

Date: 11th May, 2026

To,
The Corporate Relations Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001
Scrip Code: 500825

The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
Symbol: BRITANNIA

Dear Sir/Madam,

Sub : Transcript of the Investors/Analysts Conference Call (Group Meet) for the quarter and financial year ended 31st March, 2026

Ref : Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations, 2015')

With reference to the subject cited above and pursuant to Regulation 30 read with Clause 15 of Para A of Part A of Schedule III of the SEBI Listing Regulations, 2015, please find enclosed the Transcript of Investors/Analysts Conference Call held on 8th May, 2026, pertaining to the financial results and operations of the Company for the quarter and financial year ended 31st March, 2026.

The Transcript along with the Presentation and Audio Recording are also made available on the Website of the Company at www.britannia.co.in/investors/financial-performance/analyst-call.

Request you to please take the above information on record.

Thanking you,
Yours faithfully,
For Britannia Industries Limited

Sona Rajora
Company Secretary & Compliance Officer
ICSI Membership No.: A35468
Encl.: As above



“Britannia Industries Limited
Q4 FY '26 Earnings Conference Call”

May 08, 2026



MANAGEMENT: MR. RAKSHIT HARGAVE – CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR – BRITANNIA INDUSTRIES LIMITED
MR. N. VENKATARAMAN – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER – BRITANNIA INDUSTRIES LIMITED
MR. VIPIN KATARIA – CHIEF COMMERCIAL OFFICER, SALES AND REPLENISHMENT -- BRITANNIA INDUSTRIES LIMITED
MR. PUNEET DAS – CHIEF MARKETING OFFICER – BRITANNIA INDUSTRIES LIMITED
MR. SIDDHARTH GUPTA – VICE PRESIDENT, MARKETING – BRITANNIA INDUSTRIES LIMITED
MR. RAMAMURTHY JAYARAMAN – VICE PRESIDENT, CORPORATE FINANCE – BRITANNIA INDUSTRIES LIMITED
MR. AYUSH AGARWAL – INVESTOR RELATIONS – BRITANNIA INDUSTRIES LIMITED



Moderator: Ladies and gentlemen, good day, and welcome to the Britannia Industries Limited Q4 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Ayush Agarwal, Investor Relations, Britannia Industries Limited. Thank you, and over to you, Mr. Agarwal.

Ayush Agarwal: Good morning, everyone. This is Ayush from the Investor Relations team. I welcome you all to the Britannia earnings call to discuss the financial results of Quarter 4 for financial year 2025/26. Joining us today on this earnings call is our Managing Director and CEO, Mr. Rakshit Hargave; Executive Director and CFO, Mr. N. Venkataraman; Chief Commercial Officer, Sales and Replenishment, Mr. Vipin Kataria; Chief Marketing Officer, Mr. Puneet Das; Vice President, Marketing, Mr. Siddharth Gupta; and Vice President, Corporate Finance; Mr. Ramamurthy Jayaraman.

The analyst deck is uploaded on our website. Before I pass it on to Mr. Rakshit Hargave, I would like to draw your attention to the Safe Harbor statement in the presentation. Over to Mr. Hargave with remarks on the performance.

Rakshit Hargave: So good morning, everybody. So, we will now go through the deck which we have shared with you, and obviously, this has the details for Q4. And now also, because this is the end of the year, you will also see the perspective for the full year.

So let me begin with the business overview. If you take a look at the performance scorecard, for fourth quarter 25-26 - if you take a look at the revenue line, you will see that we had, in the last quarter, INR 4,686 crores; On a 12-month basis, this was a growth of 7.1% and on a 2-year rolling basis, it adds up to 16.7%. If you take a look at the PAT line, quarter 4 by itself was 14.5% of revenue. The 12-month growth is 21% and the 24-month growth is 26%.

If we go to the same scorecard but instead of only Q4, if we take a look at the full financial year 25-26, you will see that for the year, at the revenue level, we clocked INR 18,858 crores which, on a 12-month basis, was a 7.5% growth over the previous year and on a 2-year basis, was a 14% growth. If you take a look at PAT, you will see that for the year, at a PAT level, we were 13.4% of revenue. On a 12-month basis, this was a 16.3% growth, and on a 24-month basis, this was an 18.4% growth.

We will quickly take you through the commodity price trend. So, you will see that flour has been on a bit of a receding trend. So, we know that the wheat output has been good. So Q4 saw a dip. In the last 1 month, we see an upswing in the flour prices because of unseasonal rains, high heat and some quality issues in the arrivals. But still, flour is a -- we see it as a positive trend for us.

If you take a look at refined palm oil, you see that in the last quarter, the prices have gone up. Obviously, this has also got a correlation to fuel. For us, we buy forward on palm oil so we are actually quite well covered for another 5 months. Sugar, more or less behaving like as it is.

Cocoa prices are down.

Laminate prices, while you see that they have come down towards the end of Q4, but from March onwards, laminate prices have actually gone up and they are still up in April. Again, this is because of the war impact in the Middle East, where granules prices have gone up. So we have to see how that comes out. But yes, at the moment, there is an inflation.

Milk prices are behaving as they do behave during this period. They are on an up. Usually, they start coming down during winter. We'll have to see how does that move ahead because there is expectation of El Nino and higher warming, and how does that impact milk will be interesting for us to see.

