

# Analyst Meet

## 18<sup>th</sup> February, 2014



## *Disclaimer*

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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.

**BRITANNIA**  
*Treat*

**BRITANNIA**  
Eat Healthy, Think Better  
*Marie Gold*

**BRITANNIA**  
Eat Healthy, Think Better

THE BRITANNIA PROMISE  
Consumer Organoleptics  
**8**  
**BRITANNIA**  
Eat Healthy, Think Better

*cakes*

**BRITANNIA**  
Eat Healthy, Think Better  
**TIGER**

**BRITANNIA**  
pure  
Magic

**BRITANNIA**  
Eat Healthy, Think Better

**BRITANNIA**  
Eat Healthy, Think Better

Premium Bake  
RUSK

**BRITANNIA**  
Eat Healthy, Think Better

*NutriChoice*

**BRITANNIA**  
Eat Healthy, Think Better

**GOOD DAY**

**BRITANNIA**  
bourbon  
THE ORIGINAL

**BRITANNIA**  
Eat Healthy, Think Better

*Milk Bikis*

505

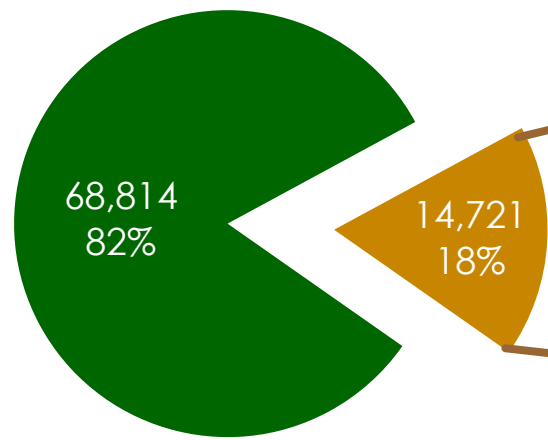
**BRITANNIA**  
Eat Healthy, Think Better

# Business Update



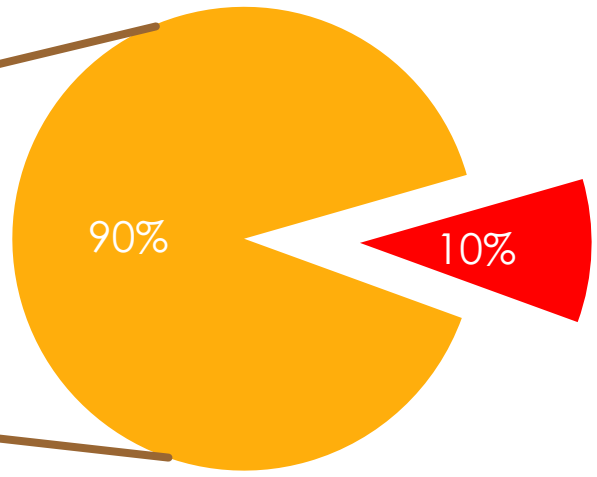
# Big Opportunity

Components of GDP  
 (Rs Billion)



■ Non-Food ■ Food

Components of food



■ Non-Packaged ■ Packaged

# Fundamentals first...

Right Delivery to Consumers	Efficiency of the delivery			
	Frontline	Supply Chain		Organization
Superior organoleptic experience	Innovative Route to Market	Process and Portfolio simplification	Larger and technologically superior factories	Simplified structure with clearer roles and responsibilities
Competitive Value proposition	Stronger business partners	Cost efficiency programs	Optimized footprint to reduce distance to market	Conservative overheads
	Distribution Expansion (Hub and Spoke)		Continuous improvement programs for manufacturing excellence	Internal Promotions

## ...Fundamentals first...

Brands are core to our business

We work continuously to make them more relevant and differentiated

Coalesce cost, quality and aspiration of all our offerings

And make these offerings delightful, affordable and accessible to Indians of all age, ethnicity and socio-economic strata

Innovate to create new sources of value –  
Product, Packaging, Technology and Process



