



THE BRITANNIA PROMISE



Analyst Meet  
Conference Call - Bangalore  
23<sup>rd</sup> May 2016

## *Disclaimer*

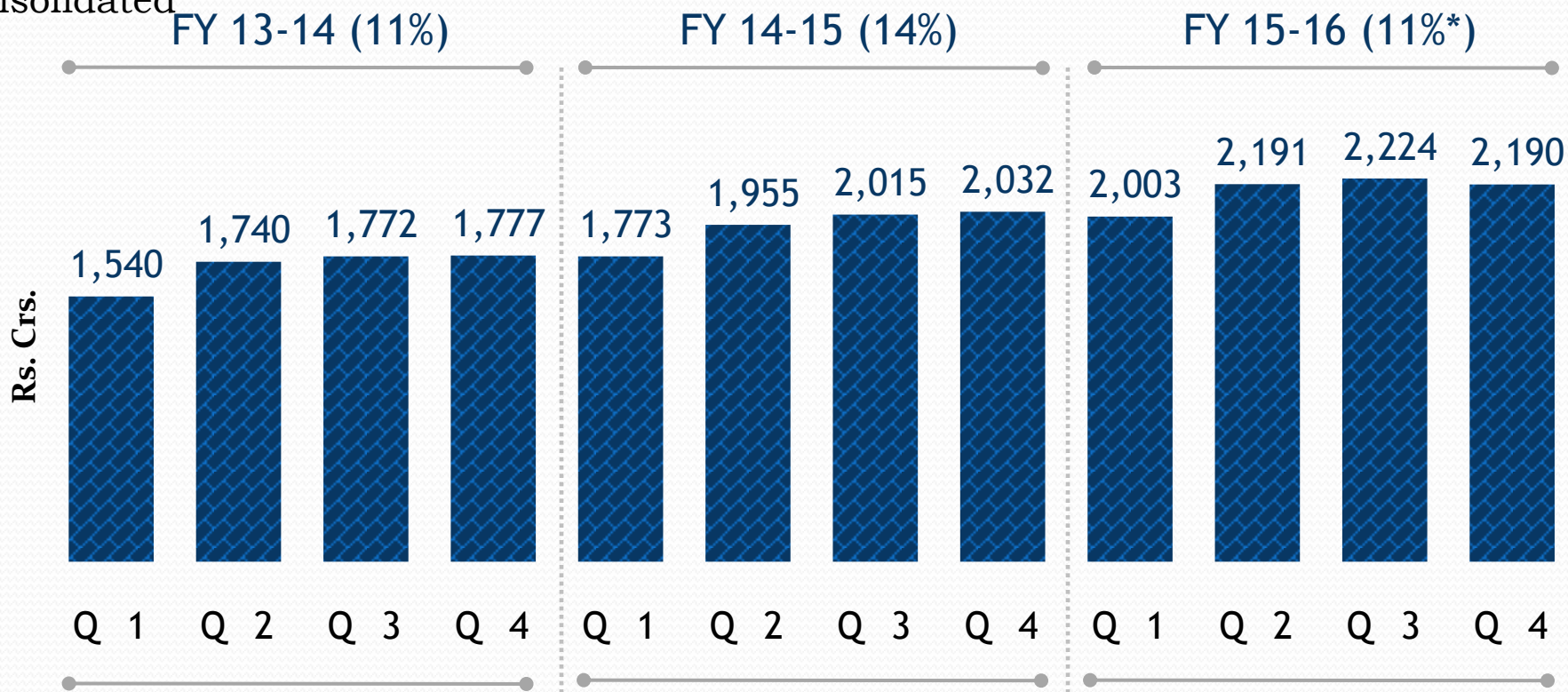
---

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.