I would want to spend some time on the West Asia conflict. So, we have an international business, where a significant portion of manufacturing for those markets happens in Oman and Dubai. Our international business revenue and profitability was impacted during the last quarter, owing to vessel unavailability and slowdown in demand in those markets. We were unable to dispatch vessels, as you know, because the Strait of Hormuz was locked. Also at the same time, you know that there is significant increase in fuel costs and ocean freight rates.

If we see the impact of the West Asia conflict in the Indian market, so when the war started, we initially had concerns because there was an issue of LPG shortage, etcetera. But we have been able to manage the situation well. So there has been no material disruption to production operations at our Indian manufacturing facilities on account of these fuel supply constraints. So, we've been able to manage all manufacturing as it should be. We have also made other measures. We are anyway already working on alternate fuels and options.

So, the agility of the Britannia team came to the fore, and hence, actually, apart from the fuel cost inflation, which cannot be helped, actual manufacturing has been quite steady. We obviously will need to take some mitigation measures for this, and we have initiated the mitigating measures. So, there will be calibrated price increases starting from this quarter. We are also optimizing our sourcing between India and international manufacturing facilities for key geographies to mitigate supply-related challenges, expected to be fully operational by mid-May.

So, like you know, we have an export-oriented unit in Mundra. Now in the last few months, because of tariffs, we had moved all the manufacturing for North America to Oman. But we have been able to move all that manufacturing gradually back to Mundra so that we will now be able to dispatch towards North America. Because if we were manufacturing in Oman, we would not be able to do that. So that agility has helped us.

Obviously, it goes without saying that the cost optimization measures and efficiency initiatives which Britannia has done extremely well in the past, that continues, and that has taken a new leaf because of the challenges in front of us in terms of inflation. So, the company is totally committed to continue on those CEP measures to be able to deliver what it promises.

Let me focus on the strategic priorities as we had announced. So we continue to drive efficiencies in our sales and distribution and supply chain channels. We have very efficient networks on

these, and we will keep driving them to higher levels. Our brand experiences and its investments, as you would see, will be much more stronger. I think investing more on brands and creating more experiential strategies is a way that we want to go, and that is going to reflect in what you are going to see.

Also, innovation, adjacencies and future platforms. There is intense work happening to be able to create a portfolio also for the future. We are also, like I said in the last call, realigning the way we work in creating a team for Many Indias. So the agility of the teams, the start-up culture, their ability to take quicker calls, customization for Regional Indias is a very big project, which has been kicked on, and you will see the output of that coming in the next few quarters. And obviously, doing all this in a sustainable manner is something that we have done and we will continue.

I would want to share something on our e-commerce business, which is actually growing exponentially. So, in the domestic business, the salience of e-commerce has moved to 6% of overall sales in 25-26 from 4% of overall sales in 24-25. Now you have to take a look at this 6% number with a different lens as you would imagine that, for us, nearly 60% to 65% of biscuits sell at the INR 5 and INR 10 price point, which don't really have any major salience in e-commerce. So, if you apply that filter, you will actually realize that our e-commerce contribution is upwards of 12%, which is best in class.

Also, if we look at the categories where we are firing on e-commerce, while biscuit continues to do well, the newer adjacency categories are growing in e-commerce at a rate which is 2.7x, hence fueling the fastest-growing channel through exclusive launches, premiumized offerings and customized D2C offerings will be the order of the day, and our investments on e-commerce will grow even further.

Vipin, Do you want to add something to this?

Vipin Kataria:

Thanks, Rakshit. Vipin Kataria this side. So Q-Com has been a bright spot. We've been talking about e-commerce for the last few quarters. And what we see is that we are building this momentum and acceleration for the last few quarters. So just to share a few more points. Almost 70% of our business today is coming from the quick commerce part of e-commerce and how we see this is further moving up to 85% because, as you know, Amazon is scaling up their quick com model as well as Flipkart.

Now the big upside of this is that there is a big change in the assortment. While on the marketplace or e-commerce platform, we were very heavy on staples, what's happening because of this change in q-com is that we are able to premiumize our assortment, and we are able to sell much more indulgent categories, and that's the impact which you see on the right-hand side, which is adjacency is growing almost 3x.

So going forward, what we are doing is we are collaborating with platforms. We are getting used to their playbook, and therefore, activating a lot of our brands through their playbook by close collaboration. So, I think going forward, this 6%, you will see moving up as well as the assortment towards premium as well as impulse will keep growing.



Rakshit Hargave:

Thank you, Vipin. So let me continue with the next slide, which talks about key brands and products on air. So, you would notice that in the last quarter, we have been on air with the variant of our 50-50 brand which is Cheeze Dipped, also a variant of Marie Gold, which is the Doodh Marie Gold, which was launched across select markets, and also Good Day Butter.

This was complemented along with multiple consumer engagement and brand activations, which cover Tiger Krunch, Treat, which is our wafer brand, also Croissant and Jim Jam. And as you would know, Croissant is a very exciting category, doing very well for us.

If you take a look at the adjacency business, if you take a look at the cake, Fudge It, this is really a Gen Z-focused brand. We have promoted it significantly during Valentine's, and we can see that there is significant growth in that and it becomes an impulse kind of confectionery kind of a purchase.

