



IPO Note – Mrs. Bectors Food Specialities Limited

14-December-2020

Mrs. Bectors Food Specialities Ltd

Issue Snapshot:

Issue Open: Dec 15 – Dec 17, 2020

Price Band: Rs. 286 –288 (Discount of Rs 15 for the eligible employees)

*Issue Size: 18,768,750 eq shares
(Fresh Issue of 1,407,639eq sh + Offer for sale of 17,361,111 eq sh)

Issue Size: Rs. 536.8 – 540.5 cr

Reservation for:

QIB	Upto	50% eq sh
Non Institutional	atleast	15% eq sh
Retail	atleast	35% eq sh

Face Value: Rs 10

Book value: Rs 62.47 (September 30, 2020)

Bid size: - 50 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity:	Rs. 57.34 cr
Post issue Equity:	Rs. 58.75 cr

Listing: BSE & NSE

Book Running Lead Manager: SBI Capital Markets Ltd. ICICI Securities Ltd, IIFL Securities Ltd

Registrar to issue: Link Intime India Private Limited

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	52.4	51.1
Public & Employee	47.6	48.9
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: RHP

Background & Operations:

Mrs. Bector Food Specialities Ltd (BFSL) is one of the leading companies in the premium and mid-premium biscuits segment and the premium bakery segment in North India. It manufactures and market a range of its biscuits such as cookies, creams, crackers, digestives and glucose under flagship brand 'Mrs. Bector's Cremica'. It also manufacture and market bakery products in savoury and sweet categories which include breads, buns, pizza bases and cakes under brand 'English Oven'. It supply its products to retail consumers in 26 states within India, as well as to reputed institutional customers with pan-India presence and to 64 countries across six continents during the Financial Year ended March 31, 2020. 'Mrs. Bector's Cremica' is one of the leading biscuit brands in the premium and mid-premium segment in Punjab, Himachal Pradesh, Jammu and Kashmir and Ladakh and 'English Oven' is the one of the largest selling brand in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. BFSL is the largest supplier of buns in India to reputed QSR chains such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, and Yum! Restaurants (India) Private Limited

All the products of BFSL are manufactured in-house at its six manufacturing facilities located in Phillaur and Rajpura (Punjab), Tahlial (Himachal Pradesh), Greater Noida (Uttar Pradesh), Khopoli (Maharashtra) and Bengaluru (Karnataka), which enables to have an effective control over the manufacturing process and to ensure consistent quality of its products. All manufacturing facilities are strategically located in proximity to target markets, which minimises freight and logistics related time and expenses. It has a strong distribution network in India and globally in the general trade and the modern trade segment. During the period April 1, 2020 to September 30, 2020, it distributed its biscuits across 23 states in India, through widespread network of 196 super-stockists and 748 distributors supplying to wide range of customers through 458,000 retail outlets and 4,422 preferred outlets. It is also one of the largest suppliers of biscuits to Canteen Stores Department of Government of India ("CSD") supplying in 33 locations across India and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India

BFSL also has a strong distribution network for its bakery products sold under brand 'English Oven' supplied to its customers, for the period between April 1, 2020 to September 30, 2020 through 191 distributors and over 14,000 retail outlets situated in Delhi NCR, Mumbai, Pune and Bengaluru under modern trade and general trade channels, direct sales to supermarkets, departmental stores or indirect sales through wholesalers and distributors. It is one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables the company to distribute its bakery products across India.

Objects of Issue:

The Offer comprises of a Fresh Issue and an Offer for Sale.

Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell up to such number of Equity Shares held by them aggregating up to Rs 5,000.00 million. BFSL will not receive any proceeds from the Offer for Sale.

The Fresh Issue

The proceeds of the Fresh Issue ("Proceeds") are proposed to be utilised for financing the project cost towards expansion of the Rajpura Manufacturing Facility by establishing a new production line for biscuits ("Rajpura Expansion Project"). In addition, it expects to achieve the benefit of listing of Equity Shares on the Stock Exchanges.

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Competitive Strengths

Leading brands in biscuits and bakery businesses in North India with an ability to establish brands: BFSL is one of the leading companies in the premium and mid-premium biscuits segment in North India and sell its products under flagship brand 'Mrs. Bector's Cremica.' It is among the top two Indian biscuit manufacturers in the premium and mid-premium biscuits segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir. In the Financial Year 2020, it had a market share of 4.5% of the premium and mid-premium biscuits market in North India respectively. Its brand recall is enhanced through its arrangements with certain preferred retail outlets, which enhance its brand visibility and presence in shops by displaying its products prominently in shelves. It focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. It has also started its brand promotions in various e-commerce channels for its biscuits and bakery products and are listed with various e-commerce platforms in India. It has also developed the brand 'English Oven' for its bakery products business. It focused on the 'English Oven' brand for manufacturing and selling bakery products under the 'English Oven' brand in the year 2013, in Mumbai through its subsidiary Mrs. Bectors English Oven Limited.

A strong and recognisable brand is a key strength in industry, which increases customer confidence and influences purchase decisions. BFSL has developed its recipes and products based on extensive understanding of its key markets for its biscuits and bakery products with a focus on improving the quality standards. Its focus on quality, its product range and effective pricing has enabled to develop strong brand recognition and consumer loyalty in its key domestic and export markets.

A leading exporter of biscuits: BFSL is one of the leading exporter of biscuits from India, with approximately 12% share of the Indian biscuit export market in calendar year 2019 and contributes more than 50% by value of biscuit exports from India to countries like South Africa and Uganda and more than 25% by value of biscuit exports from India to Canada. During the Financial Year ended March 31, 2020, it exported biscuits to 64 countries, across Central and South America, Europe, North America, East and South Africa, Australasia, the MENA region and Asia to various retailers, distributors and buying houses such as Monteagle International (UK) Limited, Lulu Hypermarket Trading Co, E-Mart Inc., Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited, and World Wide Imports (2008) Ltd. It export various types of cookies such as danish cookies, choco chip cookies and centre filled cookies, creams, crackers and some glucose biscuits under its flagship brand 'Mrs. Bector's Cremica'. It also manufacture a wide range of biscuits for international retail chains under its private labels.

Exports provides BFSL with the flexibility to operate successfully across business cycles, mitigate seasonality risk in the domestic market, and helps in expanding its geographical footprint to global emerging markets. Its ability to modify the product specification and packaging based on consumer requirements, market trends and develop, produce and sell customised products for each export market has contributed to the growth of its exports. Towards this end, BFSL's manufacturing facilities are designed in a manner that are capable of processing different types of products and packaging with variation in taste and flavors, aligned with the consumer preferences and trend in its target export markets.

