



15<sup>th</sup> November, 2017

1. The Secretary  
BSE Limited  
Phiroze Jeejeebhoy  
Towers, Dalal Street  
Fort, Mumbai - 400 023
2. The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex  
Bandra (E), Mumbai - 400 051

Dear Sir/Madam,

**Sub: Investor Presentation - Q2 2017-18**

**Ref: Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the presentation to the analyst/investor on financial results of the Company for the quarter and half year ended September 30, 2017.

The presentation is also placed on the website of the Company i.e., <http://www.britannia.co.in>

Request you to take the above information on records.

Yours faithfully,

**For Britannia Industries Limited**



**Chirag Karia**  
Assistant Company Secretary

Encl: As above



THANK YOU  
FOR MAKING US NO.1.

Analyst Meet  
Q2'17-18 Results  
Conference Call  
15<sup>th</sup> Nov 2017



## *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.



*“Despite some disruptions in the past few years, we have **maintained our momentum** & **delivered consistent** & **sustained business results**”*



*“In this year, a smooth GST implementation was critical for our long term success”*

## GST migration..

### GST Registration

- ~3800 customers
- ~ 2600 vendors

### Software migration

- SAP
- Secondary sales system

### Training

- Employees
- Vendors
- Customers

### Business

- Whole sale channel impacted (**now stabilized**)
- Distributor Issue in Kerala (**solved for**)



*However*

***“Focus on basic execution”***

*continued as the underlying theme  
for all of us at Britannia*



## *Our execution focus areas..*

*Drive  
Premiumisation*

*Increase  
Distribution  
footprint*

*Attain Cost  
leadership*



# Delightful Innovation & activation of Brands..

*Delightful Innovation*

*Goodday Wonderfulls*



*Treat Rennovation*



*Activation of brands*

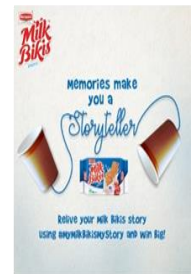
*Digital for Goodday "Indian Guard"*

**World Smiles Day Amplification**



*MilkBikis Activation*

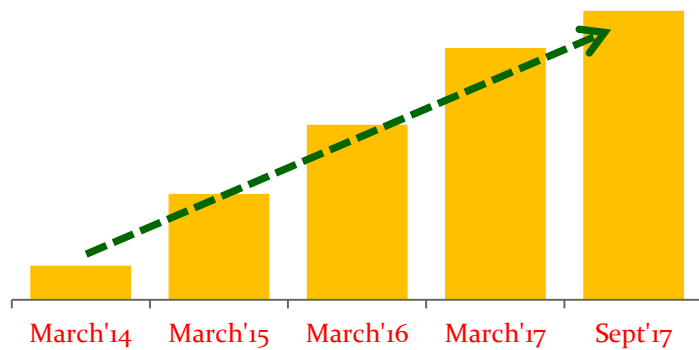
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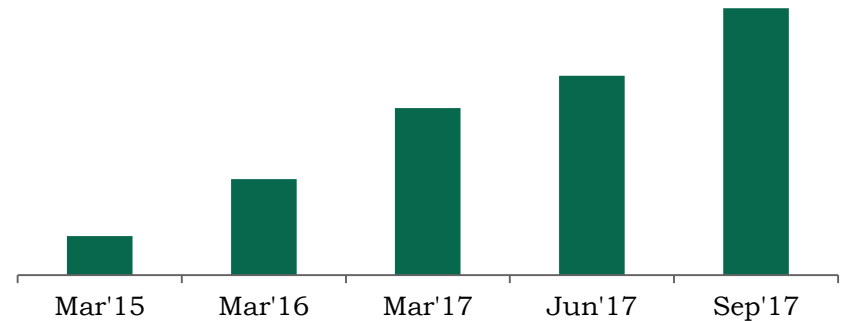
# Increased distribution footprint, growths in rural and weak states..