So, wafers continue growing healthy double digit. Cake & Rusk, high prevalence in e-commerce, driving growth at about 1.4x of biscuits. We have successfully scaled up our Brownie, also very well accepted by consumers. Dairy business, also double-digit growth and fueled by Ghee, which has done excellently for us in the last 1 year.

Also, our innovations have gained traction. So the Cheeze Dipped, the 50 50 Cheeze Dipped and a variant of that, the Caramel Dipped, which we launched which has been heavily advertised on TV also during the Indian Premier League, has already become the second biggest player in the sandwich cracker segment in 3 months of its launch and continues to grow month-on-month.

Also, we have what we call these our signature brands, Treat, Little Hearts and Jim Jam. They're actually outpacing the overall company growth by about 3x as we see, and we continue to see growth in the coming quarter also. And obviously to leverage this, the teams have innovation and variants planned to leverage this portfolio.

Like we talked about, winning in Many Indias, so what you see on the chart is a depiction of our internal regions, how we classify. And what we have done, we have made regional teams supported by marketing, supported by innovation, supported by research and development to really tackle these markets at a much more local level, and we should be able to see the output of that as we continue during the course of the year.

On ESG, Building a sustainable and profitable business has always been at the core of Britannia. So let me share the progress of KPIs on this over last year. So we've had 7% reduction in specific water consumption. We've had a 1% increase in women factory workforce.

I'm actually very happy to say that many of our factories are actually majority managed by women. The Britannia Nutrition Foundation have had a 67% increase in the number of beneficiaries, and this is a major cornerstone of our CSR program. Also, a 14% increase in renewable electricity share in our own plants.

Also like we said, the cost efficiency programs that we have implemented in the company, continue. So just to give you a scale of what we have been able to achieve in 25-26, you will see

that as compared to 2013-14, in about 12 years, we have increased the discipline of CEP, 10x. As compared to 2021, it has actually doubled.

So, there is obviously a lot of focus, and the focus areas comprises alternate fuels, large efficiencies on buying, working on renewable energy, wastage reduction, lot of optimization on logistics, and a lot of work on packaging and reengineering. And like we said, we are also evaluating alternate energy sources as long-term solutions to mitigate fuel supply-led disruptions so that, as in India, we become much more self-sufficient to be able to manage if any shocks like these come in the future.

If we take a look at the financial results, and I will take you through that. So let's take a look at the revenue trends. You will see that on a 12-month growth, we clocked 7% in the quarter. The quarter before was 9%, 4% and 10%. On a 24-month basis, it becomes 17%, 17%, 9%, 14%, if you go backwards. And you have the bar chart to show how we have progressed in absolute revenue over the last 4 years, and you can see that it is an incline moving towards the Northeast.

Similarly, if I take you through the consolidated results. You will see that in Q4, we were at INR 4,686 crores, which was a growth of 7.1% for Q4 last year. Operating profit of INR 768 crores, which was a 6% growth; PBT of INR 785 crores, which was a 4.4% growth; and PAT of INR 678 crores which was a 21.1% growth. Obviously, this 21.1% growth also comes as we have observed in the comments, because of some income tax case closures. Hence, we have had to release them.

If you take a look at profit from operations, if we go quarter by quarter wise for the year which has gone by. So you will see that we were at 16.4% in the current quarter, 18.3% before that, 18.3% before that and 14.9% in Q1. If you take a look at PBT, we see that our PBT margin has more or less remained at a good constant line. We were 16.8% this quarter, 18.8% in Q3; 18.6% in Q2; and 15.5% in Q1. And PAT, at 14.5% versus 13.9%, 13.8%, 11.5%. PAT, obviously, like we said, is also a function of the income tax case, which has been included here.

If we take a look at the full year on a consolidated basis. So we clocked sales of INR 18,858 crores, which was a growth of 7.5% over last year; operating profit of INR 3,208 crores, which was 11.6% growth over last year; PBT of INR 3,289 crores, which was a 12.4% growth; and PAT of INR 2,533 crores, which was a 16.3% growth over last year.

On other particulars, on a ratio basis, you will see that profit from operations this year was 17% compared to 16.4% the year before that and 17.3% the year before that. So, this is all in a positive trend. PBT at 17.4%, 16.7% last year and 17.6% the year before that. So, all this is at a very high level of performance. Similarly, PAT, this year, it's 13.4% against 12.4% and 12.9% of the year before that, hence, slightly on a higher side because of the reason that I told you earlier.

So, with this I think the presentation that we uploaded for you all is done, and we will be subsequently happy to take some questions.

Moderator:

The first question is from the line of Mihir Shah from Nomura.

Mihir Shah: So firstly, just wanted to understand on the West Asia issue. What has led to the stand-alone growth being lower at 6.5% versus the 12% growth that we had witnessed in November, December and 9% in Jan and Feb? If manufacturing was hit in Oman and the other region, then would that not be sitting in the consol sales numbers? So I wanted to understand what has led to the stand-alone sales number also being lower.

Rakshit Hargave: So thank you, Mihir. So like we said, we did not have manufacturing issues in West Asia. We manufactured but we were not able to dispatch. But I think your answer is on the stand-alone India business in terms of -- yes, so we have done a couple of things. To manage West Asia, like we said, we have moved our manufacturing to Mundra so that we don't have to manufacture ex-Oman because the sea routes that you have ex-Mundra are much more accessible to reach to various markets. So we have done that.