# Delivered double digit topline growth for the year despite tough market environment



Consolidated

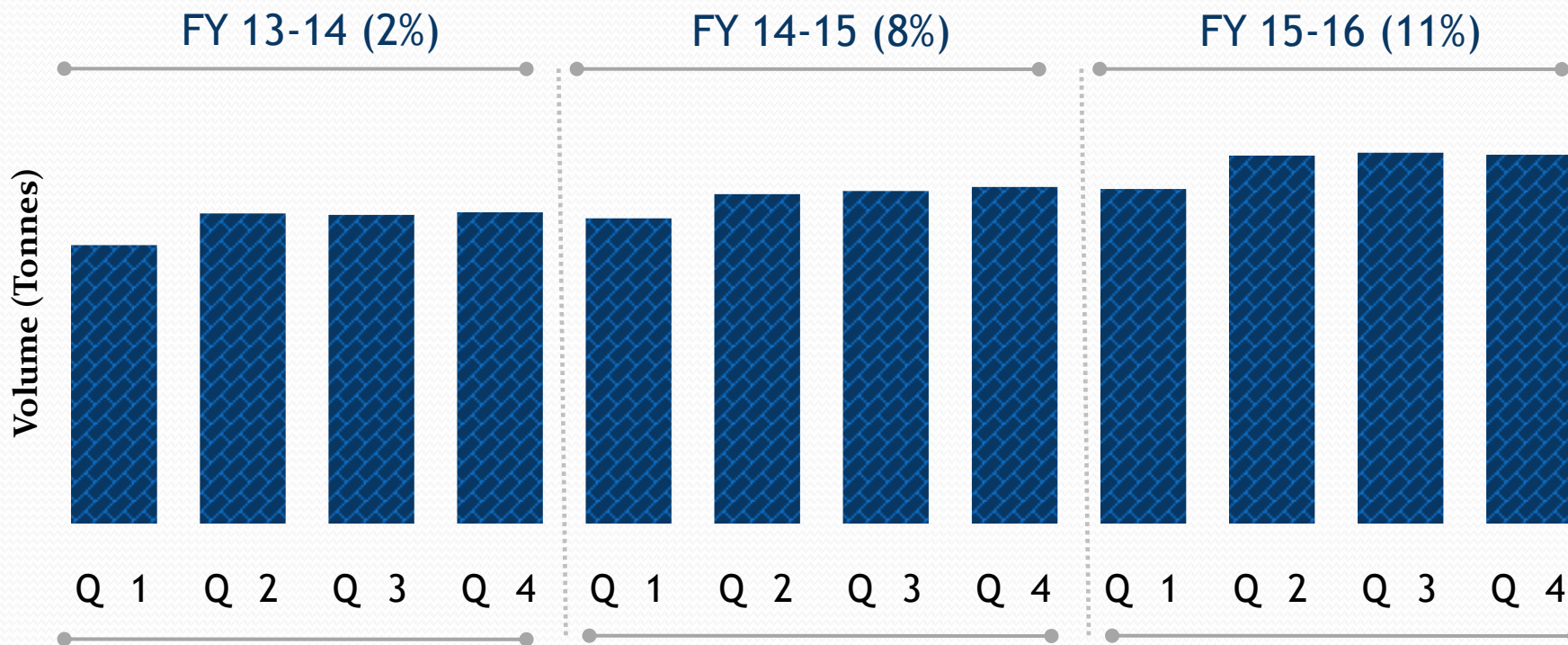


	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth%	14%	13%	10%	9%	15%	12%	14%	14%	13%	12%	10%	8%
24 months growth%	28%	24%	28%	21%	31%	27%	25%	24%	30%	26%	25%	23%

\*Excise exemption at UTC going away - Impact ~1%

# Backed by solid volume growths

Consolidated



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth%	2%	1%	3%	3%	10%	6%	8%	8%	10%	12%	11%	10%
24 months growth%	5%	4%	8%	5%	12%	8%	11%	12%	20%	19%	20%	18%

# Achieved by unrelenting execution focus on our Go to Market Strategy...



Expanding our distribution in terms of direct reach

[~60k outlets added in Q4 @ 1.3 MM outlets;  
Narrowed the gap with nearest competitor by 0.4 MM outlets  
since 2013]



Focusing on expansion of Route to Market Strategy

[Split Route - Implemented in 100+ towns]



Driving Sales Efficacy through hand held devices

[No. of Salesmen with PDAs – 50% increase from March]



Driving our rural growth agenda

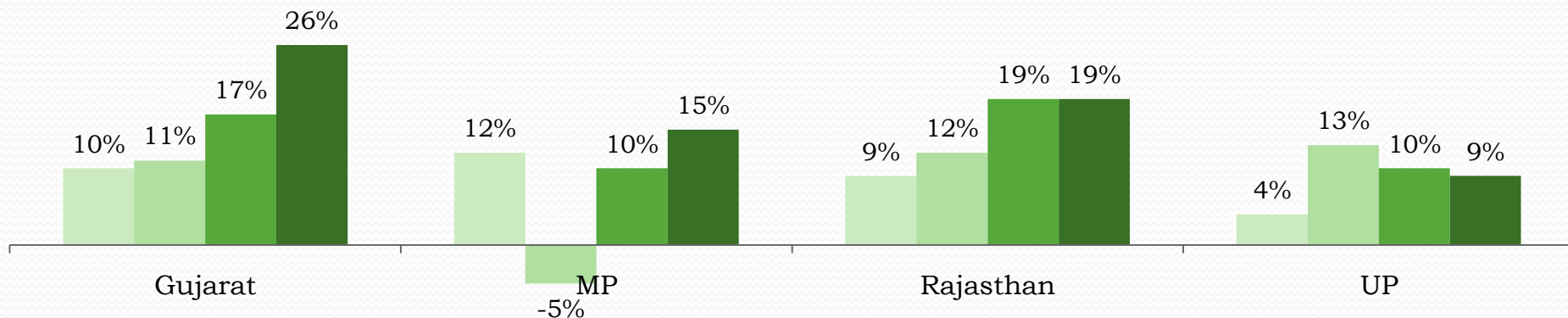
[Growing in high double digits with 8,000+ distributors]



