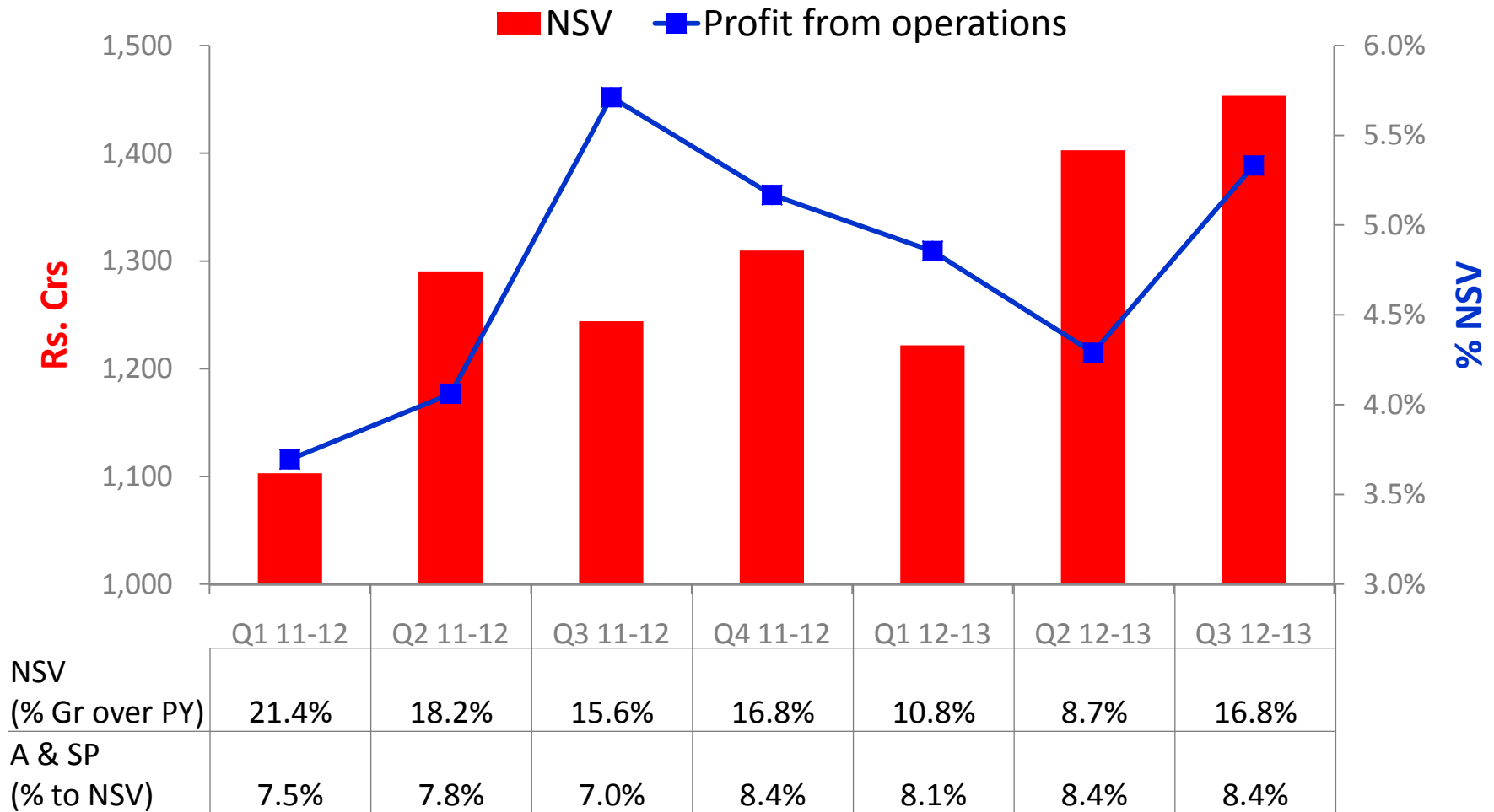
Bakery, other than biscuits, is a growth opportunity for Britannia

Growth driven by rising income, quality consciousness and convenience seeking

Dairy branded but generic, growing fast and providing scope for differentiation

Biscuit is the largest category in branded foods ( ~ USD 2.2 billion)