I assume your other question is on the domestic India business and in terms of what is the reason for the sales number that we have shown. So we had, like we said, a reasonable first 2 months in the quarter. The West Asia impact hit us in March. But if you take a look at an overall level, see, there is a certain challenge post the GST transition. And I would just like to highlight to you what happened.

You see, close to 60%, 65% of the biscuits that we sell are at INR 5 and INR 10. And the price transition on that, because of some dual pricing in the market, has caused some challenges in our rural channels and in our wholesale channels because of some dual pricing existing. So as a result of that, we have seen some kind of a transaction slowdown in those channels. But with the pricing getting normalized, we can see that during this quarter, they will get normalized, and hence, volumes in those channels will come back.

Vipin Kataria: Yes. So just to add to what Rakshit is saying, Vipin Kataria this side, So if we split up our business, 75% of our business is basically retailing or B2C and 25% is B2B or wholesale. Now our retailing business, which is basically urban as well as e-commerce, modern trade, out-of-home has done fairly well.

But we have a gatekeeper effect in the B2B or wholesale, which is impacted because of this entire GST transition and the dual pricing. And that's where we saw some pressure and that's normalized the growth a bit. But I think we stay at high single, close to double-digit growth in domestic, and the consumer confidence in the retail part of the business still remains very strong. Whereas the B2B or the wholesale part is where we have a bit of impact.

Rakshit Hargave: Yes. And this B2B and wholesale and rural part is anyway going to normalize, and it should get normalized in this quarter as we move on.

Mihir Shah: Understood. So Rakshit, the confidence of normalization is coming from the other competitor, which had not moved to the INR 5 and INR 10 packs. So, any confirmation if you can share with us?

Rakshit Hargave: Yes. So the market is moving. You see also what has happened is the West Asia conflict has introduced inflation, and hence, people are anyway moving to the INR 5 and INR 10 price point

and hence the market should stabilize. And like Vipin said, in the non INR 5 and INR 10 segment, we are growing in healthy double digits. So you see biscuits is a unique category. I'm sure that you're also looking at the results of other companies.

The INR 5 and INR 10 from a consumer point of view, from a price point doesn't really get impacted, and hence, that market behaves a bit differently and is also highly dependent on how the trade reacts and how the trade stocks you. But the rest of our portfolio is growing in healthy double digits, and we are very confident that in very short period of time, these channels will also come back to normalcy.

Mihir Shah: Understood. Sir, the high single, early double-digit growth that you indicated was not for March, right? It is for April, I would assume?

Rakshit Hargave: Yes, It was for the first 2 months. And then in March, because of our inability to supply from West Asia, that low growth of that market, actually the business from that part was actually negative for the whole quarter, pulled us down.

Mihir Shah: Got it. So, it seems like you've addressed both the issues or kind of almost there. Any indication of how April and May is shaping up, early days for May, but April has shaping up from that growth point of view?

Rakshit Hargave: So, I would not want to give details, but we are quite confident that by the end of the quarter, the market would quite likely stabilize on the domestic front. And like we said, on the West Asia front, we have anyway taken measures to ensure that the supply channels that we have now are not dependent on the Hormuz Strait. So, we are quite confident that we will do better this quarter.

Moderator: We have a long queue. Can I request to come back for a follow-up, please? Next question is from the line of Abneesh Roy from Nuvama Wealth.

Abneesh Roy: My first question is on the pricing bit. You did say that Parle and other local players will now soon vacate the INR 5 or INR 4.5 and INR 9. In fact, I see Parle still selling at INR 9 on Amazon and e-commerce as we speak. So maybe it is still work in progress. So specific question was what kind of pricing you will need? If local players are vacating INR 4.5, INR 9, you will also need the price hike or maybe grammage cuts.

If you could tell us what kind of grammage cuts or price hike is needed as of now? Have you taken some corrective actions already? Because most other FMCG companies have already taken 3% to 5% price hike as we speak. So, if you could give that clarity because in your case, wheat is deflationary and maybe cocoa, etcetera, are deflationary but lot of other things are inflationary. So, if you could give some sense for pricing.

Rakshit Hargave: Yes. So, like we said, wheat is a bit deflationary. But like we said, fuel is highly inflationary, laminate is highly inflationary. So let me answer both the parts of your question. So, we see that many of our other biscuit colleagues are moving towards to the full price points, and that is happening gradually as we see.

On the other part, yes, selectively, we will have to take price increases, and this includes both

grammage adjustment and some of the packs which are above INR 10, some kind of a price increase. So, both of them are factoring.

Abneesh Roy:

Understood. Second and last question will be on local players. Other FMCG categories are telling us because of GST rate being lower to, say, 5% in most cases, compliance has dramatically improved. So, if you could tell us in biscuit this was a key benefit. So, ex of whatever INR 4.5, INR 9 coinage issue is there, is there a compliance big improvement?

Second is you said you don't sell much of INR 5 and INR 10 on e-commerce. I do see Parle, I have personally also ordered, and right now also, Parle INR 9 is available on Amazon, quick commerce and some of the other e-commerce. So, are you a bit under-indexed on INR 5 and INR 10 on quick commerce? So, is that something you would want to change?

Rakshit Hargave:

Abneesh, no, no. What I need to say is compared to the other channels, the INR 5 and INR 10 sells lesser on e-commerce. Obviously, I don't think any of the channel partners will come back and say that Britannia did not supply or did not run programs on INR 5 and INR 10.