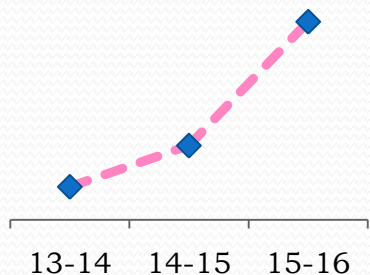
# Progressed well on our weak state agenda....

■ 13 vs 12 ■ 14 vs 13 ■ 15 vs 14 ■ 16 vs 15

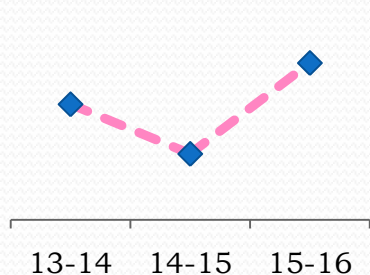
NSV Growth %



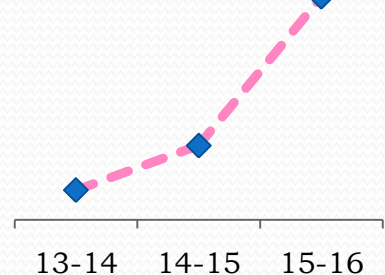
**Gujarat  
Market Share Trend**



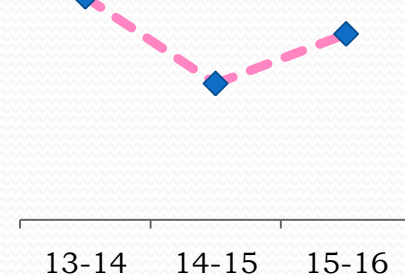
**MP  
Market Share Trend**



**Rajasthan  
Market Share Trend**



**UP  
Market Share Trend**





# Accelerated our advertising spends to strengthen our brands through High Impact Associations



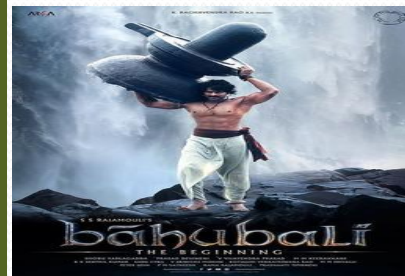
Association with Asia Cup



Celebrity Associations

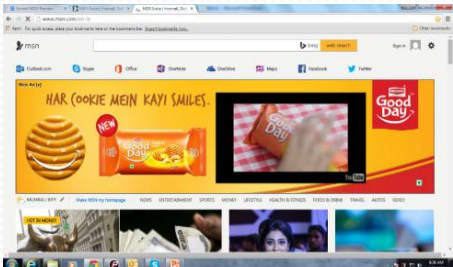


2<sup>nd</sup> year of Association with Filmfare



Film associations

# Re-staged our brands during the year to bring excitement in the category





# Passed on the benefit of benign commodity prices to consumers





All these measures have helped us  
gain market leadership

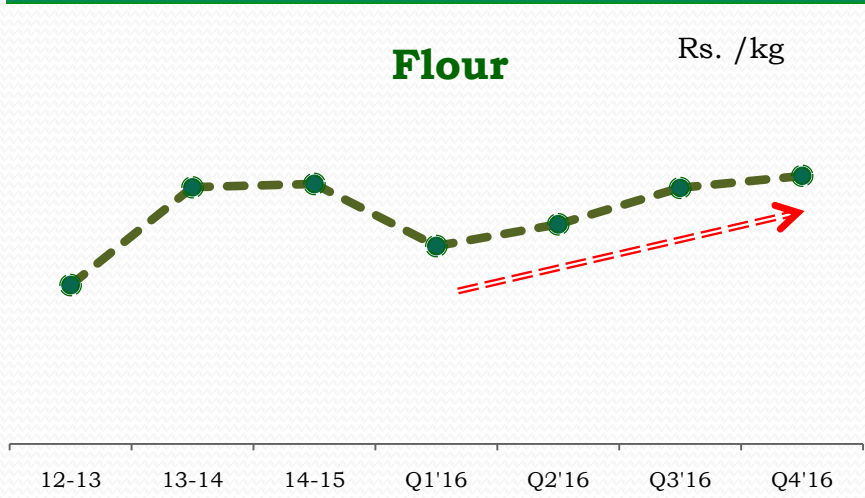


Meanwhile, material prices started trending upwards in the later part of the year...