# Business Performance



# YTD December 12 Performance

Stand Alone	Nine Months ended	FY 12-13		
	Dec 12	Q1	Q2	Q3
<b>Growth</b>				
Sales	↑12.1%	↑10.8%	↑8.7%	↑16.8%
PAT	↑9.2%	↑3.9%	↑20.5%	↑5.3%
<b>Consolidated</b>				
<b>Growth</b>				
Sales	↑12.6%	↑11.9%	↑9.5%	↑16.4%
PAT	↑21.0%	↑18.4%	↑36.4%	↑11.0%

# Our Business other than Domestic Biscuit is Significant and Growing

~ Rs 15,000 MM\*

Dairy

Cake

Bread

Rusk

International

\* Annualized

## Two Significant and Discontinuous Changes in Q3

**Implementation of  
Legal Metrology Rules**

**Unexpected and steep  
jump in commodity prices**

Applies to  
Biscuits,  
Bread, Rusk  
and Some  
Dairy  
Products

Pack sizes  
are  
standardized

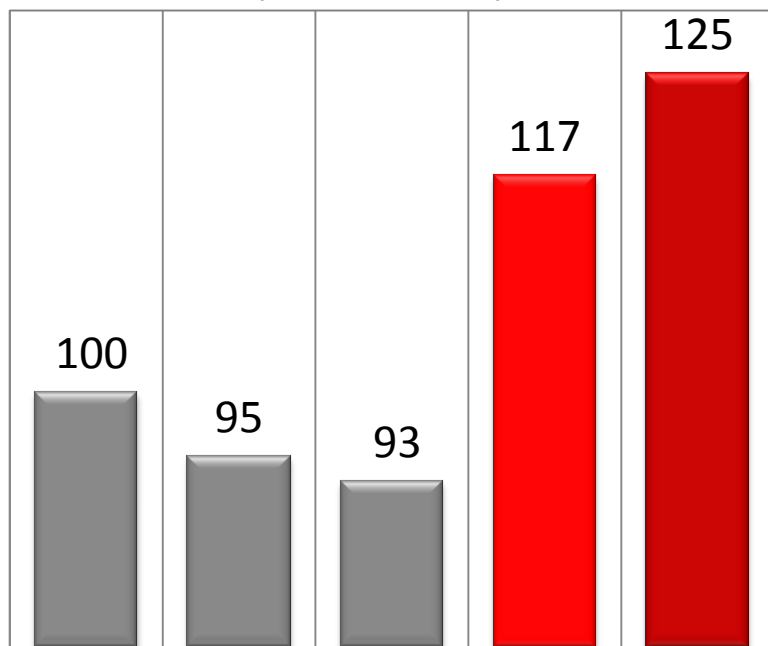
Packs below  
certain price  
points  
exempted  
from  
standards



# Sudden And Unexpected Increase In Flour & Sugar Prices

## Flour – Market Price

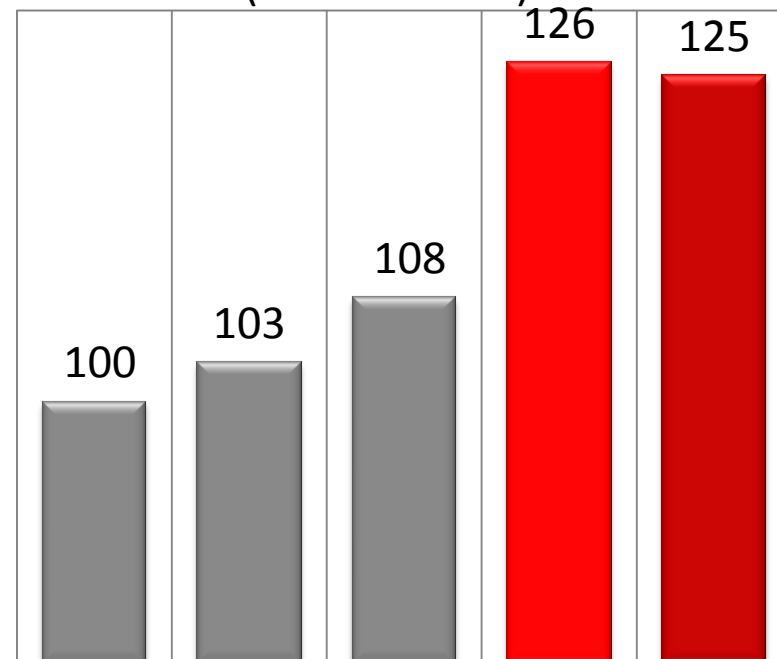
(2010-11=100)