So, what I'm saying is the channel contribution of e-commerce towards these lower price points is much lesser. From a compliance point of view, I think the 5% GST rate will anyway help in compliance, and I don't see an issue there. So, the issue of compliance not improving or changing from the INR 18 to INR 5 price point is not a question for us.

Vipin Kataria:

So Abneesh, on the first point, Abneesh, see, we do not proactively push INR 5 and INR 10 on the e-commerce business because the natural disposition of a consumer is to buy premium and impulse, and that's where we have the entire game of upgrading the packs or upgrading the brand. So therefore, we do not actively promote INR 5 and INR 10.

The second point on that is that it also leads to a lot of channel conflict, right, And for us to thrive in this omnichannel world, it's very, very critical that we have different assortment being focused for different channels.

Abneesh Roy:

Just one clarification. That is my last question. When you say you don't push, what does it mean? For example, I can't see INR 5 and INR 10 on e-commerce based on whatever I have checked. So, you can correct me. Not pushing means no discounting. Is that what you mean? Because I don't see availability also?

Vipin Kataria:

Yes. So basically, it works on algo, right, so, I can't see what you can see on your phone, right, But basically, the algo would be based on incentives. And if there is a discount, right, you will see them right up on your screen. So, we do not actively promote them, and therefore, it is only through search mechanism, or if you have bought it previously, that it will be visible. Because there's no point actively promoting these packs. It's always better to put your money behind the premium packs.

Rakshit Hargave:

Yes. But if anybody wants to complete a basket and also wants to buy packs of INR 10 and INR 5 of Britannia, they will be available.

Moderator:

The next question is from the line of Kunal Vora from BNP Paribas.

Kunal Vora: Just to understand that dual pricing issue. Competition was selling pack for INR 4.5 and INR 9. So does it say -- retailers, I believe we're making higher margins on their packs versus your packs. So, is that the main cause and let's say, because of that, like you could have lost some market share in the interim?

And is it fair to say that now that, let's say, the prices have been reinstated at INR 5 and INR 10, let's say, that situation normalizes and the benefit of GST rate cut which are already visible in other categories, will be visible for you only in FY '27? Just to get an understanding of this issue right now.

Rakshit Hargave: Okay. So Kunal, you are asking two questions. So, you see, the benefit of GST rate cut will be more visible in packs which are of a higher pricing configuration because the consumer sees that, okay, something was INR 50 is now INR 44, or as it has happened in other companies and categories where you have INR 50, INR 70, INR 100, INR 150 packs where the difference is noticeable. On a INR 5 and INR 10 biscuit, it is not visible so perceptibly because usually what happens is that the consumer buys because it's selling at a particular price point, okay.

Now in your first question, in terms of some of the competition selling at INR 4.50 and INR 9 and some of the wholesalers wanting to give more preference, from a market share, let me point out that the price realization is also for those players, INR 4.50 and INR 9 versus INR 5 and INR 10.

So, from a value share point of view, if you look at that, I don't think it would make much of a difference. And our own workings on a value share say that the difference is not there. But yes, it could be from a transaction point of view some wholesalers and rural markets would probably want to stop that more because they see an opportunistic moment where they can make a higher margin.

Kunal Vora: Understood. And does it mean that, let's say, what was not visible in your case, which is benefits of GST rate cut in second half, could be visible in FY '27?, Like maybe if you can share your views on how FY '27 looks like in terms of both growth and margin.

Rakshit Hargave: See, in the medium to longer term, the GST rate cut is obviously going to benefit the industry, and Britannia being a leader is also going to benefit that maybe even more. We know that the brand strength that we have and the portfolio that we have across price points will have a positive impact because of this reduction in GST.

Now as far as the INR 5 and INR 10 price points that you talked about, with the pricing stabilization, we obviously expect that the channels where we may have felt a bit of pressure will come back to normalcy. And our team is very confident that during the course of the quarter, that movement has already begun and should stabilize.

We also know that the biscuit industry starts to have a sequential growth from June onwards when monsoon starts to hit and when children start going back to school. So, we expect those things to start rolling in along with this price of the dual pricing going away as a very positive for us.

Vipin Kataria: Yes. And I think the true parameter is this B2C business, which is 75% like I called out, which is growing at a very good -- healthy clip. So I think that gives us the confidence that as this GST transition and the dual pricing is fading out, even this B2B of 25% of our business will start moving up.

Moderator: Next question is from the line of Avi Mehta from Macquarie Capital.

Avi Mehta: Given this kind of clarification that the fuel pricing is likely transitional and the fact that price hikes are also kind of being taken not just by the industry but by you, could you share your thoughts on whether you expect FY '27 to result in a stronger sales growth than what we saw in FY '26 because of the pricing component? Or basically just trying to appreciate or understand the domestic demand environment.

Rakshit Hargave: So, you see, if we take a look at the domestic demand environment, we also have to see how does the year move ahead as far as conditions which are not in our control. So say, for example, whether it is monsoon or whether it is the coming off seasons, they will go on as they are.

We are very confident that our portfolio, the strategy that we have in terms of creating demand, the higher advertising spend and the marketing investments that we are doing in the retail trade, along with the strategic levers that I showed you of our strategy on premiumization, on future platforms, on the Many Indias that we have created, we are quite confident that we will be able to generate demand and have a good year. But obviously, we have to execute that as the year goes on. But the team is extremely confident that we will be able to manage the demand environment and come out on top.