# With Prices of Key Commodities ticking up...

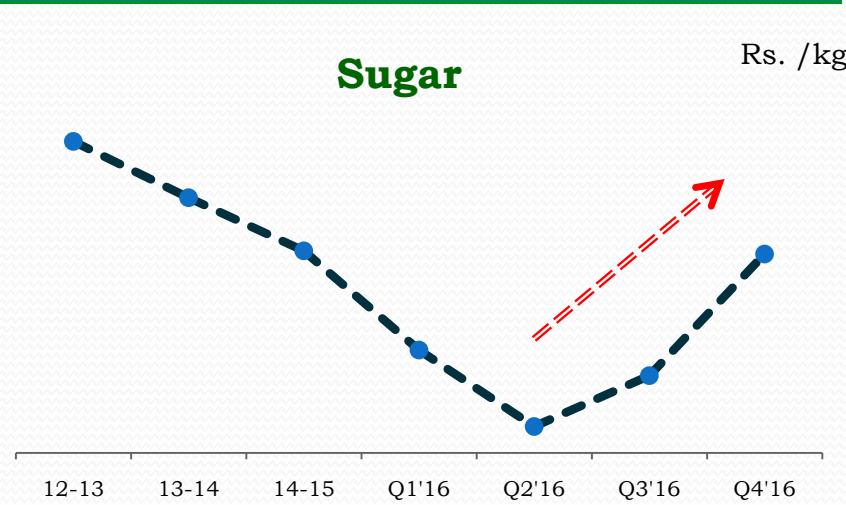
## Flour

Rs. /kg



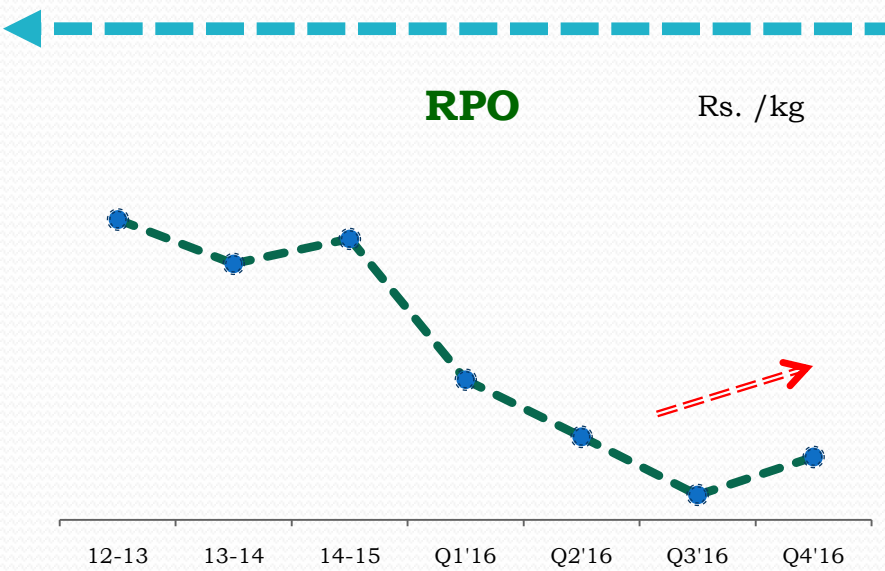
## Sugar

Rs. /kg



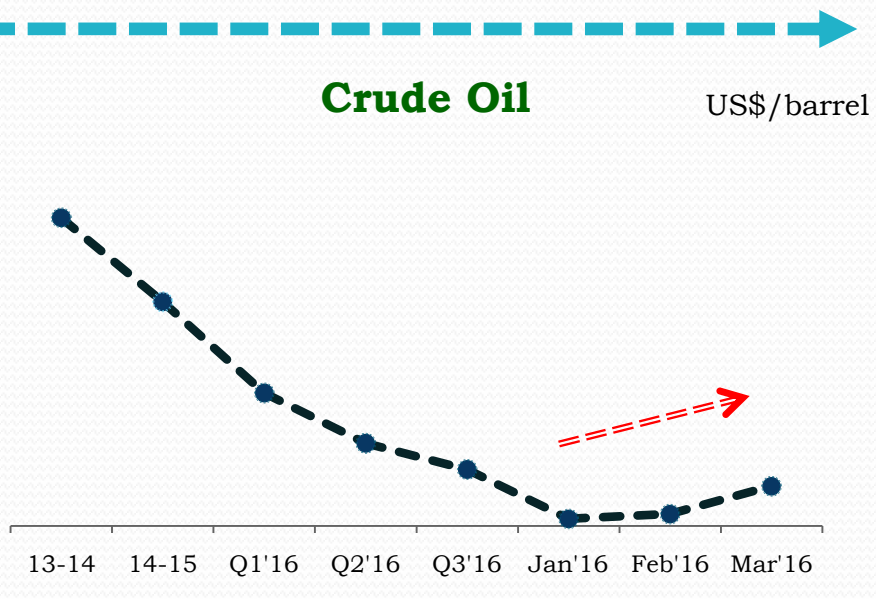
## RPO

Rs. /kg



## Crude Oil

US\$/barrel







And we have initiated pricing actions  
to address this without rendering  