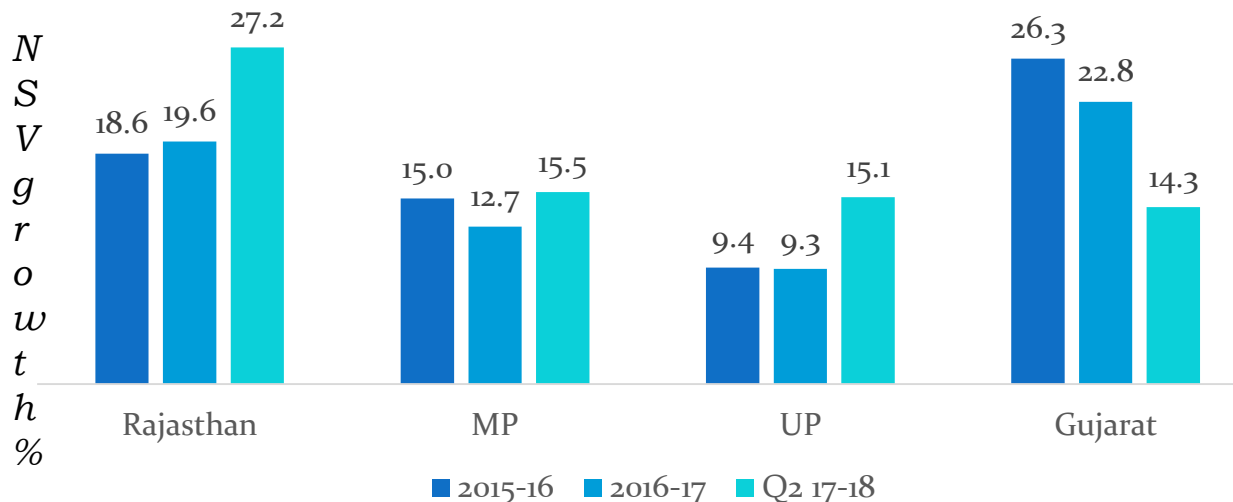
**Direct Reach – 2.3X in last three years**



**Rural continues to grow in double digit**



**Weak states continue to grow faster..**



**Share Gain by 170bps**

## Cost leadership

*Efficiency improvement –  
Distance to market 33%  
reduction*

*Wastage reduction  
Market returns – 30%  
Write offs – 80%  
Trade loads - ~30%  
(Reduction)*

*Cost efficiency program  
60% higher than PY*



*Now is the time to take the leap forward on “strategic initiatives”*

## *Key strategic initiatives*

*Create Business  
units*

*Enter 1 new  
geography every  
year*

*Enter new  
product  
categories to  
become a “Total  
Foods Company”*

*People being at the core*



*We firmly believe*  
**“You don’t build a Business  
You build people  
And then People build the  
business”**

**As businesses expand & we enter new categories, it is critical to have *Separate & Focused Business units or Profit centers***

People  
Agenda

Strategic  
initiative

Head

1

Britannia for  
Britannians

New category -  
Croissant  
New Geography -  
Nepal

Vinay  
Subramanyam  
Anil Sharma

2

Talent from  
Outside

Focus on adjacent  
categories Bread,  
Cake, Rusk &  
Adjacency

Jayant Kapre

(Illustrative examples)

# Our simple dream of being a “Total Foods Company” is Powerful

## Croissant



## Dairy



## Macro Snacks

**Cake & Rusk Innovation  
through new formats  
Cheese formats.**

## Drinkables





# *We are also investing in capacities for the future*

*Ranjangaon, Maharashtra  
Integrated Food Park Q1'18  
(Also a milk belt and ideal location  
for Dairy)*

*Guwahati, Assam  
To service local region  
Q1'18*



# Investing in capacities for International Business

*Mundra, Gujarat  
To service International markets  
Q1'18*



*Nepal  
Local operation – Q4'18*





## Q2 17-18 Results



*Delivered high single digit (8%\*)  
value growth in Q2 on a  
standalone basis.*

*Comparable*

## Adjacent businesses performance..



**Bread:** Growths are in double digits and with improved profitability.



**International:** Positive Growths in Q2, however continues to be impacted by deteriorating geopolitical situation and currency fluctuations in geographies like Middle East and Africa