Avi Mehta: If I may probe you a little bit more here, but when you say a good growth, basically, what I'm trying to understand is the pricing something that you believe will have a higher impact, price elasticity or your belief on how it would pan out is what I was trying to garner. That was the key bit, and that's where the question comes from. Not from a numbers perspective, but just your thoughts on how you see pricing elasticity kind of panning out and, in turn, kind of flowing through growth rates for the industry and for us?

Rakshit Hargave: So, say, for example, if the players are having to take a price increase, there has already been a price drop which has happened because of GST. So, I think you are coming back to a situation which is somewhat equal to what was there maybe 6 to 7 months back. And the demand situation at that time was quite good.

So, I don't think that pricing either a bit upwards or either a bit downwards is going to have any major impact from an elasticity point of view. This category is vibrant. There is a lot of action. And we are confident that even with the small increase in price, which is being necessitated because of the conditions, the demand situation will remain fairly strong.

Avi Mehta: Got it, got it. And just a bookkeeping. What is the volume growth that we saw in the last quarter, 4Q? That's all from me.

Rakshit Hargave: So we had a volume growth of close to 5.5% upwards.

Moderator: Next question is from the line of Siddhesh Deshmukh from IIFL Capital.

Percy Panthaki: This is Percy Panthaki here. I just wanted to again talk about the top line and the demand. So, two sub-questions in that. One is, you mentioned that the dual pricing, especially in wholesale, et cetera, has been the problem area. Would you be able to give us some kind of rough idea, had that problem not been there, how much -- I mean, how much has that problem dampened the sales growth by? Is it like 200 bps, 500 bps, 700 bps? What's the order of magnitude of that? That's first part of the question.

And the second part of the question is that the large food companies that have reported, the other snacking categories like chocolates and noodles, they have sort of shown close to about 30% kind of sales growth in that. So, is it that the consumer behavior is shifting and the type of snacks that they want to sort of consume, there is a little bit of shift in the market share of snacking activity between different categories?

Because even if I assume that the biscuit category overall has grown a little faster than you have, it would still not be close to that 25%, 30% kind of mark that these other brands are growing at.

Rakshit Hargave: Okay. So Percy, thank you. So you basically have two questions. So obviously, if we take a look at the wholesale and the rural channels where this dual pricing has had an impact, so obviously, it would have impacted our sales. Now it is hypothetical for us to say whether it's impacted by 200 or 300 or 400 basis points. But yes, it did have an impact.

Now we also see transactions, and we can see that there has been an impact on transactions. What we are very confident is that with this price stabilizing, that 200, 300, 400, whatever you're saying, is the real number will come back to us.

Percy Panthaki: Maybe, Rakshit, if you can call out what is the kind of growth. Apart from this affected portfolio, what is the growth in the rest of the portfolio, that also could give us some idea of what the growth is tracking at.

Rakshit Hargave: The rest of the portfolio which is not impacted, for example, if I take at rest of general trade, if I take a look at key accounts where I'm growing in healthy double digits, okay, If I take a look at modern trade, I'm growing even stronger.

Vipin Kataria: E-commerce is...

Rakshit Hargave: Upwards of 50%. Modern trade is upwards of 15%, 16%. So where the consumer is interacting directly, as they used to interact directly also in these channels before GST, our growths are very healthy, which is why we are very confident that this is just a temporary blip. Now for me to put a number of 2%, 3%, 4% will be a bit challenging, but whatever is the loss or shortfall, will get recovered.

On your second question, see, I don't think snacking consumption shifts happen so dramatically that chocolates will start growing at 30% and biscuits will slow down. Obviously, what has happened is that the price elasticity of sales for these categories, they have benefited more from the GST reduction. So, if GST reduction is showing a noticeable drop in price because many of



these categories are independent of the INR 5 conundrum, obviously, growth will go up. We can also see for ourselves where we have packs which are still at higher price point, where some price drops have happened are showing a higher transaction value and a higher traction.

So, I don't think that the consumption shift over 1 quarter is anything to be read. I think it's a function that the true benefit of GST as it was supposed to be is reflecting on those categories earlier and much faster. But I don't think it has got to do anything with a biscuit category versus a different snacking category or a chocolate category.

Percy Panthaki: Got it. May I be permitted to squeeze in one more question?

Rakshit Hargave: Well, from our side, you're welcome. Up to the moderator.

Percy Panthaki: Just a quick one. The other expenses growth of 18% on a top line growth of only 7%, what is driving that?

Rakshit Hargave: So like we said, we are gradually also upping the investment in brand and advertising. So one of the reasons for that is that we have upped our advertising expenses from last quarter, and we will be investing more vigorously in our brands.

Moderator: The next question is from the line of Anand Shah from Axis Capital.

Anand Shah: Just a couple of questions. So firstly, on the dual pricing and the Jan, Feb, March growth split. So, this dual pricing did not have any impact in Jan, Feb and it particularly only impacted March. And also, I mean, if you remove the West Asia impact completely on the international business, then would Jan, Feb, March, the core India business that would be steady or that was just throughout the months dragged by this...

Rakshit Hargave: No, Anand, I think -- there's an echo.