2010-11    2011-12    Q1 12-13    Q2 12-13    Q3 12-13

## Sugar – Market Price

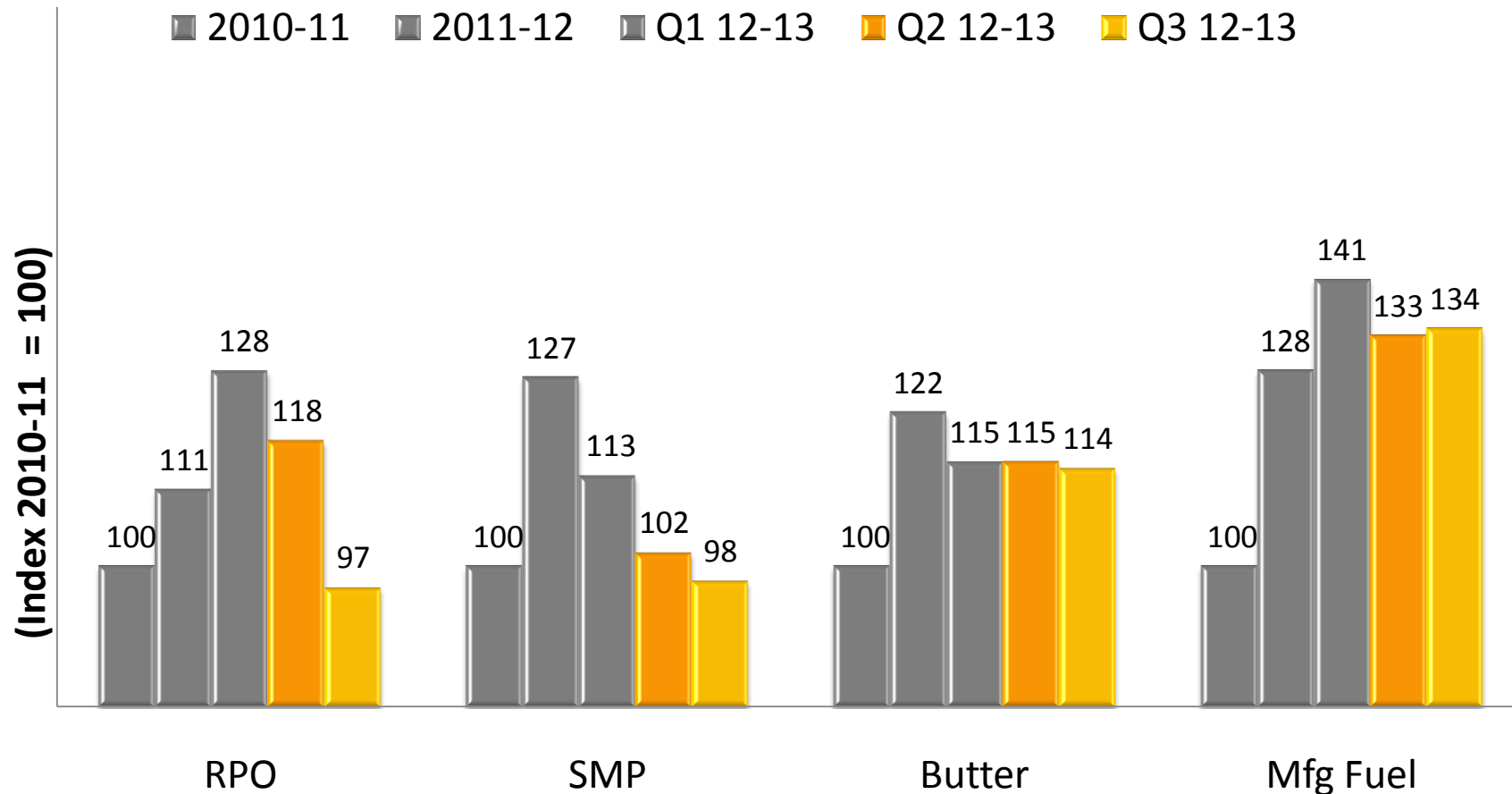
(2010-11=100)