# ...Fundamentals first

Strong Brands



Route to Market



Urban Market  
Split Portfolio  
Increase Depth

Rural Market  
Hub and Spoke  
Increase Reach

Fuel

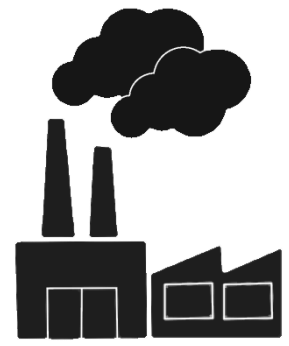
**Waste Reduction**

Manufacturing efficiency

Distance travelled



Manufacturing Excellence

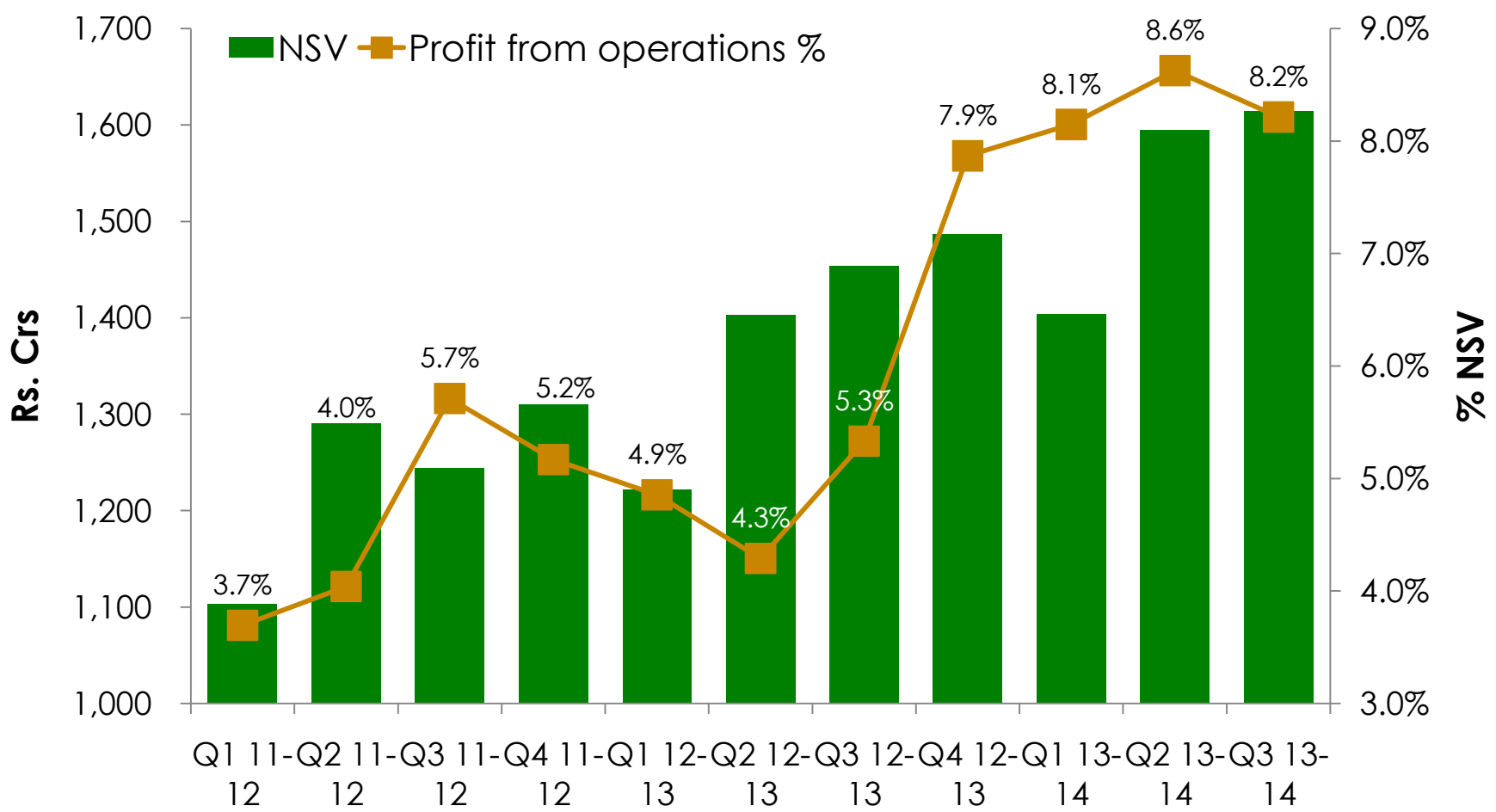