Moderator: Sir, I'm sorry to interrupt. Anand, can you mute your line, please?

Rakshit Hargave: No, Anand, I think you misread what we said. The impact of the dual pricing has existed through January, February and March. In March, we have to add the specific challenge coming from West Asia. So that's how we read it.

Anand Shah: So, if I then split it, so then just purely, if I remove West Asia, then normalized growth would be 9%, 9% for Jan, Feb, March, let's say, for example, I mean, it will be more smooth curve.

Rakshit Hargave: Yes, yes, and that would be the impact of dual pricing. So like in the earlier question asked by Percy, if hypothetically, there is an impact of that dual pricing, then if you add that, then that becomes a real growth.

Anand Shah: Okay. Perfect. This clarifies a lot. And just lastly, on the RM inflation you are seeing and the price hikes you've already taken, if you can just give a color on that.

Rakshit Hargave: I didn't hear you. On RM inflation. So like we said -- can you repeat your question?

- Anand Shah:** I was just asking on a broad basis, you give color on the overall RM, but as an index level, what kind of inflation you are seeing and what hikes you have already taken?
- Rakshit Hargave:** So like we said -- wheat is a positive for us, although like I said, in the last 1 month because of rains and some poor quality of wheat arrivals, the price has gone up. But about 1 month back, so it was good. But it is going upwards. So wheat is going upwards. Palm oil is also higher, although we are covered, but we know that palm oil has a connection with fuel prices. Sugar is more or less normal. We told you -- you're talking about raw materials so these are the three most important raw materials.
- N Venkataraman:** Fuel..
- Rakshit Hargave:** Fuel, of course. Fuel is a challenge for everybody. So, we use LPG, we use CNG, and the inflation on that is openly available in the market, which is also what we are having to pay.
- Moderator:** Kindly come back for a follow-up question. Next question is from the line of Arnab Mitra from Goldman Sachs.
- Arnab Mitra:** My first question was actually on the GST impact on price point packs. So Rakshit, what we have seen in many other food categories is because of the mathematics of INR 5 and INR 10 pack when the GST goes down, your net realization per pack obviously goes up as a company, of course, assuming transactions are same.
- So, in my understanding, in noodles, chocolates kind of categories, there has been a significant uplift in value growth because of that. Should the same logic not play out in biscuits also whilst the price issue is over? Or do you think biscuits are already different, and therefore, if you give higher grammage, the transactions can actually drop in terms of the number of packs?
- Rakshit Hargave:** No. So, I think biscuits is also a bit impulsive and is also a bit planned purchase. So, if you are giving a bit more biscuit or a bit less biscuit, I don't think from a consumer transaction point of view, it has a bigger impact because it's a part of routine shopping basket, people keep buying it regularly. So, for our biscuit category, the GST change, I think, is very silent unless there is a dramatic shift where you have to reduce the grammage so much or something which becomes noticeable to the consumer, which is not the case here.
- Arnab Mitra:** Got it. So, my question actually was should you then not see a significant increase in value growth once the transition has happened? Because as a company, you would realize a lot higher on a per pack basis given the lower GST. And therefore, should we not see a much faster acceleration in growth as things stabilize? I'm not saying going back to normative levels, but should it not be significantly above normative levels given this dynamic?
- Rakshit Hargave:** So, you see, we are also positive that we will have a good realization. But because of the issues in the market in the last 4 or 5 months, we have not been able to see in what way this trend will move. But if it happens like that, we are happy that you brought it to the fore.
- Arnab Mitra:** Got it. And my second and last question was on margins. So, given the cost pressures and also your initiatives on innovation and the strategy, is there any implication for EBITDA margins for

FY '27? Could you have some impact as you invest in these and also face cost pressure? Or do you think you have enough cost-saving efforts to mitigate these investments?

Rakshit Hargave:

So, Britannia has a history of being very tight in its operations and very strong cost-effective program measures, which obviously have been put into fore. And obviously, when we spend, we will also be selective and try and put our marketing mix model in such a manner that while we invest more, we invest where our returns are better.

I think there are some learnings that we have from the past, and we will apply that. So, while, yes, the operating environment is tough, the fuel inflation, the laminate inflation is there for us. But the team is confident that within a certain band, we'll be able to manage it.

Moderator:

Next question is from Nihal Jham from HSBC.

Nihal Jham:

A couple of questions. The first is a clarification that when you've mentioned ex of West Asia, is it that both the domestic operations was 9% or...

Moderator:

Nihal, sorry to interrupt. Your voice is breaking. Can you come in a better reception area, please?

Nihal Jham:

Is it better now?

Moderator:

Slightly.

Nihal Jham:

Rakshit, my first question was a clarification that could you clarify that when you mentioned the 9% number, was that the growth for the domestic operations for the Q4 quarter and the impact on the consol growth of 3% was because of the international impact of West Asia?

Rakshit Hargave:

So, like we said, the domestic business was growing at more or less close to 9%, 9.5%, which we have said. And the small pressure that we had in the month of March was only because of West Asia. And going back to the questions to previous back, to this domestic growth of 9%, 9.5%, you have to add whatever basis points we have lost potentially because of this dual pricing in these particular channels. I hope that answers your question.

Nihal Jham:

That does. The second was that, obviously, in your presentation, you were reflecting the cost based on the current inventory that you're holding. Just to understand, based on the current inflation because, obviously, the spot prices are much higher than what raw material may be holding, what will be the ballpark inflation that we are facing right now?