2010-11    2011-12    Q1 12-13    Q2 12-13    Q3 12-13



# While moderate inflation in other key commodities was not adequate to off-set



# 3 Key Areas Drive Business Operations

## Newness & Innovation

- New delightful offerings
- Higher value realization



## Restructuring Cost Base

- Comprehensive projects from design to delivery
- Continuous improvement in operations

## Revenue Management

- Differentiated brands
- Differential Pricing

# Significant New Initiatives...

## Strengthening The Tiger Proposition



Zindagi  
mein Life

# Significant New Initiatives...

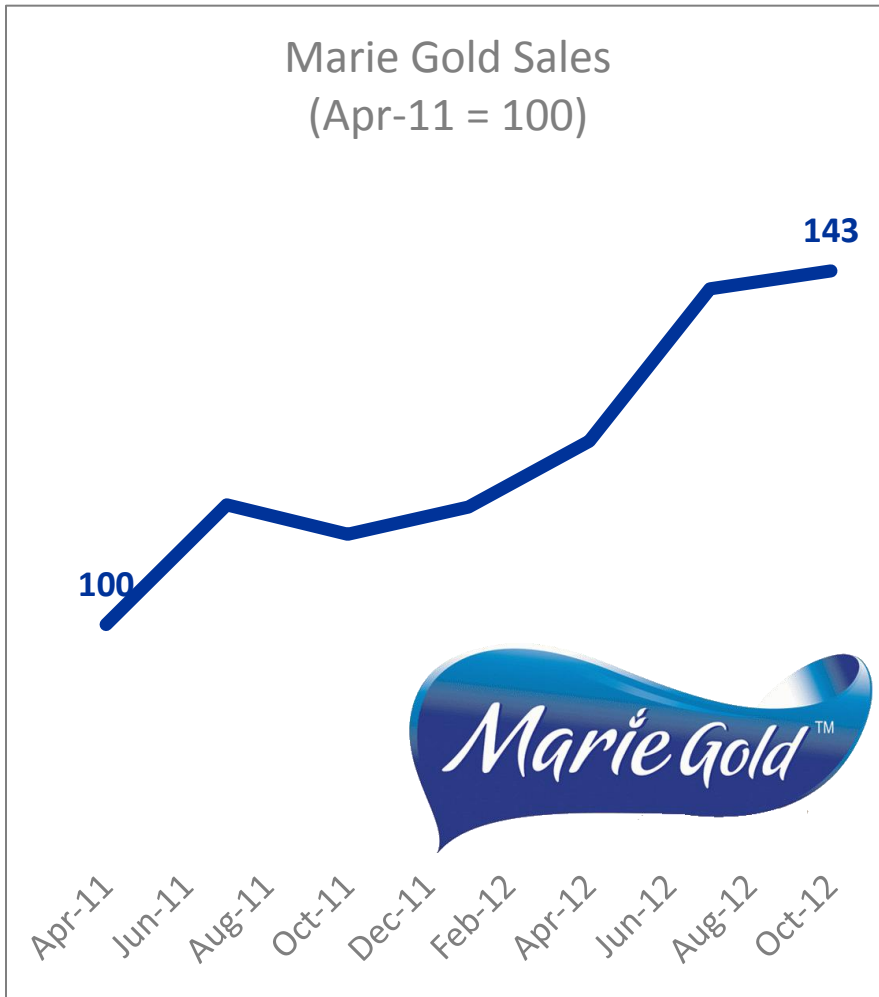
## Celebrating 25 Years Of Good Day With Consumers