Established presence in retail and institutional bakery business: English Oven' is one of the fastest growing largescale premium bakery brand in India. It markets and sells its premium bakery products in savoury and sweet categories such as breads, buns pizza bases, and cakes to retail customers under brand 'English Oven' which is one of the largest selling brands in the premium bakery segment in Delhi NCR, Mumbai and Bengaluru. It focuses on manufacturing and offering a wide variety of premium breads and other bakery products in savoury and sweet categories to its customers based on its expansive understanding of the evolving market for bakery products in India. It is also the largest supplier of buns to reputed QSR chains and benefit from strong association with these customers, including in terms of adoption of stringent quality controls and industry best practices such as use of premium quality raw materials. It constantly focus on increasing the variety of its products for retail as well as institutional customers. The revenue from sale of its branded breads and bakery products to its retail customers under brand name 'English Oven' has grown faster than the growth of 13.4% per annum of the premium and super premium bakery industry in India from Financial Years 2015 to 2020. BFSL aims to cater to wide variety of retail customers by introducing new niche product variants, which are preferred amongst different age groups and are well positioned to capitalise the growth opportunity in the retail and institutional bakery business by leveraging dedicated manufacturing facilities, its long standing relationships with key institutional customers and creating a variety of product options for its retail customers.

Modern and automated production processes with a focus on quality control: BFSL's production facilities are strategically located in proximity to its target markets, which minimises freight and logistics related time and expenses. It currently manufactures its breads and other bakery products including buns and frozen products offered to retail consumers as well as its institutional clients, in Greater Noida Manufacturing Facility, Khopoli Manufacturing Facility and Bengaluru Manufacturing Facility. In order to ensure that products meet the desirable quality standards, it currently manufacture all its products at its own facilities. Manufacturing facilities are equipped with advanced equipment, modern technology and automated systems. It is a quality-focused company and are committed to maintaining stringent quality standards at all steps of the manufacturing cycle, from procurement of the raw material to dispatch of the finished product and uses premium quality raw materials and ingredients in its products. BFSL's focus on ensuring compliance with the stringent quality standards has helped in establishing and maintaining long-standing relationships with some of its key institutional customers such as Burger King India Limited, Connaught Plaza Restaurants Private Limited, Hardcastle Restaurants Private Limited, Yum! Restaurants (India) Private Limited, Mondelez India Foods Private Limited and PVR Limited.

Wide spread and established sales and distribution network: BFSL's extensive sales and distribution network allows it to reach a wide range of consumers and ensures effective penetration of its products and marketing campaigns. Its sales and distribution network is strategically spread across different states in North India, and has an especially strong outreach in certain urban and semi urban markets, where it expects growth to be more significant. It distributes its biscuits across 23 states in India, through widespread network of super stockists and distributors. Its distribution channels include traditional retail, which is defined as small, privately-owned independent stores, typically at a single location. It has also entered into arrangements with certain preferred retail outlets, which enhance its brand visibility and presence. Distribution network is managed by its in-house sales team of over 403 personnel, as on September 30, 2020, who work closely with its super stockists and distributors to understand consumer preferences, and to receive feedback on its products and that of its competition, which enables BFSL to formulate an effective strategy for sales, marketing and pricing. Additionally, most of its products are sold through modern trade channels including Walmart India Private Limited. It also directly supply biscuits to institutional clients like CSDs, Indian Railway Canteens and stores in North India. BFSL is the largest suppliers of biscuits to CSD and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their Stores in North India. It also exported biscuits to 64 countries during the Financial Year ended March 31, 2020, through strong global distribution network and its tie-ups with retailers, distributors and buying houses such as Monteagle International (UK) Limited, Lulu Hypermarket Trading Co, E-Mart Inc., Atlas Global (HK) Limited, Omni Trade Services Limited, Universal Trade Limited, and World Wide Imports (2008) Ltd.

BFSL sells its bakery products for retail customers under brand the 'English Oven' through modern trade, general trade channels and various e-commerce platforms. For the period April 1, 2020 to September 30, 2020, its bakery products for retail customers were sold through 191 distributors and over 14,000 retail outlets situated in Delhi NCR region, Mumbai, Pune and Bengaluru through direct sales to supermarkets, departmental stores and distributors. Recently, it has also started selling its products through various e-commerce platforms in India, multiplexes such as PVR Limited, and cloud kitchens such as Rebel Foods Private Limited. The Company is one of the few bakery companies in India that can handle fresh, chilled and frozen products and this model enables to distribute its products across India.

Experienced promoter and management team: The experience and leadership of BFSL's Promoter, Mr. Anoop Bector, is a key factor in growth and development. Mr. Anoop Bector's experience has helped to develop relationships with vendors for the procurement of raw materials, institutional customers and dealers and distributors. He also provides strategic guidance to the Company. Its breads business has grown at a CAGR of 29.07% in the last three Financial Years under the leadership of Mr. Ishaan Bector. Its Board and senior management have an extensive experience and an in-depth understanding of the retail business. BFSL's management team of qualified and experienced professionals enables to identify new avenues of growth, and helps to implement business strategies in an efficient manner and to continue to build on its track record of successful product offerings.

Business Strategy:

Focusing on growth in premium biscuits and bakery segment to improve margin: BFSL's strategy is to also expand into premium products with higher margins. Currently, it offers various premium and mid-premium category of biscuits including cookies, creams, crackers and digestives. It also offers premium category of bakery products, including whole wheat, multigrain and sandwich breads. It will continue to expand its product portfolio within the existing product segments, focus on increasing sales realisation and volumes, and strive to provide differentiated offerings to its consumers. It seeks to leverage its extensive experience to strengthen industry position, by developing new products to capitalise on emerging trends. To cater to the growing needs of millennial customers, BFSL intends to expand its product offerings to include niche biscuit and bakery products such as a more nutritious range of biscuits including digestive biscuits, honey oatmeal biscuits, premium rich cookies, premium flaky crackers, and soda crackers, which, will helps realise higher margins.

For bakery segment, BFSL has recently introduced new premium products such as sub breads, frozen doughs, pizzas, garlic breads, cheese garlic bun fills and frozen cookies. It is also installing a dedicated line at its Greater Noida Facility to cater to production of high margin products including desserts and frozen products such as frozen pizzas, sandwiches, and cakes, which aims to cater to its institutional customers such as multiplexes, cloud kitchens, hotels restaurants, cafés as well as retail customers. It also intends to dedicate its Khopoli Facility for manufacturing premium bakery products such as pizza puffs, sub breads, footlong breads, croissants and other premium breads with automated machinery. Its focus on high margin products will provide higher returns and help in increasing profitability.