Leverage Fixed Costs



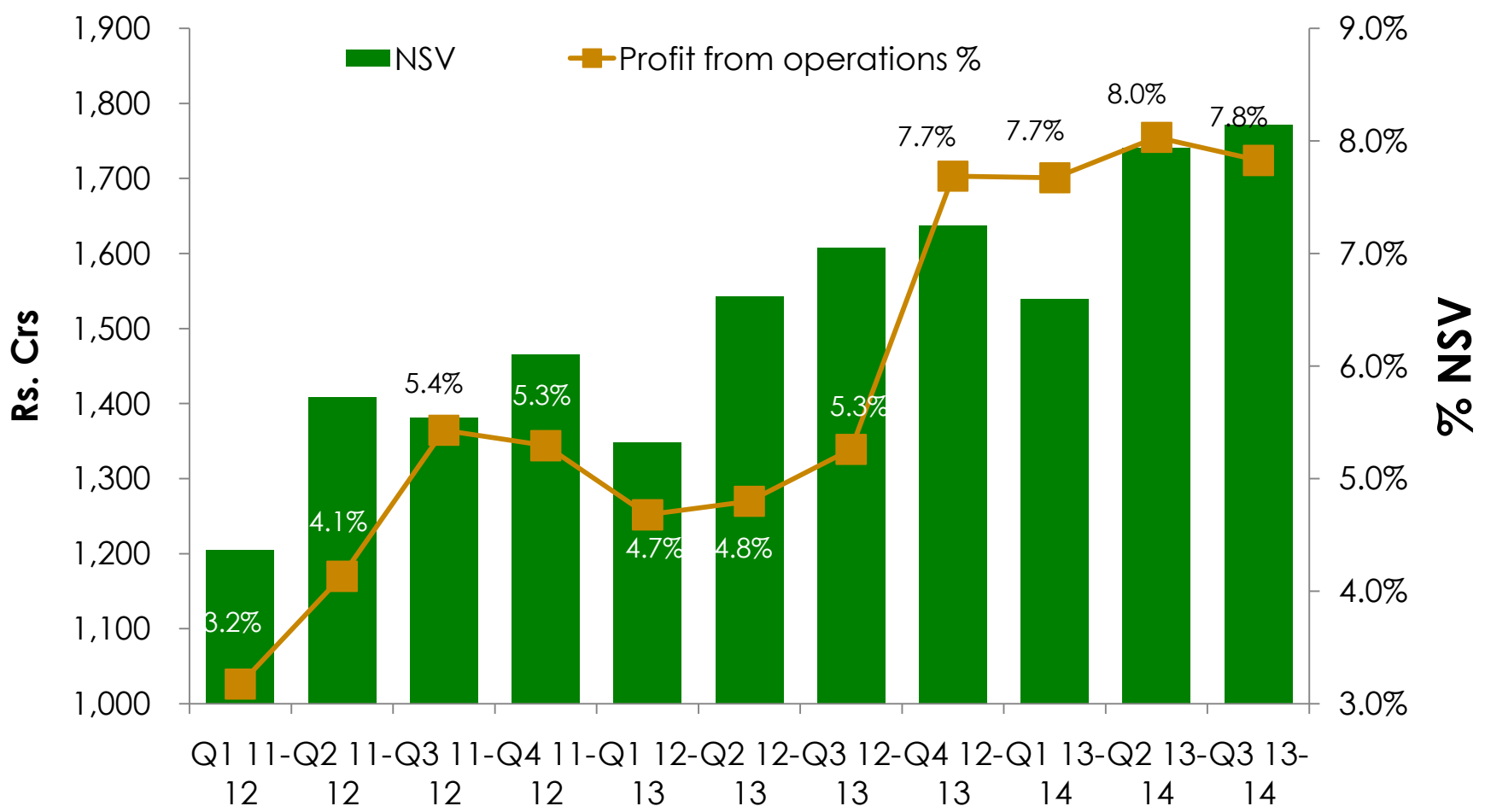


# Profitable Growth – Standalone



Source: Company Financials