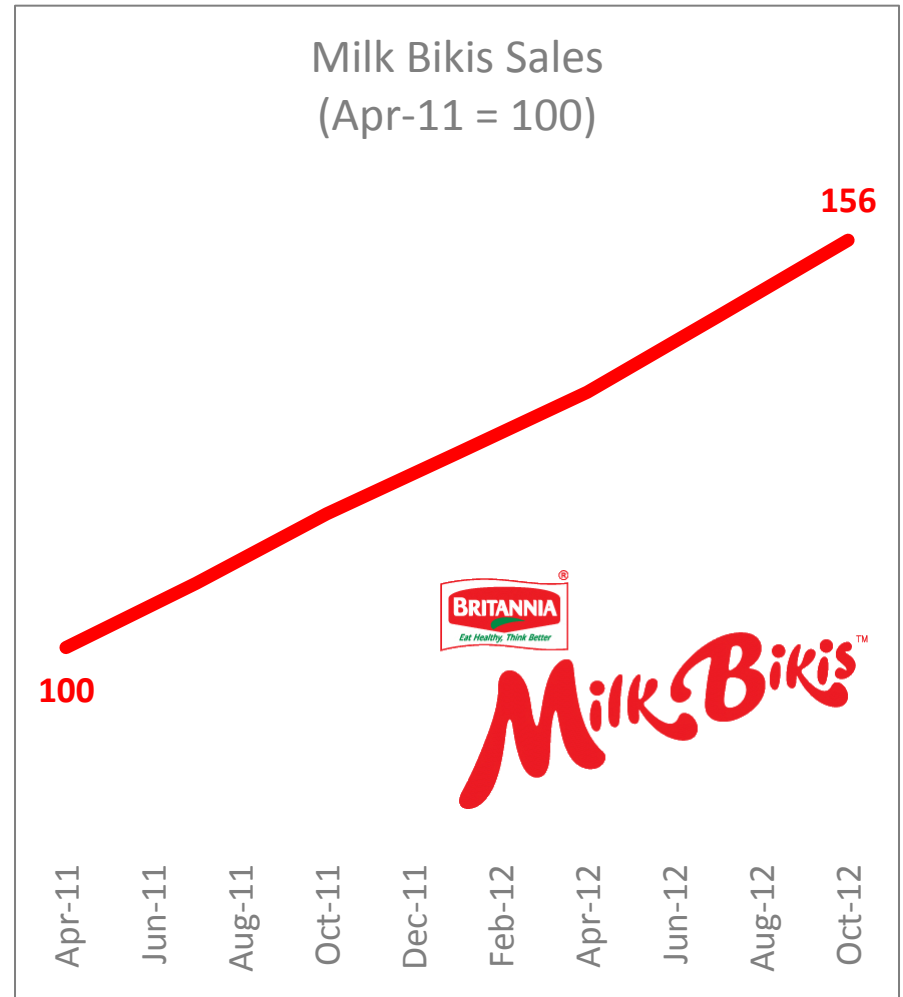
# Key Brands On Strong Growth Trajectory

Marie Gold Sales  
(Apr-11 = 100)