Focus on product development in biscuits and bakery segments: Continuous product development and expansion of product portfolio are integral to the growth of business. BFSL has an experienced in-house research and development team that works on new product development processes through innovations, trials, regulatory approvals and driving market acceptance and cost alignments along with marketing and supply chain management teams. Its new product development process is reliant on feedback from supply chain teams on emerging markets and ethnic taste preferences. The Company seeks to increase the capacities of its manufacturing facilities by installing new, automated and product specific equipment such as installation of a cookies manufacturing line sourced from Denmark. It is looking to expand premium biscuits production in Rajpura (Punjab) Manufacturing Facility by procuring automated equipment from Italy. BFSL has also added large blast freezing, individual quick freezing and holding freezers and are increasing its capacity by installing an automated bread and bun manufacturing line from Germany and United States of America respectively at Greater Noida Manufacturing Facility.

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Through commissioning of new technologies, it intends to create a seamless capability to manufacture various bakery and frozen products at all its manufacturing facilities. The commissioning of such new technologies will also provide with the opportunity to capitalise growth opportunities and allow to serve customers in the casual dining restaurant business segment, the hotel, restaurant and café business segment and institutional customers such as multiplexes, cloud kitchens and retail customers across India.

Expand product reach in India and globally: BFSL has had a strong presence in North India for its biscuits and bakery products it intends to leverage its brands and expand its presence in the other regions of India. It seeks to expand its product reach geographically by leveraging already established institutional customer relationships. Over the years, through consistent focus on maintaining stringent quality standards and expanding manufacturing capabilities, it has expanded its institutional business to become the preferred bun supplier to other reputed multinational QSR chains. The company intends to leverage its institutional relationships to further increase its product offerings and sales volume to these institutional customers and their affiliates in India and globally. It is also expanding its product segments by introducing frozen products to different categories of its institutional customers such as hotels, cafes, multiplexes and cloud kitchens. It also plans to introduce new category of products including 'frozen buns', 'rusks', 'dessert jars' and 'brownies' in its Indian retail business.

Further BFSL seeks to increase its presence in export markets by targeting to serve in developed and emerging countries through reputed retail chains and distributors in order to access a more diversified customer base across geographies. It plans to increase its penetration in select export markets, such as South, Central and North America, the MENA region and Australasia. It is also in the process of setting-up a new office in Dubai and participate in trade fairs in these export markets extensively to strengthen its presence in these markets.

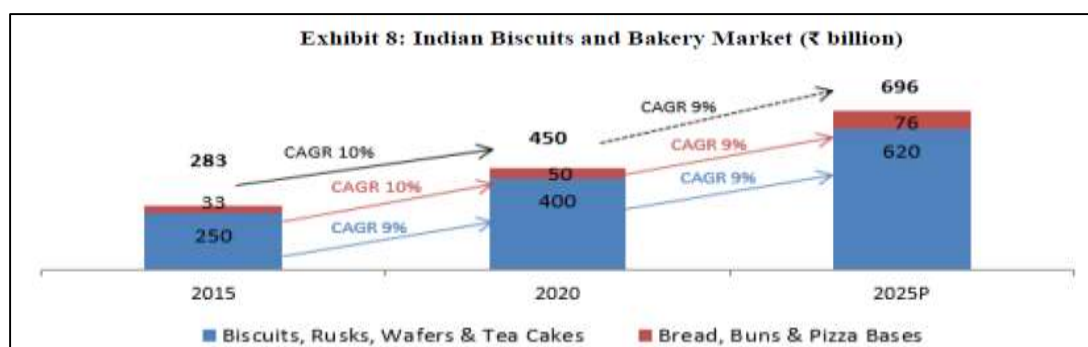
Expansion of distribution network through diversification: While BFSL has a strong distribution network in North India, its focus is to establish a pan India presence for its biscuits and bakery segments by diversifying its distribution network in other regions of India, where it is also setting up adequate infrastructure for such expansion. In North India, it is focusing on expanding its distribution network for increased penetration in metros and foraying into semi-urban and rural markets. It has increased its distribution through the modern trade channels such as Walmart India Private Limited. It seeks to increase its distribution through modern trade channels in other regions in India by introducing its premium products in biscuits and bakery segments in these regions. Further, it targets to increase sale of biscuits and bakery products in the modern trade channels by introducing various offers, increasing visibility of products, introducing larger and mid-sized packs of existing high selling products based on buying patterns and regional preferences. It is also collaborating with various e-commerce platforms for sale of its biscuits and bakery products, multiplex chains such as PVR Limited and cloud kitchens such as Rebel Foods Private Limited to sell bakery products on a pan India level. Further it seeks to increase the export of its products by investing in adequate infrastructure for export of its frozen products to select countries. These initiatives will help BFSL to expand its distribution in modern trade and general trade channels that will help it to grow its overall sales and market share.

Focus on increasing brand awareness: BFSL seeks to continuously allocate significant resources to strengthen 'Mrs. Bector's Cremica' and 'English Oven' as one of India's leading biscuit and bakery brands, respectively. Its ability to differentiate its brand and products from its competitors through marketing and brand awareness programs is an important factor in attracting consumers. Its marketing plan comprises advertising in print media, digital, television, radio and outdoor promotional campaigns, and sponsorship of prominent sporting and cultural events in India. It also enters into arrangements with its preferred retail outlets and brand consultants which helps in enhancing brand visibility. BFSL's focus on expanding the sales of its biscuits by emphasising on introducing and marketing premium biscuits, increase its market share in existing markets by increasing brand awareness through digital channels and building its visibility in retail stores through in-store branding activities. BFSL also participate in international trade fairs that provides an opportunity to display wide range of product portfolio and enhance its brand strength. It plans to also focus more on digital marketing initiatives such as social media integration, influencer marketing and content marketing. The company has started its brand promotions in various ecommerce channels for its biscuits and bakery products and are listed with leading e-commerce platforms in India. The scale of its business provides the ability to increasingly focus on branding and promotion to enhance visibility, market share and growing needs and preferences of its customers across various channels.

Industry

Overview Of Indian Biscuits And Bakery Segment

The Indian biscuits and bakery retail market is valued at Rs. 450.00 billion and is expected to grow at a CAGR of ~9% over the next five years. Biscuits and other snacking bakery products such as rusks, wafers and tea cakes contribute almost Rs. 400.00 billion or 89% to the total market. The balance 11% is contributed by breads including loaves, buns, pizza bases which together account for Rs. 50.00 billion.