# Profitable Growth – Consolidated

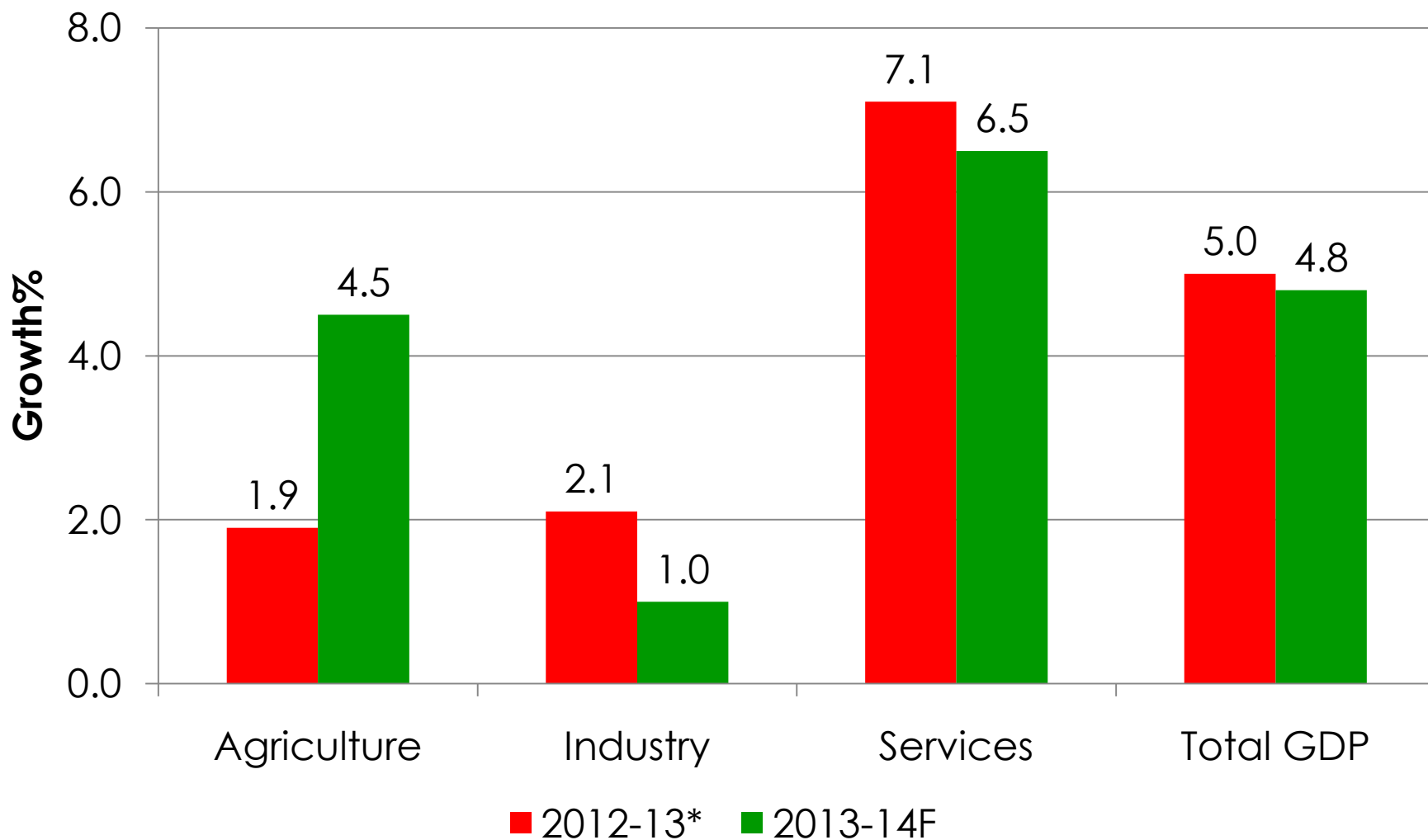


Source: Company Financials

# Driven by



# Achieved in a tough economic environment

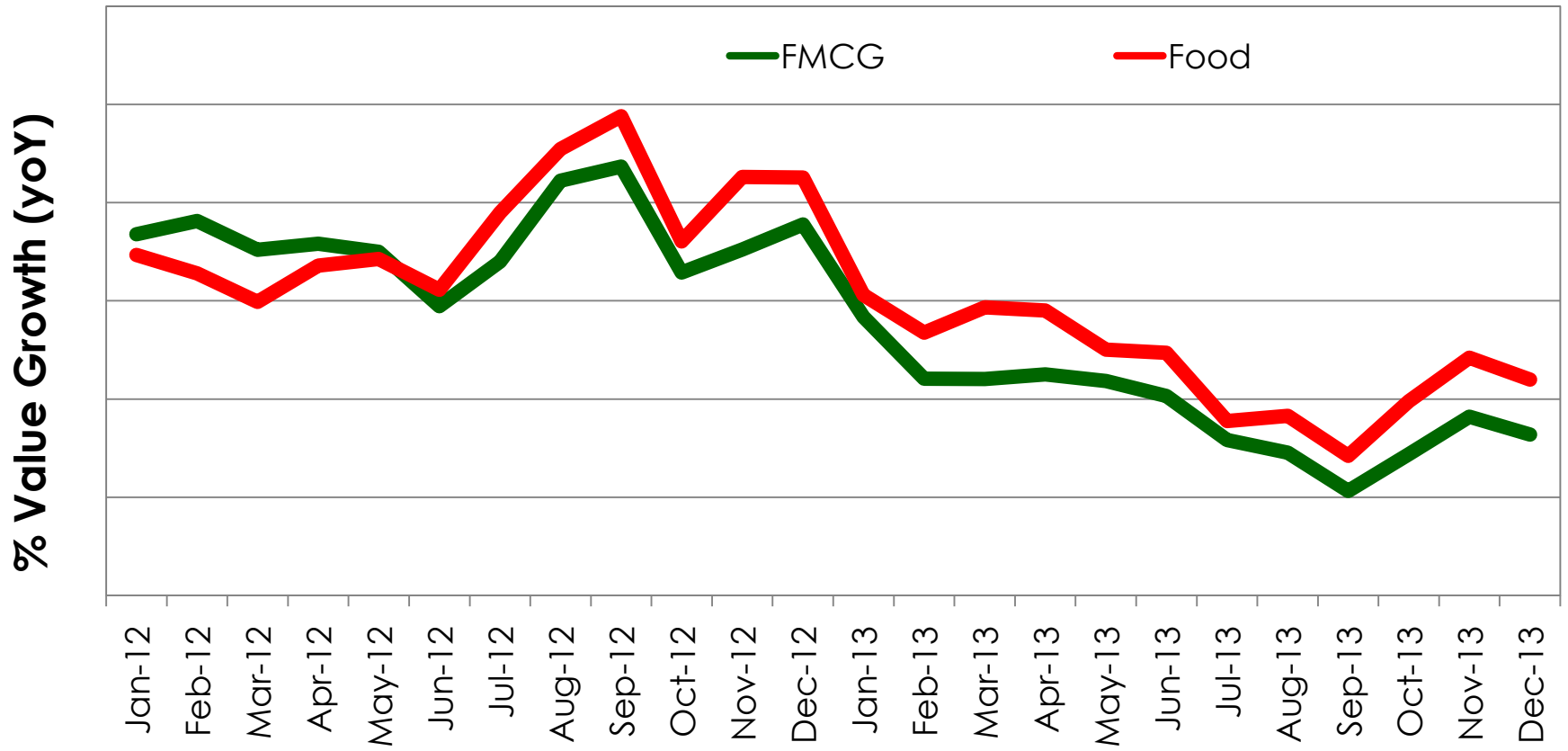