ourselves uncompetitive..



Our Supply chain system has kept  
pace with the business needs...

## 2 Large factories....Commercialized

### Bidadi, Karnataka



### Perundurai, Tamilnadu



# R&D centre...Operationalized

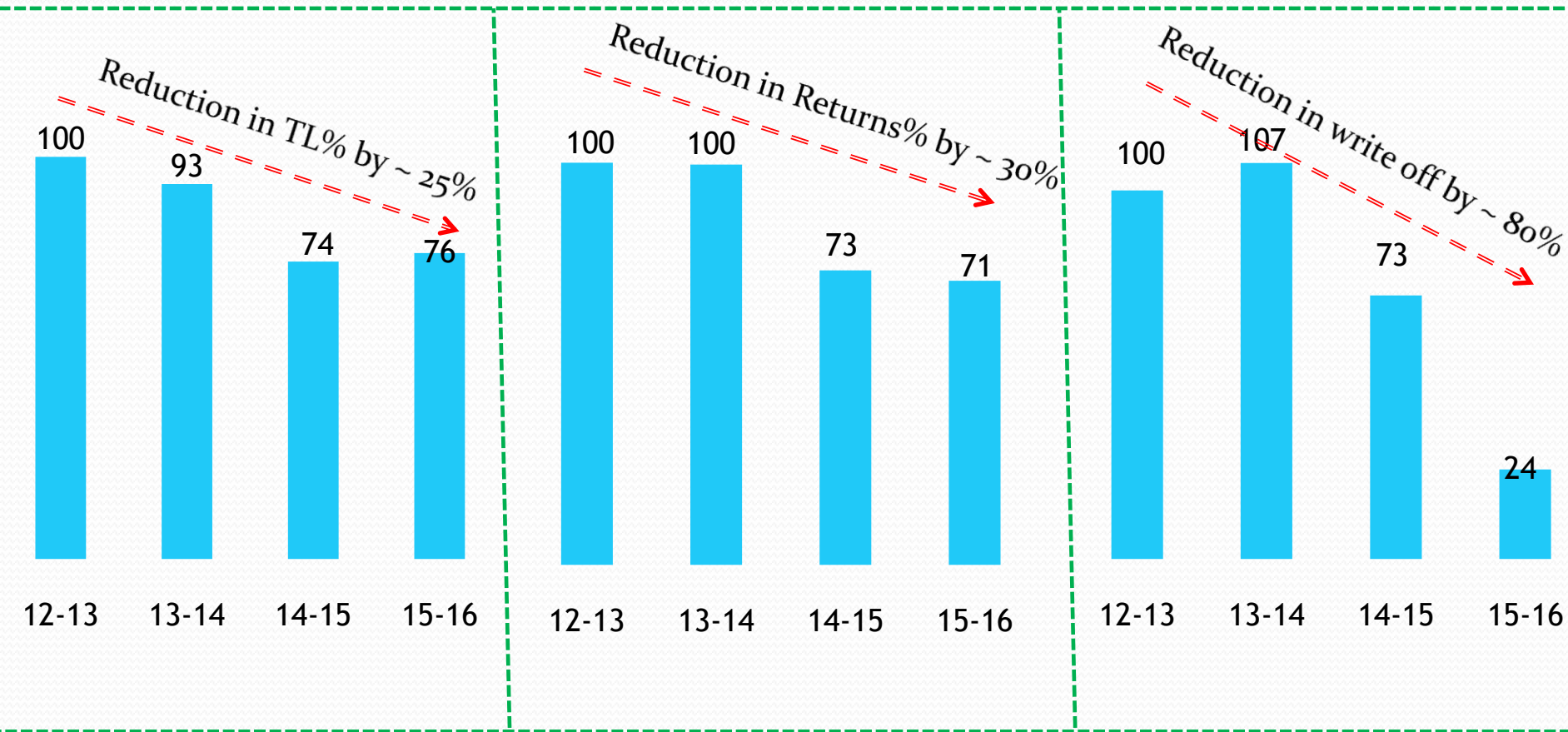






We have continued to maintain our focus on efficiencies in all aspects of operations....