Biscuits: Biscuit industry is characterized by few large players, regional brands as well as small scale industries. In the unbranded sector, over 30,000 small, very small and tiny units spread all over the country. The biscuit industry was also reserved for small-scale earlier but it was de-reserved in 1997-98. Since then the industry is growing at a rate of over CAGR ~10%. Per capita yearly consumption of biscuit in India is only 2.5 kg, compared to more than 10 kg in USA and Western European countries and more than 4.25 kg in south-east Asian countries such as Singapore, Hong Kong, Thailand and Indonesia.

Bread: In the unbranded sector, there are about 75,000 bread manufacturers spread all over including some of those operating even residential premises. Average per capita yearly bread consumption is estimated at 1.4 kg in India compared to 96 kg in the UK and 46 kg in the USA.

Key growth drivers

Demand for processed and convenience food is increasing constantly because of the following factors:

Changing lifestyles: The number of families in urban areas where both spouses are working are increasing and the availability of ready-to-eat bakery products are available at a reasonable price. With ease of availability of different ingredients used in baking value added products, consumers are also seeking premium, gourmet and exotic products to satisfy their desire to indulge. This shift has resulted in innovative products development.

Increasing preference for branded and packed cakes: Consumers are moving from unbranded tea cakes from local bakeries to branded alternatives due to better quality perception and assurance of food safety. Furthermore, the branded tea cakes are available in a wide variety of variants/flavours. Their shelf stability, packaging and portion size facilitate a wider distribution reach, from rural retail outlets to urban supermarkets. Additionally, they are more affordable and enable the consumers to eat the product in one go.

Growth in organized retail: Increase of modern supermarket chains across India has greatly helped in leveraging innovation in the bakery products such as biscuits, breads, tea cakes and buns. However, independent bakeries, which offer fresh products, still remain the preferred choice for occasion related needs of frosted cakes etc.

Technological advancements: The rising demand for premium products like gourmet breads and growing focus on healthy products has necessitated the diversification and up-gradation of technology in baking. Apart from offering general equipment like planetary mixers, combi ovens, flour sifter, rack ovens, cookies machines among some, the bakery equipment manufacturers are coming up with advanced machines like complete range of donut baking machine, pizza rollers, sheeters and even photo printing machines to print image directly. The technological advancements have contributed to growth of industry

Improved packaging solutions: Packaging of bakery products plays a significant role in increasing shelf life, preventing mechanical damage, nutrition value, displaying food safety related warnings and marketing. The industry has been experimenting with packaging solutions of their products. The use of sealants for low temperature seal initiation, outstanding hot-tack strength and minimising the impact of packaging on the environment has been marked as a tremendously innovative effort for the preservation of baking products, vertical pouches or sachets has also been experimented by many bakers.

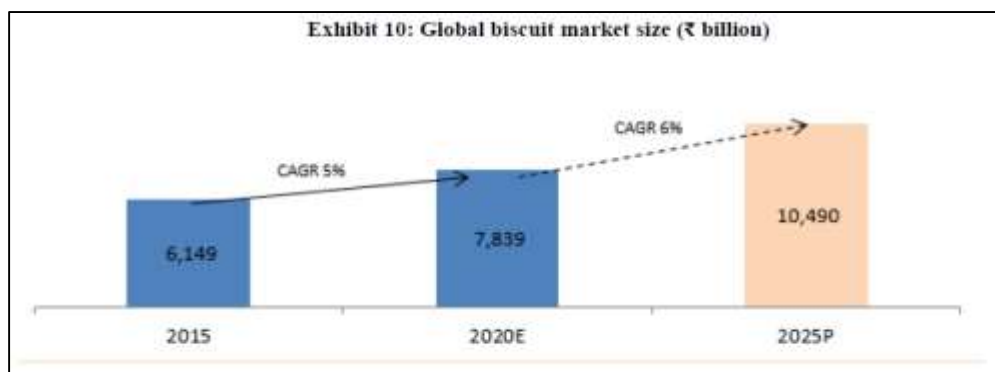
Innovation in ingredients: Along with the technological advancements, Indian bakery industry has been using innovation in ingredients, for example, Lame Quick, Spongolit etc., these new age ingredients are helping in industry's growth by providing better flavour profile to the consumers

Bakery Products in QSRs and Cafés: Besides bakeries and retail outlets, most food service formats like QSRs, café, restaurants and hotels such as McDonald's, Subway, and Starbucks have cakes, cookies, puddings or pies as their dessert menu. The volume supply of these institutional customers is met by manufacturers of scale. While the products could be fresh or frozen, the frozen bakery product market is

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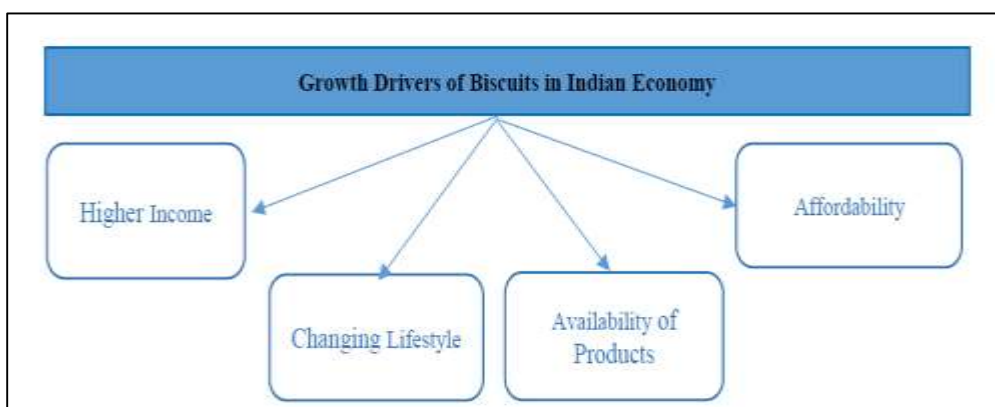
expected to grow because of this customer segment. The growth involves in bakery products like frozen bread, frozen pizza crust, frozen cake & pastry, and other frozen bakery products such as waffles, donuts, and cookies

Global biscuit market Global market biscuit market is estimated to be worth Rs. 7,839.00 billion in 2020 projected to grow at a CAGR of 6% over next five years. It is driven by rising urbanisation, increasing disposable incomes and demand for convenience foods. Consumers prefer to consume biscuits with tea or coffee. New flavours, taste, shapes, health claims and packaging impact consumer preferences