Source: \* CSO Provisional Estimates, F- Forecast

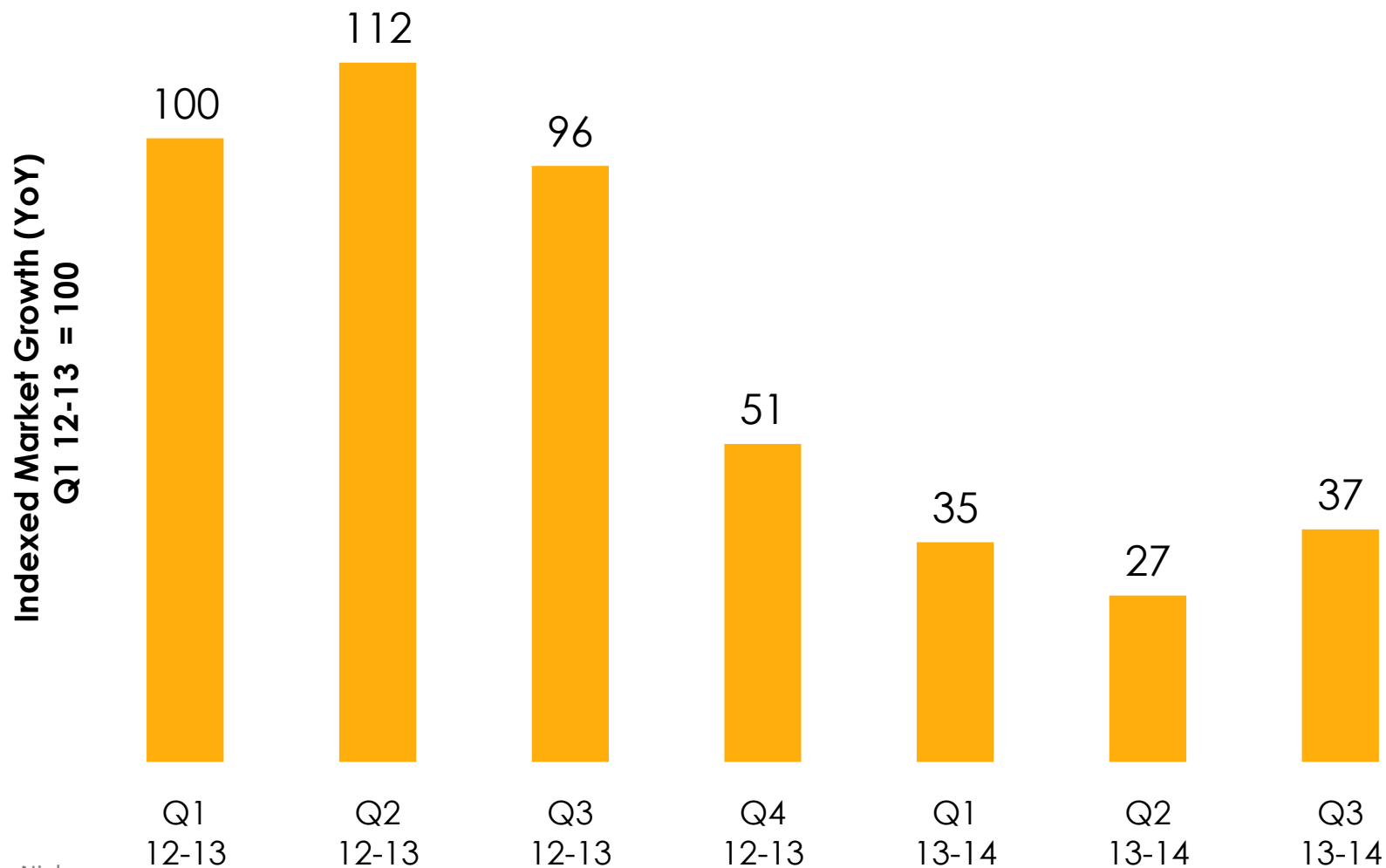
# That is impacting the industry (FMCG & Food)