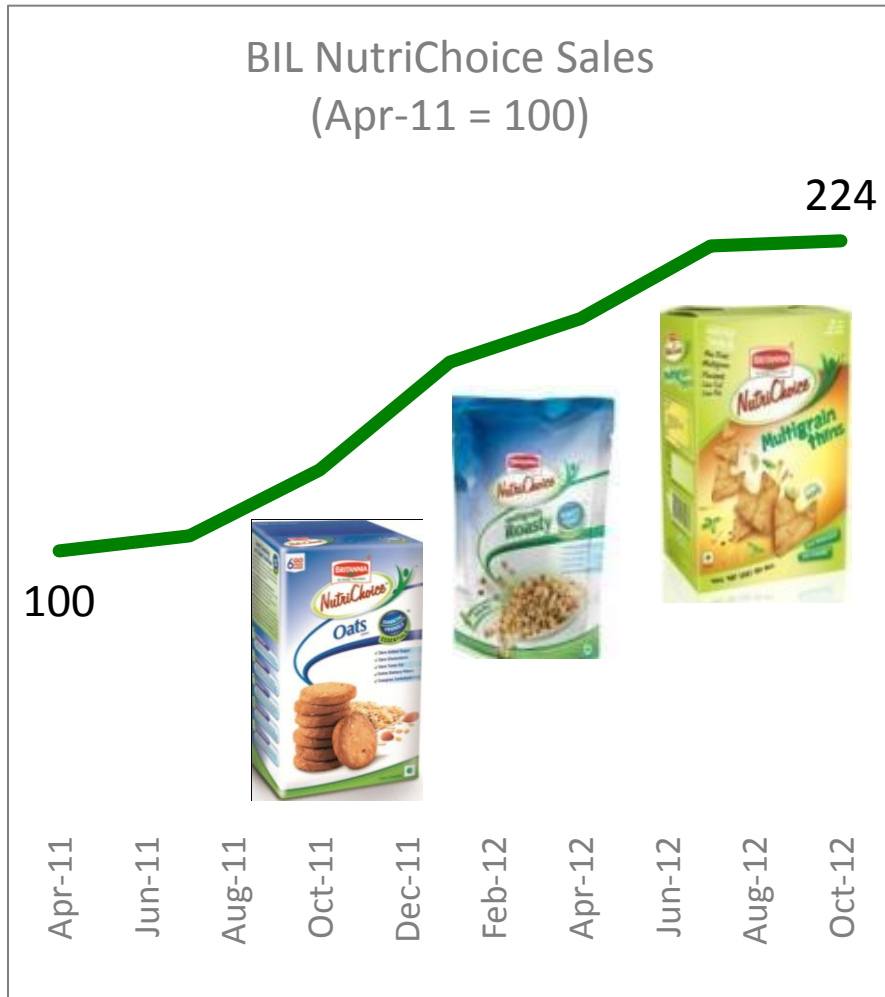
Source: Nielsen

Milk Bikis Sales  
(Apr-11 = 100)



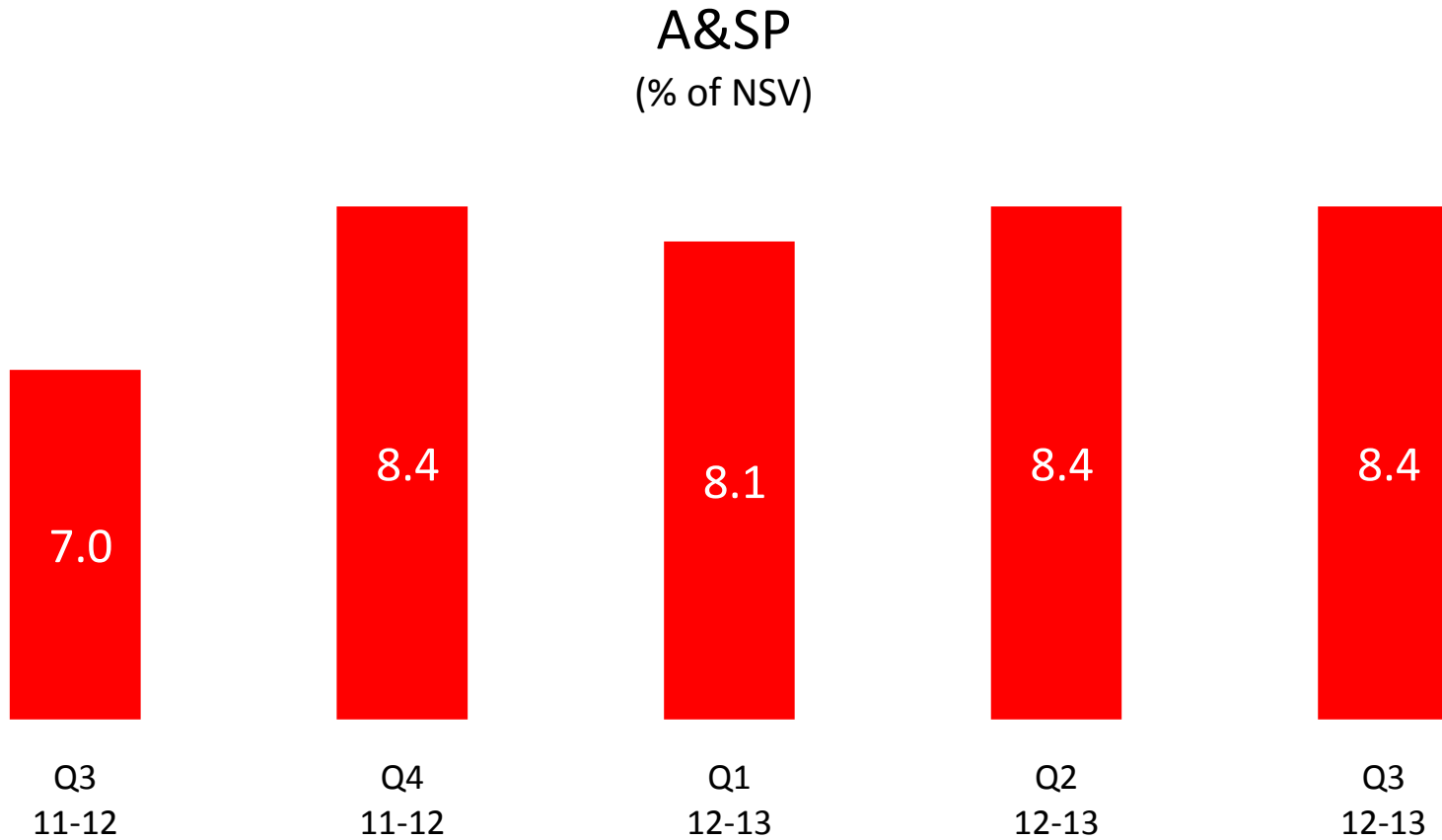
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# Key Brands On Growth Trajectory