Indian Biscuit Market

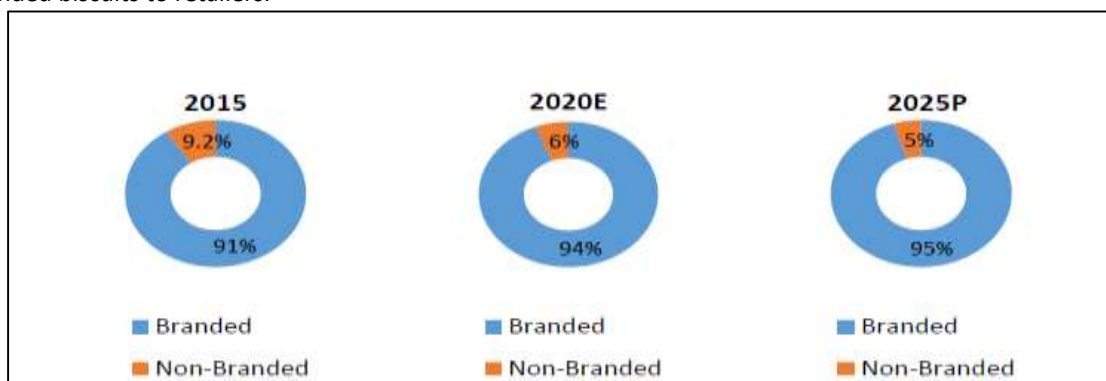
The Indian biscuit market size is estimated to be Rs. 400.00 billion in 2020 representing ~5% of the global market. Indian market is expected to grow at a CAGR of 9% till 2025 and reach Rs. 620.00 billion. This growth will increase India's share in the global market to ~6% by 2025.



Per capita biscuit consumption of biscuits in India has increased by 16% over the last five years. However, it is far behind developed economies like US, UK and other developing Asian economies like Japan and Sri Lanka. Though there is huge headroom for growth in India for biscuit market, it is complex market that requires regional customisation.

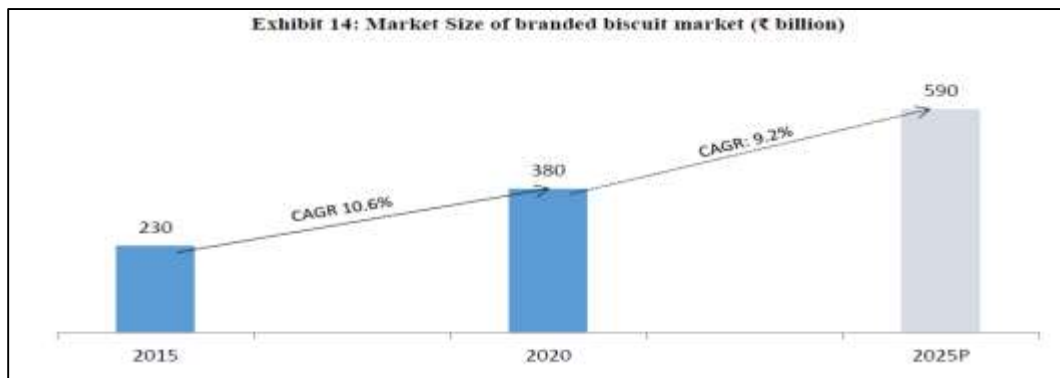
Branded and Non-Branded biscuits

Indian biscuit market is dominated by branded play. The penetration of branded biscuits will continue to grow because of increasing consumer preference and spending power. Non-branded biscuit is dominated by small bakery units, cottage and household type manufacturing units, which thrive on catering to local taste and close relationship with retailers. Non-branded biscuits also offer higher margins than branded biscuits to retailers.

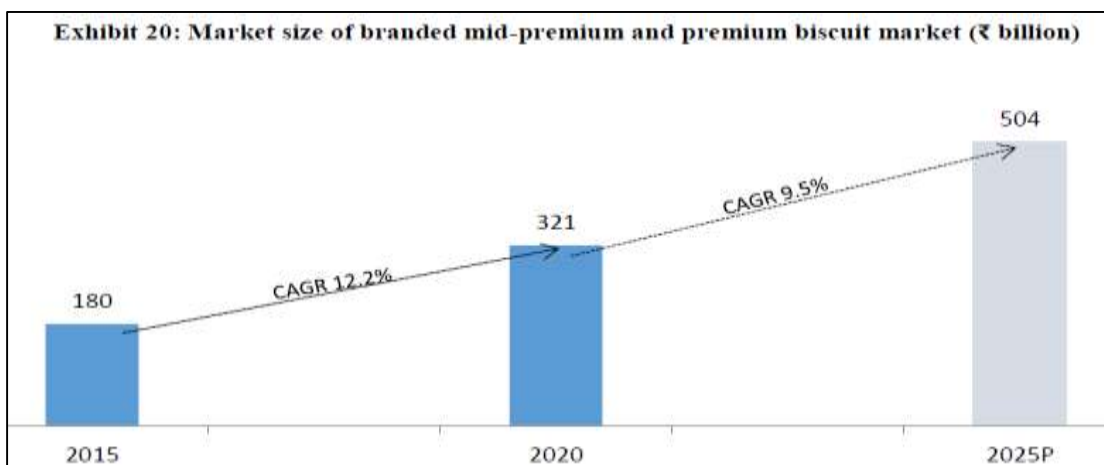


Branded biscuit market

Growth rate for branded biscuits in terms of value is greater than the volume over the period of Financial Year 2015 to Financial Year 2020. It is driven by movement of consumers towards mid and premium biscuits. The Indian branded biscuits market is expected to grow at the rate of 9.20% or next five years.



Indian biscuit market is dominated by lead brands like Britannia, Parle and ITC which has 65% of market share. While Parle drives a large portion of its revenues from mass product Parle-G, the company has the largest market share by volume on back of Parle-G brand. Britannia's revenue is driven by Mid-Premium and Premium products.



This growth of non-glucose segment is a reflection of the changing consumer behaviour that prefers mid and premium categories which includes the following categories: (i) Cookies; (ii) Cream; (iii) Crackers (salty and non-salty); (iv) Marie; (v) Digestive.