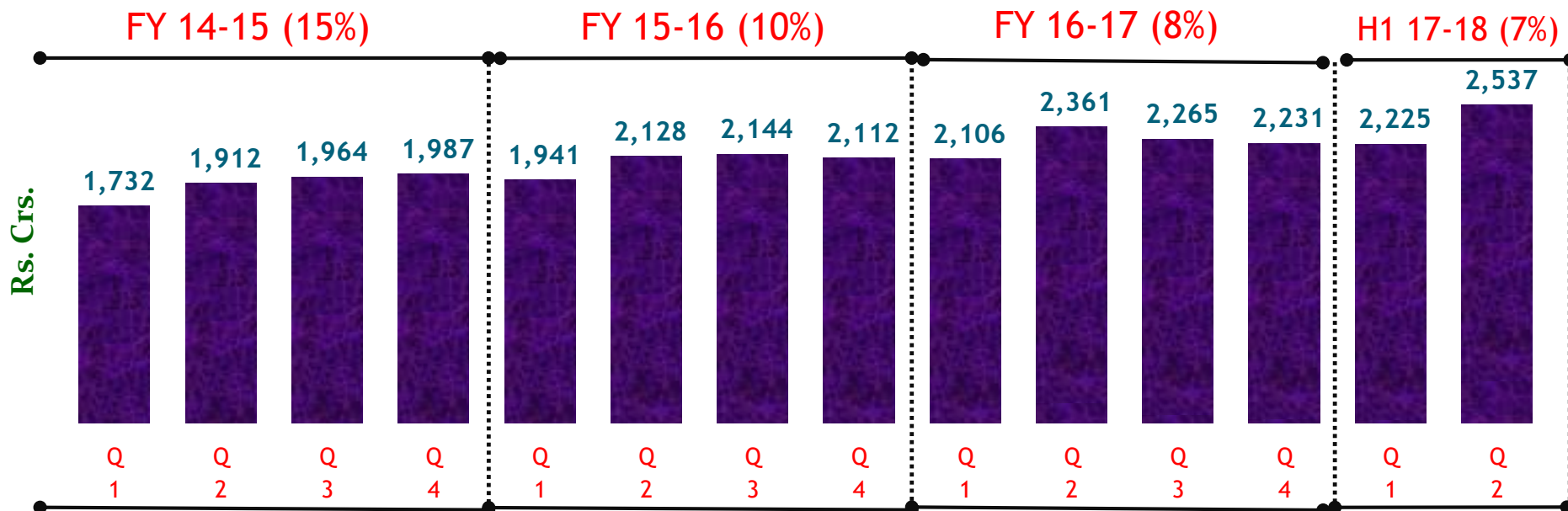


**Dairy:** Our focus is on driving products with high profitability (double digit growth) and reduce less profitable portfolio.