## FMCG and Food Growth



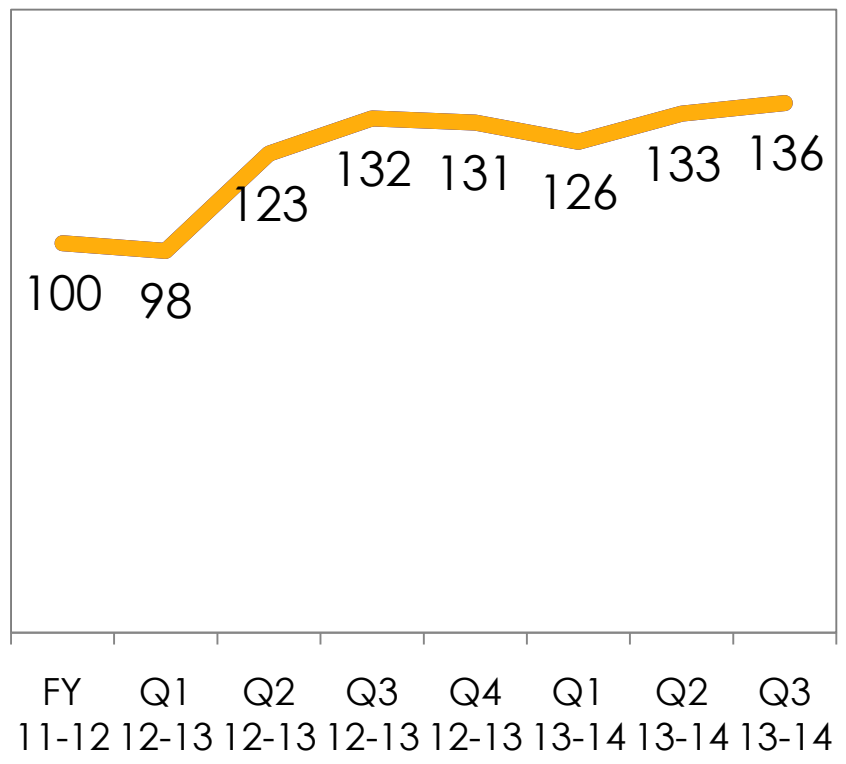
## As well as biscuit category



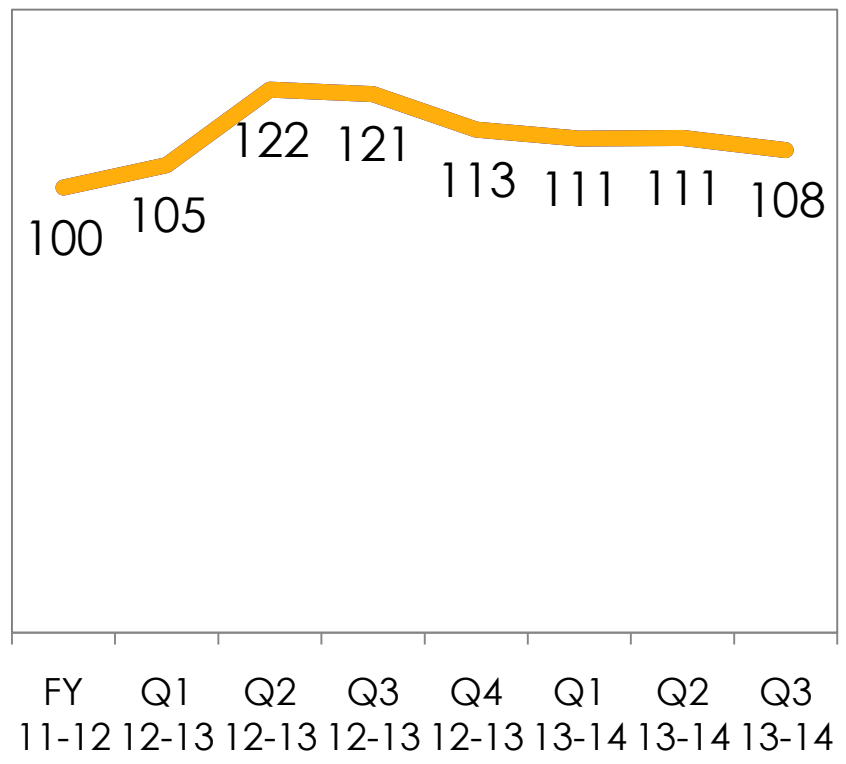


# Amidst this, some commodity prices remain elevated but steady

**Flour Price**  
 (FY 11-12 = 100)

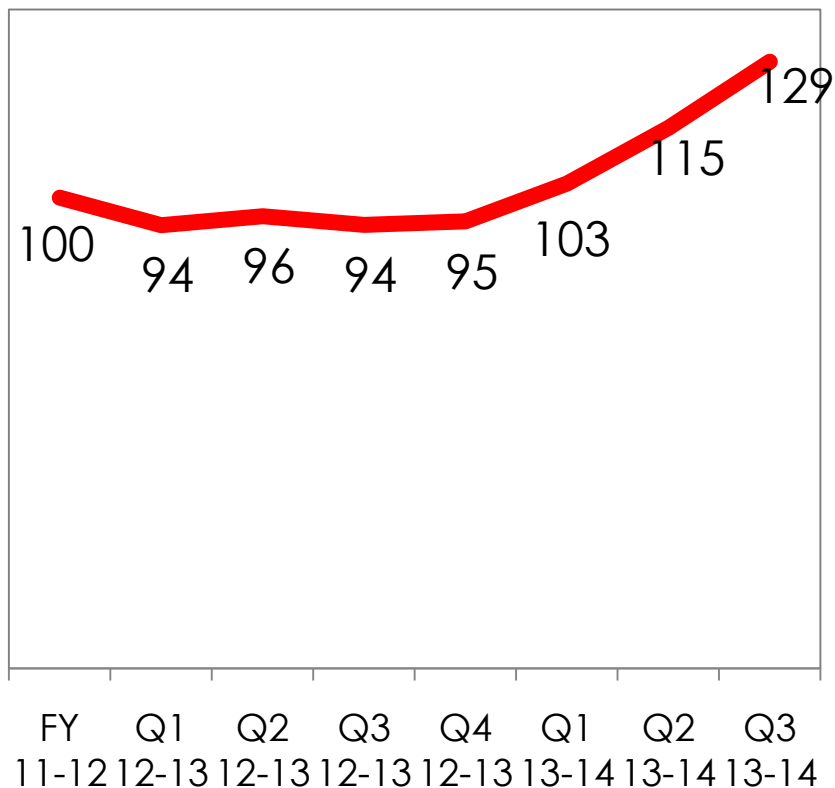


**Sugar Price**  
 (FY 11-12 = 100)

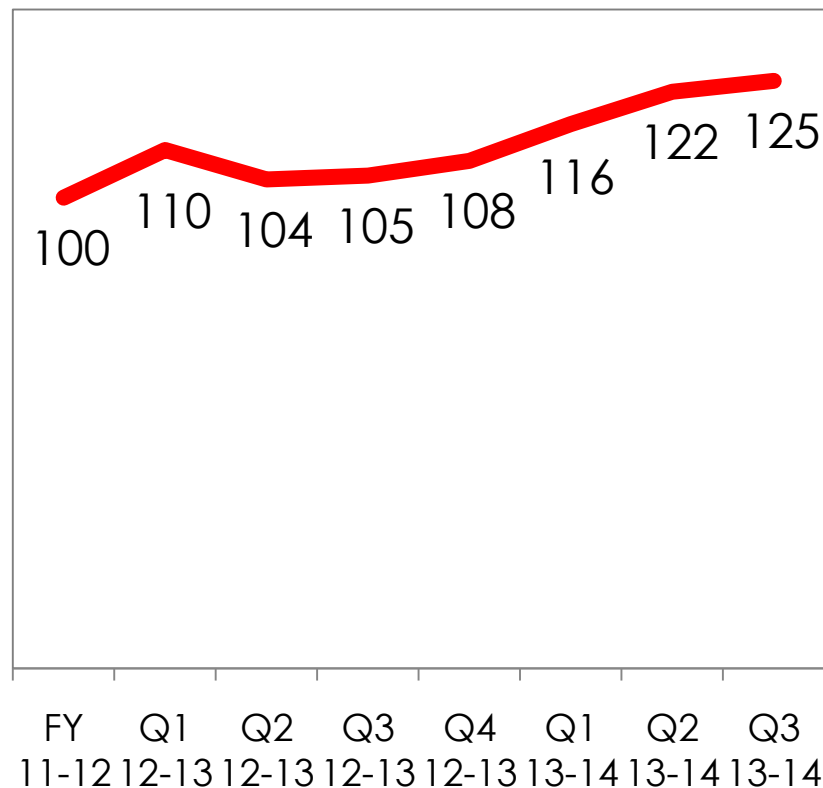


# While others are on an upward trend

**Milk Prices**  
 (FY 11-12 = 100)



**Mfg Fuel**  
 (FY 11-12 = 100)



## *In Summary*

Build on strong fundamentals

- Brand, GTM, Back-end, Innovation

Will remain focused on large core categories

Nurture a strong team to take on future challenges

Remain cautious about a challenging macro economic environment



# Financials

# Key Lines – Standalone & Consolidated

Rs. Crs.

Particulars (Standalone)	Q3 2013-14	Growth %	YTD Dec 2013-14	Growth %
Net Sales	1,614	11.1%	4,612	13.1%
Profit from Operations	133	71.1%	385	95.3%
Profit Before Tax	138	72.6%	403	97.3%
Profit After Tax	96	69.1%	278	90.6%

Particulars (Consolidated)	Q3 2013-14	Growth %	YTD Dec 2013-14	Growth %
Net Sales	1,772	10.2%	5,052	12.3%
Profit from Operations	139	64.0%	397	79.1%
Profit Before Tax	142	66.8%	413	82.6%
Profit After Tax	101	62.1%	288	71.8%

## Key Performance Indicators - Standalone

Particulars	2011-12	2012-13	YTD Dec 2013-14
Profit from Operations %	4.7%	5.7%	8.3%
Profit before Tax%	5.1%	6.0%	8.7%
Profit after Tax%	3.8%	4.2%	6.0%
Debt : Equity Ratio	0.8	0.3	0.0



## Key Performance Indicators - Consolidated

Particulars	2011-12	2012-13	YTD Dec 2013-14
Profit from Operations %	4.6%	5.7%	7.9%
Profit before Tax%	4.9%	5.8%	8.2%
Profit after Tax%	3.7%	4.2%	5.7%
Debt : Equity Ratio	1.5	0.7	0.2



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