Cookies: Cookies are the largest category of biscuits occupying 29% of the market share by value. The category is estimated to be Rs. 10,600 crore in Financial Years 2020. It is dominated by national players such as Britannia, Parle and ITC. The segment offers high contribution margin of upwards of 10% to brands. Good Day (Britannia) brand is the market leader with more than one third of the market by value. Britannia and Parle account for more than 62% of the market share by value. Regional brands like Surya, Anmol, and Unibic have combined market share of close to 10% by value. BFSL has a market share of 2% by value. It has a large portfolio of cookies that includes Golden Bytes, Choco Bico and many other variants.

Cream: Cream is the second largest category of biscuits occupying 19% of market share by value. The category is estimated to be Rs. 7,200 crore in Financial Year 2020. It is dominated by national players such as Britannia, Parle and ITC which accounts for a combined ~65% of the total value of the cream biscuits market. Players like Surya, BFSL and Anmol have combined market share of ~10% by value. Britannia's Bourbon is the most popular brand in this segment. Its portfolio in cream biscuits includes Cremica Crèmes, Bourbon, Magicrème and TwinCrème.

Marie: The category is estimated to be Rs. 4,500 crore in Financial Year 2020. It is dominated by Britannia with 60% market share by value owing to its Marie Gold range of biscuits. Parle and ITC have a combined market share of 16% by value.

Cracker (Salty): The category is estimated to be Rs. 2,200 Crore in Financial Year 2020. Parle leads the market with a value share of 28% due to its famous brand Krackjack. Players like Anmol and Surya have a significant market share in this category, close to 18% each. BFSL's portfolio in this category includes Butter King and Jeera Lite.

Cracker (Non-Salty): The category is estimated to be Rs. 4,400 crore in Financial Year 2020. National players dominate the market. Parle and Britannia have a combined market share of close to 52% by value. Parle-Monaco is the most notable brand in this sub-segment. BFSL's portfolio in this category includes Crisp 'n' Lite, Party Crackers, Sugar Crackers and Classic crackers

Digestive: The category is estimated to be Rs. 650 crore in Financial Year 2020. Britannia dominates the market with a market share of close to 72% by value. Britannia offers the biscuit by name Nutri Choice, the most famous brand in the category. BFSL's portfolio in this category includes Cremica Digestive, Cornflakes and Oatmeal Digestive.

Regional Mid-Premium and Premium Biscuit market

North India accounts for 25% of the total mid-premium and premium biscuit market. The North Indian market includes Ladakh, Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh, Rajasthan, Uttarakhand, Delhi, Punjab, Haryana and Chandigarh. Britannia, Parle and BFSL are the leading biscuit brands in the premium and mid premium segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir. Britannia and BFSL are the top two Indian biscuit manufacturers in the premium and mid-premium biscuit segment in Punjab, Himachal Pradesh, Ladakh and Jammu and Kashmir. In the Financial Year 2020, while Parle, Britannia and ITC had a combined share of 57% in premium and mid premium biscuits market in North India, BFSL had a market share of 4.50% in the same segment in North India.

Distribution channels of branded biscuits

Biscuits have shelf life of approximately six months. Like any other FMCG products, direct reach of products to retail points is pertinent to sales off-take. The reduction of distribution cost and consequently inventory cost has been the area of focus for every biscuit brand. They have expanded their retail footprint through distributors, direct reach and modern retail outlets.

Distributors/Wholesalers: Brands send their products from distribution centre to their exclusive wholesale dealers, who further sell their products to wholesalers and retailers. Wholesalers and distributors offer local knowledge, logistics and credit collection for brands. They take products to geographies where brands cannot reach directly in a commercially viable manner. Distributors/wholesales get a margin between 2% and 5% depending on brand, category and their location.

Direct Reach: Brands are trying to cut time between distribution centre and retail outlet. They own the entire supply chain. Their workforce visit retail stores, analyse local demands, suggest tweaks in product placements and take orders on their mobile phones through an app. These orders are directly delivered by the brand. Such distribution models are viable and effective in urban regions. Britannia (Zero-day inventory model) and ITC are implementing direct distribution models. The direct reach has doubled for Britannia in a period of 5 years from 1.00 million retailers in 2015 to 2.00 million retailers in 2020. They are viable for urban regions, which are accessible and their demand volume is higher. BFSL is directly associated with 33% of the total retailers where its product is sold.

General Trade ("GT") vs Modern Trade ("MT") Approach The percentage of MT sales in value terms as share of branded biscuit market is greater than percentage of MT sales in volume terms. It implies that the share of mid and premium biscuits MT sales is higher.

General Trade: Brands offers mark-up margins to general trade outlets. They reach GT through distributors and wholesalers. Generally, company salesman takes order from retailer and it is fulfilled by distributor salesman. Brands offer higher margin or rental for shelf space for visibility. Retailers get between 10% to 20% margin depending on brand and category. New brands offers higher retailer margin up to 20% to push sales.

Modern Trade: Modern trade outlets take biscuits at mark-down margins. They charge brands for display/shelf rent. They offer volume based discounts like 3+1, 4+1 or high discount for large packs to consumers. The sales of biscuits per unit space are higher in modern trade due to discounts and visibility. E-commerce is also emerging an important channel of modern retail in urban centres. While e-grocers such as Bigbasket and Grofers are limited to limited to top 24 cities, they are ready to expand their reach.

Another large channel for trade is the Canteen Stores Department which is a solely owned Government of India Enterprise under Ministry of Defence and has its depot in all major military bases operated by the Indian Armed Forces. BFSL is one of the largest suppliers of biscuits to the Canteen Stores Department and an approved and listed supplier for Indian Railways having strong presence across Railway Station Canteens and their stores in North India.

Current opportunities for India's export segment:

Indian players are targeting the developing countries and the growing Indian diaspora living there and in other developed nations. Majority of Parle's demand comes from African countries as they are in a developing stage and Parle products are available at economical prices. Products like Parle G, Marie, Krack Jack are locally produced in Africa and the brand wants to predominantly target the Indian diaspora living abroad. Britannia is looking at contract packaging in Uganda and Egypt. Both these countries have got alignment with lot of countries around them, so they can export without any duties. They will manufacture in these countries and export.

Players are looking at local manufacturing to customise products, lower costs and also gain entry in markets with high trade barriers. Britannia has set up plants in Mundra SEZs in India and Nepal to manufacture exclusively for exports. Britannia plans to export cream biscuits, short dough biscuits and rusks manufactured at the Gujarat plant to international markets such as North America, the UK, African countries, Singapore, Australia, New Zealand and Malaysia. Parle also has manufacturing units in 8 countries outside of India - Cameroon, Nigeria, Ghana, Ethiopia, Kenya, Ivory Coast, Nepal and Mexico.