Rakshit Hargave:

So you see, in terms of palm oil, we are covered for the next 5 months. And I think we have a favorable rate against the market. Also on wheat, we are one of the most proactive and aggressive buyers and we have a good reading of the market. So also on wheat point of view, the inventory that we have right now for the next, I believe we are now already covered for about 5.5, 6 months is also at a price which is attractive even if you had the carrying in the inventory cost. So the inventory that we are holding right now is a favorable one.

Moderator:

Next question is from the line of Vivek Maheshwari from Jefferies India.

- Vivek Maheshwari:** Two questions. My first question is again on the volume growth bit. So Rakshit, this volume growth number, 5.5%, is in terms of grammage, right? In terms of total grams or whatever kgs, tons?
- Rakshit Hargave:** Yes.
- Vivek Maheshwari:** So, if you look at price point packs, 65% and the fact that GST rate was cut quite a bit, that itself would have given like more like 7.5%, 8%. So in terms of number of packs basically, there would be a reasonable decline in this quarter. Is that fair?
- Rakshit Hargave:** So, like we said, a lot of the INR 5 and INR 10 packs sell in the wholesale and rural channels and we can see a result of stress in number of transactions. So your observation obviously is correct, which we are very confident will get corrected as we go ahead in the next few months.
- Vivek Maheshwari:** Okay. And is there anything on the competition side, Rakshit? Because there was an interview in the media from number 2 player, which had double-digit volume growth and all. Do you see -- I mean, if you have -- so two parts, one is, on the competition side, what are you seeing? And second, difficult choice, but if you have to make between let's say, growth margins for you versus market share, how will you design your strategy from the next few months perspective, if there is something like that?
- Rakshit Hargave:** So, you see if the number 2 player has said that they are experiencing double-digit growth, then obviously, it could be that they have had a certain volume advantage in these particular channels, which could have happened.
- Vipin Kataria:** Our understanding is that the 25% for us is as close as 40% for them. So they would have got the advantage, yes.
- Rakshit Hargave:** And secondly, choice between market share and margin. I think we have to keep going stronger on market share, but like we said that we are also adept at managing margins. So it is a careful orchestra which we will play very nicely. It is all I can tell you.
- We don't want to compromise on what we have.
- So, we will be much more smarter in our allocation funds, marketing where it makes an impact. So, there's a lot of work happening. And we have growth ambitions, but we will also be able to manage the margin profile.
- Moderator:** Next question is from the line of Tejash Shah from Avendus Spark.
- Tejash Shah:** Rakshit, on the strategic pillars that you have called out, and you partly answered the question, but the hallmark of Britannia for the last 10-plus years was relentless focus on cost efficiency. And then that consequence was margin expansion. So, the sense that I got from your commentary so far is that we have reached a scale where we need to reinvest in brands and operations. So, should we say that the band that we are currently is a very comfortable band, and from here on, the nonlinearity that we saw past decade wouldn't be at least in the near future?

- Rakshit Hargave:** So, let me answer the question in this way. The relentless focus on cost and efficiency is now ingrained in the DNA. And even this year, we have a very aggressive plan to do that. But we also realize that we have to create new pillars for growth, and this includes, again, investing in our brands, premiumization, creating new verticals for growth, readdressing India in the way we want to address as Many Indias. So, all that will get added to the fact that we will be very sharp on our cost and the efficiency program.
- So it's not -- but yes, like we said, as we move ahead, you will need to see new growth vectors for us as we also want to move is a more complete foods company.
- Tejash Shah:** Okay. And then just the extension of the point that you made, and that's a part of the strategic pillar also, that innovation adjacency and future platforms. So should we interpret that Britannia will be adding more platforms? Or we believe that because this ambition has been there for a while but scalability has not come through, so all the adjacencies that you need are already on the table? Or you'll add more platforms in terms of expansion?
- Rakshit Hargave:** So, we will be adding more platforms, and you will hear about that because I think we have to broad base ourselves and there are new opportunities, and I think we need to address those new opportunities in the way that Britannia would want to address them. So, you would hear about them in the future.
- Vipin Kataria:** Plus, I think we also spoke about some of the signature brands that we have. And those are certainly underleveraged, and that's what we will also need to amplify along with the new platform.
- Tejash Shah:** And do you believe that this can be done organically? Or like many of your peers, you will also go inorganic way to bridge the gap?
- Rakshit Hargave:** Can you come again on that? Inorganic play is a part. See, we have not been -- we have not done that, but there is active scanning and there is a very serious intent. But like we said, what we want to acquire has to tick a few boxes for us. Number one, it has to help us do something new. It has to help address a consumer need which we are not addressing or it has to get us some skill or technology or capability which we don't have. Where it ticks some of these boxes, we will be ready. And like we said, we also have created a new platform on health. So that also would be an active consideration as we will expand this in the coming months.
- Moderator:** Ladies and gentlemen, with this, I now hand the conference over to Ayush Agarwal for closing comments.
- Ayush Agarwal:** Thank you, everyone, for spending time with us on the call today. We look forward to interacting with you again in the future. Thank you, and have a good day.
- Rakshit Hargave:** Thank you.
- Vipin Kataria:** Thank you.
- Moderator:** Thank you very much. On behalf of Britannia Industries Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.