# Resulting in a consolidated growth of.. 7.4% in Q2



Consolidated NSV as per Statutory results\*



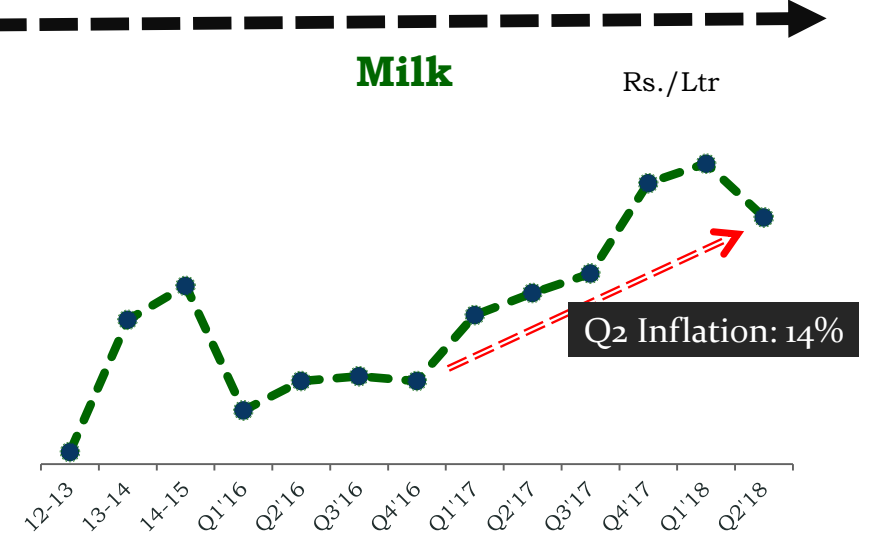
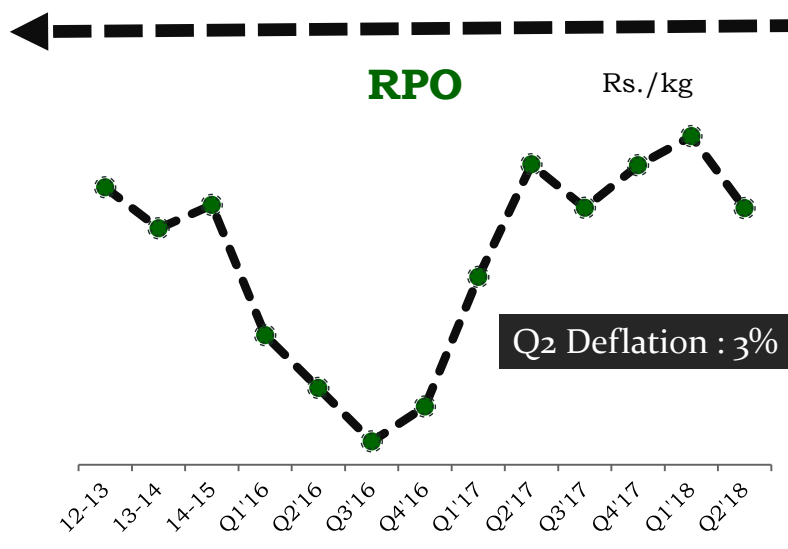
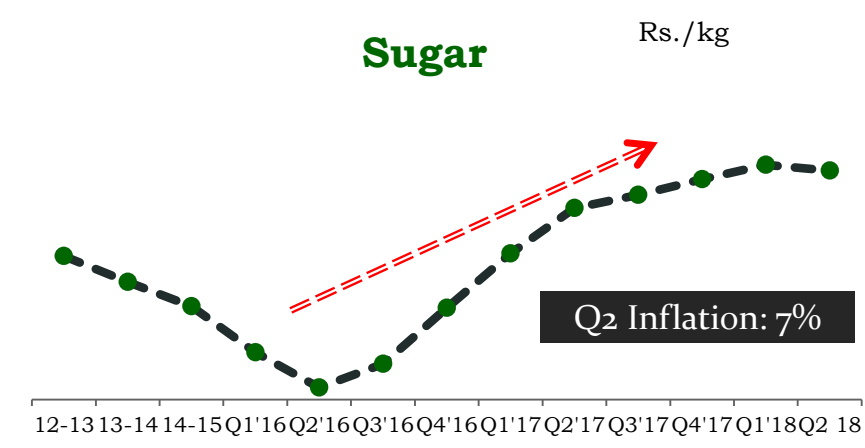
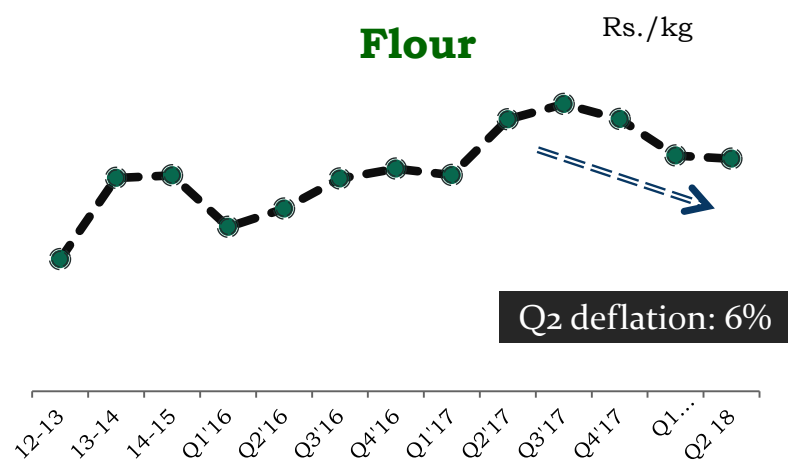
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Growth%	12%	11%	9%	6%	9%	11%	6%	6%	6%	7%
24 month growth%	30%	26%	25%	22%	22%	23%	15%	12%	15%	19%

Note: Numbers from PYs have been restated for IND AS and tax adjustments to make it comparable