Players like Britannia, Parle, BFSL are not only exporting their low and mid-range products but are also planning to introduce their premium ranges along with manufacturing for the labels present in those countries. Britannia plans to introduce its premium brands along with its current selling low-priced brands in international markets. Parle and BFSL have customised products for international markets which would result in more local authentic flavours and combinations to attract local buyers. While BFSL retails its own brands in the international market, it also caters to the requirements of retailers and food suppliers such as Shoprite and Transnational Foods for their brands and private labels.

India has a fairly good share of trade with Middle Eastern and African countries. However, in the top 6 markets such as the USA, France, UK, Germany, Netherlands and China, India has a combined share of less than 1%. India has made inroads into South American countries and currently has a low share of ~3% in the growing South American markets such as Chile, Ecuador, Paraguay, Uruguay, Brazil and Argentina and a share of 2.5% in the Oceanian countries. This represents an opportunity in these markets.

Growing Geographical Footprint of Retailers and B2B Food vendors will boost packaged food sales Key retailers are growing their footprint across the world (especially in developing and under-developed nations). Their expansion catalyzes consumer packed food ecosystem. Consumers can access innovative products and food brands get opportunity to add new revenue streams. Such developments offer export opportunity for Indian biscuit brands.

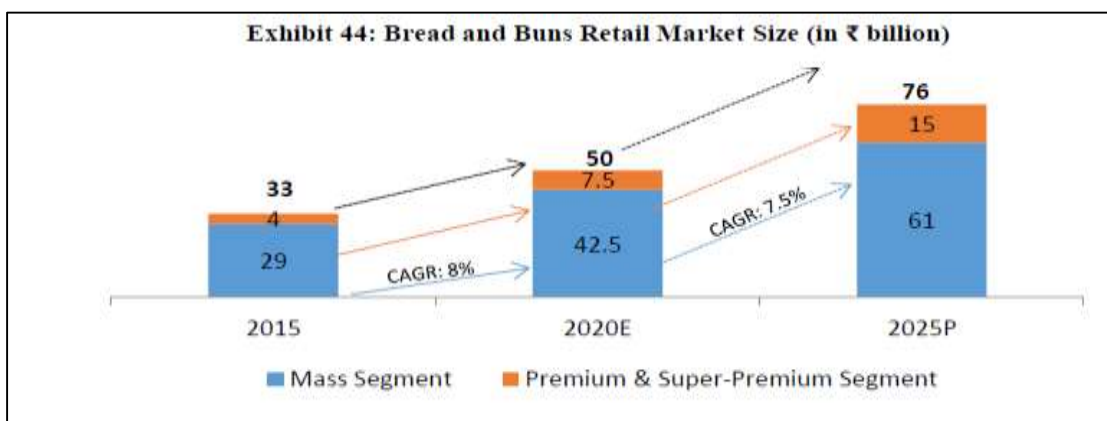
Key imperatives going forward for the growth of biscuit exports from India: Product Differentiation – Going forward manufacturers and exporters are required to be in a position to offer product variety and do new product development to cater to the changing taste. Product portfolio of the market is changing, retailers and consumers are changing and they expect manufacturers and exporters to have installed capacity to adhere to these changes in terms of new SKU varieties, product varieties, launches etc. Players who will have this capability will be in a better position to capture a share of the market.

Integrated Manufacturing and Value chain – Integrated play at the manufacturing end allows better control on sourcing prices, better control on costs and margins. This has prompted many large players to opt for integrated play. Though many domestic brands in India have not opted for integrated manufacturing players like Britannia, Parle and BFSL have own manufacturing to support their export business. Own manufacturing allows the player to leverage the capability for both domestic and export market.

Increasing Influence of Non-tariff Barriers particularly around Food Safety and Quality – Manufacturers that have installed capability to do self-certification, superior standards of quality assurance and systems & processes to adhere to the global standards will stand to benefit not only to address the non-tariff barriers but also to cater to developed markets and products with far more stringent quality profile. Major players from India will not only grow the domestic market but will also capture a larger share of the export market.

Indian Breads And Buns Retail Market

The bread and buns retail market in India is valued at Rs. 50.00 billion in Financial Year 2020 and it will continue to grow at the CAGR of 9% to reach Rs. 76.00 billion by Financial Year 2025. The growth will be mainly assisted by increase in disposable incomes, change in lifestyle and preferences of the consumers. The demand for breads is concentrated mainly around metros, tier I and larger tier II cities due to higher disposable incomes and changing meal preferences.



Market Segmentation

Bread can be classified based on the ingredients and price. Mass bread segment primarily comprises of white/sandwich bread made up of refined wheat flour (maida). Premium bread segment has emerged over the last 15 years. This comprises of products related to health and wellness such as fortified white breads, whole wheat/brown or alternative grain variants of breads, milk and fruit breads and specialty products such as pizza bases, burger buns and hot dog buns. Breads are sold in packaged and pre-sliced loaf forms with 350 gms and 400 gms as most common pack sizes. Super-Premium bread segment comprises of exotic and speciality breads such as pita bread, focaccia, ciabatta bread and sour dough breads. These are artisanal products made by established bakers and retailed at their own bakeries and selected modern retail outlets and Grade A stores. Though the super-premium category currently has a very small share in the total bread market, it is poised to grow steadily given the growing influence of international cuisines and the growing number of premium bakeries. Many industrial manufacturers have also come out with super-premium variants.

Branded and Unbranded companies: The bread industry is divided between branded and unbranded players. In the branded segment, Britannia, Modern and English Oven are the market leaders in the country with more than 45% of the total market share. These brands have a nationwide presence. Modern is strong in South along with Mumbai in the West and Kolkata in the East. English Oven started as a regional brand in the Northern states. However they are now present in Mumbai, Pune and Bangalore as well. While these have a nationwide presence, there are regional brands focussed on certain geographies or cities. Regional players of northern part of the country are Bonn, Harvest Gold and Kitty. Mother Dairy has also forayed into this segment recently. Additionally, there are private labels of organised retail chains and e-grocers such as Fresho from Bigbasket. Companies in the branded segment are increasing their focus on tier II and tier III cities, given the improving infrastructure of retail and distribution and customers' changing buying pattern.

India's bread industry is dominated by branded players contributing to about 55% of the total market. The unbranded companies of bread units/neighbourhood bakeries etc. consist of an estimated 85,000 bread bakers mostly located in residential areas of cities and towns. COVID-19 has adversely impacted the small scale manufacturing units due to high cost of business during that period, high labour susceptibility and comprised hygiene and safety standards. While many such players have shut down operations, the organised players have consolidated their share in the market as they are better equipped to manage the challenges of the supply chain and operations.