Source: Nielsen

.... Backed by Consistent Brand Investment...



## .....And Incremental Investment in the Back-end

Orissa



Bihar



**New Greenfield Factory coming up in Jhagadia - Gujarat**



# Managing Cost – Structured Effectiveness & Efficiency Initiatives

**Projects from Design  
to Delivery**

**Greenfield  
Projects**

**Continuous  
Improvement  
TQM, TPM, Kaizen**

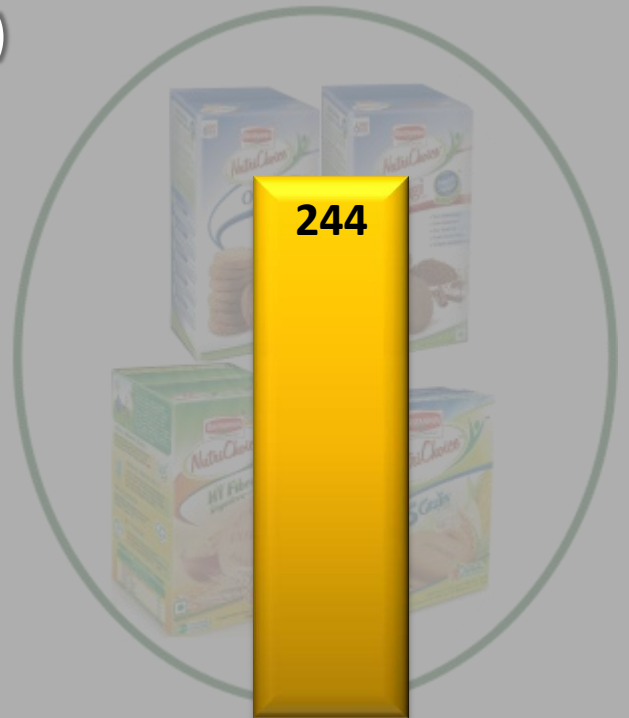
**Technology  
Initiatives**

# Consolidating Innovation



# Consolidating Innovation

Innovation Sales Index (2010-11=100)



100

146

244

2010-11

2011-12

2012-13

# Awards & Recognition



**JUST CATEGORY TOPPERS**

**FOOD PRODUCTS**

1	Britannia
2	Tata Salt
3	Parle
4	Maggi
5	Kirkure
6	Amul
7	Sunfeast
8	Lays
9	Aashirwad
10	Annapurna
11	Bingo
12	Kissan
13	Haldiram's



# Awards & Recognition

## Golden Peacock Quality Award



## Asia-Pacific Quality Award



# To Summarize

We operate in a large and competitive market

Brands are our business. And we continue to invest both in the front-end and back-end to strengthen them

Despite discontinuity in commodity and regulatory environment we have restored growth momentum and improved margins

Our focus is on 3 areas to drive operational excellence – Innovation, Revenue Management and Cost Management

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[invrl@britindia.com](mailto:invrl@britindia.com)