# Increased Extraction from Trade Spends, Reduction in Market Returns & Stock write off



FY 12-13 indexed to 100

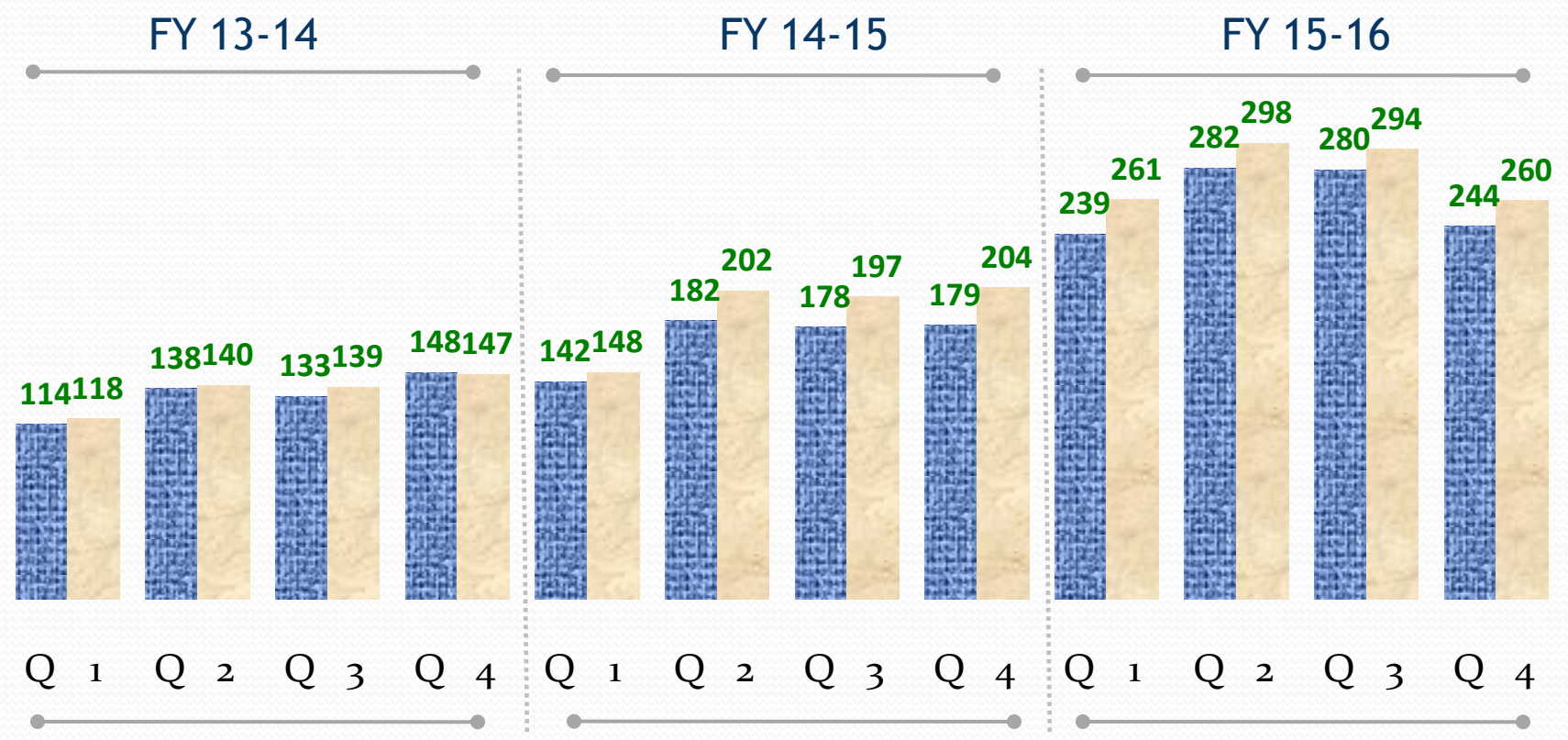


Our subsidiary businesses have contributed to overall profit growth

# Subsidiaries continue to be accretive

## Profit from Operations

■ Standalone    ■ Consolidated





## Subsidiary businesses - Update

### ❖ **Dairy business:**

- *Topline growth has been sluggish.*
- *Bottomline growth has been in high double digits aided by low milk prices*
- *Supply chain integration plan is currently under review*

### ❖ **International business:**

- *Topline & bottomline growth has been in high double digits.*
- *We are now No. 2 player (moved from No. 4 position) in UAE.*
- *Our agenda on targeting countries with Indian diaspora has been progressing well.*



We also continue to focus on our  
People agenda....