*In the meantime, inflation in  
**commodities** is stable.*

# Except Sugar & Milk prices other commodity prices are stable. Overall inflation in Q2 – 1%



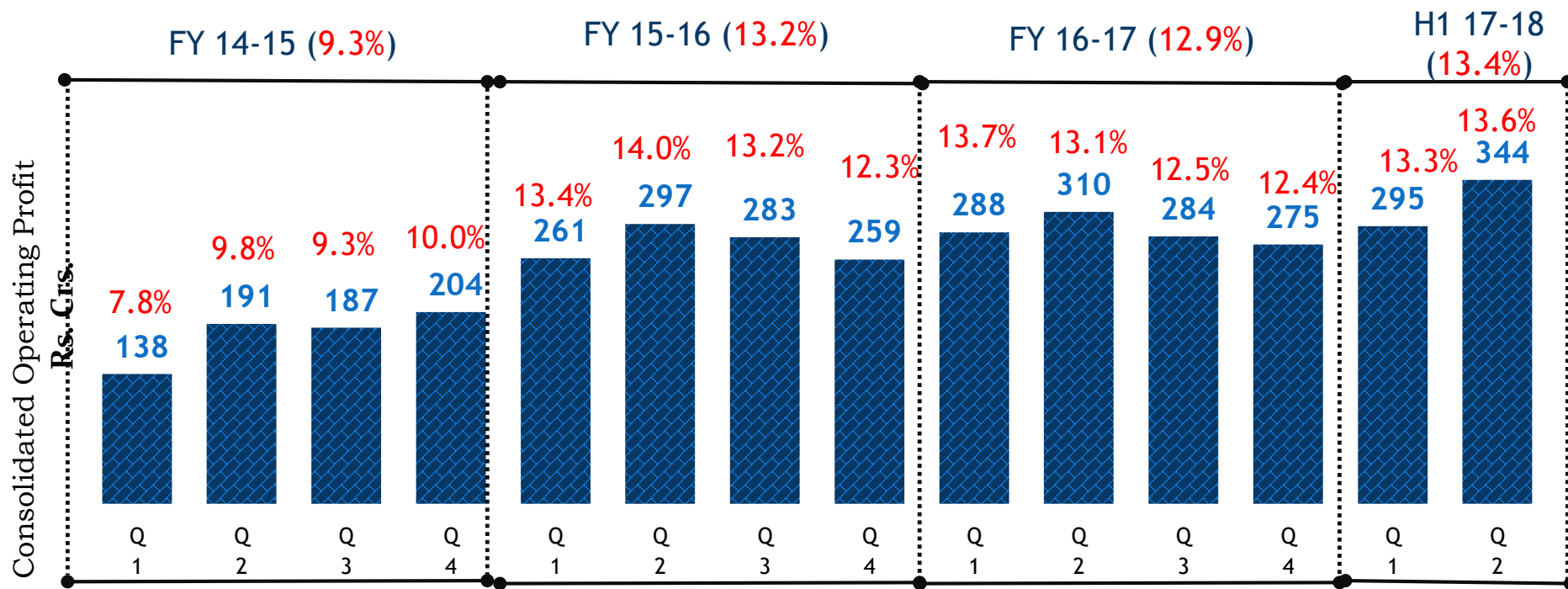




***Our bottom line performance has been consistent due to:-***

- ❖ *accelerated cost efficiency program*
- ❖ *leveraged fixed costs*

# As a result, we were able to improve profitability



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Growth%	17%	37%	35%	38%	89%	56%	51%	27%	11%	4%	0%	6%	3%	11%
24 months growth%	119%	158%	121%	62%	121%	113%	104%	76%	109%	62%	52%	35%	13%	16%

Note: Operating Profit % have been restated from 15-16 onwards to make the nos comparable

THE BRITANNIA PROMISE



# *Financials*

# Key Financial Lines - Consolidated



Rs. Crs.

Particulars (Consolidated)	Q2'17-18	Growth %
Net Sales	2,537	7%
Profit from Operations	344	11%
Profit Before Tax	394	13%
Profit After Tax	261	12%

Particulars (Consolidated)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	H1'17-18
Profit from Operations%	4.6%	5.7%	8.0%	9.3%	13.2%	12.9%	13.4%
Profit before Tax%	4.9%	5.8%	8.3%	12.2%	14.7%	14.5%	15.2%
Profit after Tax%	3.7%	4.2%	5.8%	8.9%	9.9%	9.9%	10.0%

Note: Profit% have been restated from 15-16 onwards to make the nos comparable



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