# People - Making our organization future ready

Senior Leadership team with diverse experience



Larger role for young & dynamic professionals



Leaner, accountable & motivated team



Culture of competitive spirit



Cross Functional team work

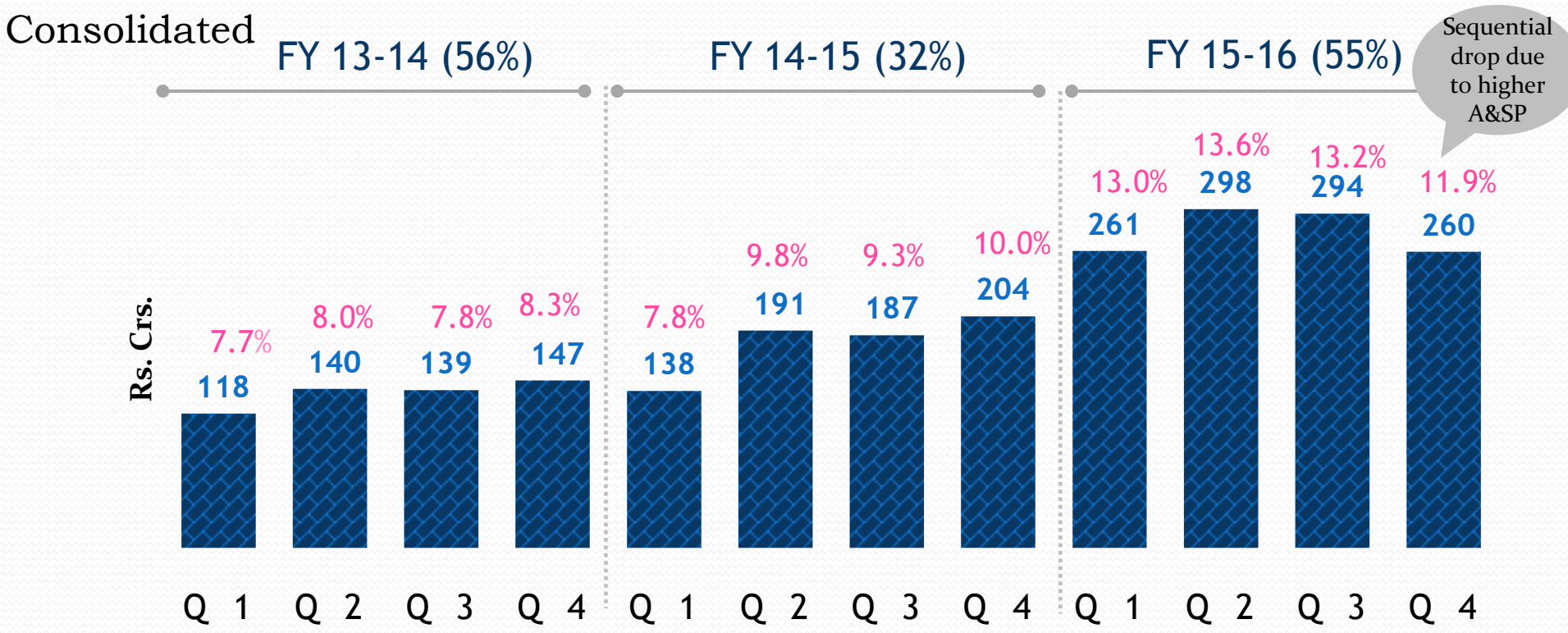




As a result of these efforts....



# We delivered solid Operating Profit growth as well as Profitability...



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth%	87%	89%	64%	17%	17%	37%	35%	38%	89%	56%	57%	28%
24 months growth%	209%	140%	85%	90%	119%	158%	121%	62%	121%	113%	112%	77%



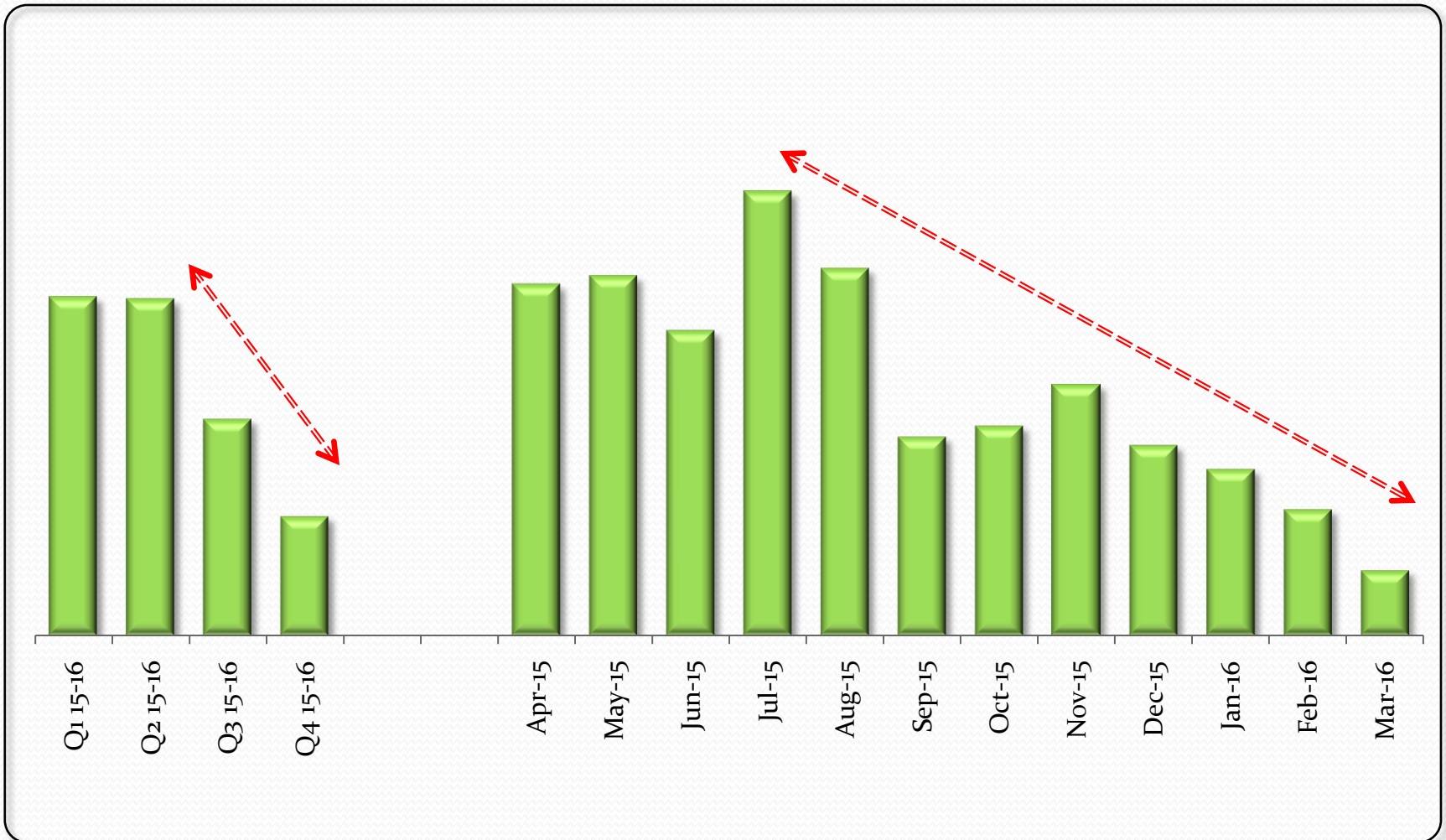


All this was achieved in a sluggish demand scenario & challenging environment...

# Biscuit market growth dropped month on month & grew low single digit in the last few months



Market Growth%





While the category growths are expected to remain subdued, we are confident of keeping our momentum going!

THE BRITANNIA PROMISE



# Financials

# Key Lines - Standalone & Consolidated - FY

Rs. Crs.



Particulars (Standalone)	FY 2015-16	Growth %
Net Sales	7,869	11%
Profit from Operations	1,045	60%
Profit Before Tax *	1,132	57%
Profit After Tax *	749	50%

Particulars (Consolidated)	FY 2015-16	Growth %
Net Sales	8,607	11%
Profit from Operations	1,113	55%
Profit Before Tax *	1,198	52%
Profit After Tax *	806	43%

\* Excluding profit on sale of land & building Rs. 160 Crs [Rs. 124 Crs (Net of tax) in the previous year]

Source: Company Financials



# Key Performance Indicators - Trends

Particulars (Standalone)	2011-12	2012-13	2013-14	2014-15	2015-16
Profit from Operations %	4.7%	5.7%	8.6%	9.2%	13.3%
Profit before Tax%	5.1%	6.0%	8.7%	12.4%	14.4%
Profit after Tax%	3.8%	4.2%	5.9%	8.8%	9.5%
Debt : Equity Ratio	0.8	0.3	0.0	0.0	0.0

Particulars (Consolidated)	2011-12	2012-13	2013-14	2014-15	2015-16
Profit from Operations %	4.6%	5.7%	8.0%	9.3%	12.9%
Profit before Tax%	4.9%	5.8%	8.3%	12.2%	13.9%
Profit after Tax%	3.7%	4.2%	5.8%	8.9%	9.4%
Debt : Equity Ratio	1.5	0.7	0.2	0.1	0.1



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