Consumption wise pattern

Northern and Western India are the biggest consumers of bread in the country. In north part of the country consumers generally associate breakfast with bread and toast. While western part of country has higher urbanization and presence of more Tier-I and Tier-II cities.

Northern & Western Region: Bread consumption is highest in northern region followed by western region. It is important to note that most of the bread manufacturing units are situated in northern part. Urbanization is the most important factor for highest consumption in western region. As per 2011 Census urbanisation in western states is around 44% which is highest in the country. Whereas in north urbanization is lower than other regions but the main food items (like traditional snacks and sandwich) of this region contain bread as an important ingredient. Players of northern part are English Oven, Harvest Gold, Bonn and Kitty and western parts are Super and Aabad.

Eastern & Southern region: Eastern region accounts for lowest urbanization in India which is around 25%. Consumption of bread is lowest in these parts of the country because consumers prefer traditional food items over bread-based breakfast. However the consumption of bread in southern region has increased with time due to change in lifestyle. Britannia is a national brand which sells its bread products in these regions and among regional players, Homa is famous in Assam.

Future outlook-

Introduction of new product variants- With the evolving food pattern and shift in eating habits of consumers it is important to introduce new variants of bread with time. Though white bread has highest share in market among all, brown bread, whole wheat bread have gained a significant portion of the market, newer varieties of breads like multigrain breads and flavoured breads like garlic cheese breads are the new emerging bread categories. Tastes are evolving beyond having bread with butter or jam combination as consumers are trying to integrate different varieties of breads with different cuisines and recipes.

Increased in-house consumption due to COVID-19: Occasions to eat out have reduced due to restriction imposed during the lockdown period along with health and economic concerns. This had led to an increased in-house consumption of bread both as an easy meal option and as experimentation with different cuisines at home.

Increasing per capita income- With the increasing average per capita income of Indian consumers, there is a rise in food consumption in India. Overall increase in disposable income will result in high standard of living of Indian middle class. A change in lifestyle of middle-class population will favour bread consumption. Manufacturers have already started to tap the rising affluent urban population by introducing premium and healthier variants in the market.

Increasing per capita consumption- The average per capita consumption of bread in European countries like UK and German is highest at 96 and 65 Kg, followed by USA at 46 kg and Singapore at 20 kg respectively. Per capita bread consumption in India is estimated to be

around 1.4 kg in 2020 which is very less compared to the developed countries. Low per capita consumption in India represents a high market potential.

Processed Dough and Bread Market

The share of processed dough-based products in the food component for the chain segment is estimated to be Rs. 11.00 billion in Financial Years 2020 and is projected to grow at CAGR of 23% to reach Rs. 30.60 billion by Financial Years 2025. It includes institutional business of fresh buns and frozen dough for pizzas and other bakery products. National players such as Domino's, McDonald's, CCD, Subway, Burger King and Pizza Hut together contribute ~70% of the chain market; the same in value terms is approximately Rs. 7.70 billion. Baker's Circle and BFSL are the key vendors supplying the processed and semi-processed dough-based offerings to these food services players and have a collective share of 18%. The remaining 82% share is catered by the in-house commissaries and other smaller players. BFSL is the largest supplier of buns to reputed multinational QSR chains such as McDonalds, KFC, Burger King, Carls Jr. and has established itself in the frozen dough segment, where Baker's Circle has the largest share and is currently working exclusively with players like Subway.

Future Growth Drivers in Frozen Dough Based Products and Frozen Desserts

The growth of vendors providing processed food solutions is directly dependent on the growth of food services. The organized food services in India is expected to grow at a CAGR of 15% till Financial Year 2025, however, the chain restaurants are poised to grow at a CAGR of 19% and these vendors stand to benefit in the growth of chain segment. These chain food services players have expanded across the length and width of the country through well-organized supply chain and network of commissaries and are rapidly expanding their play in Tier III and sub urban towns. QSR Chain Market in India which has grown at a CAGR of 19.2% from Financial Year 2015 to Financial Year 2020 and is expected to grow at a CAGR of 22.70% from Financial Year 2020 to Financial Year 2025.

In spite of the proliferation of International food services players in India, penetration of international brands is still low as compared to other developed and developing economies such as USA, U.K, Japan, China etc. The availability of number of restaurants per million population is very low in developing economies as compared to the developed economies. USA has around 198 restaurants per million people where as China and India have only 7 and 2 restaurants per million people. With increases in number of working women, increasing disposable incomes, aspirational younger generation, rise in presence of branded food services outlets, there lies a huge potential for growth of food services brands in India. This growth in terms will fuel the demand and usage frozen products

Emerging Trends in Frozen Dough Based Products and Frozen Desserts

Growth of large scale players: There are only a few players in India who operate at scale in this segment. In future, the demand will remain consolidated with players who are committed to invest in building scale, compliance and quality due to the following reasons:

Demand for standardised product: Sourcing from multiple local bakeries in different regions instead of one large scale player comes with its own challenges. In case the food service brand chooses to outsource the product from multiple bakeries, it will have to invest in R&D and training of these vendors and then assign orders, making sure that all of them adhere to SOPs, compliance and quality parameters. Also, there are issues related to Intellectual Property Rights if a product is handled by multiple vendors.

High Entry Barrier: High capital investment in technology and supply chain and low margins presents high entry barriers for new entrants in this segment. However, players with allied capabilities are making inroads through neighbouring product ranges such as pizza crusts, packaged cakes and croissants.

Frozen Products making inroads through retail: Customers' psyche to prefer fresh desserts and bakery products over their frozen counterparts and lack of readiness at the retail front to handle delicate products such as cream based desserts are the two key challenges for now. However the market is developing specially for products such as laminated pastry sheets that can be used for a variety of purposes at home such as making puffs and spring rolls.

Key Concerns:

- The continuing effect of the COVID-19 pandemic on the business and operations is highly uncertain and cannot be predicted.
- Inability to anticipate, respond to and meet the tastes, preferences or consistent quality requirements of consumers or inability to accurately predict and successfully adapt to changes in market demand or consumer preference could reduce demand for products, affect the brand loyalty and impact sales.
- BFSL could be adversely affected due to restriction on use of brand name and any negative publicity of the products.

- Incurred indebtedness and may incur additional debt in the future, which may expose to interest rate fluctuations, and restrict operational flexibility in certain ways.
- Currently avail benefits under certain export promotion schemes. Any failure in meeting the obligations under such schemes, may result in adversely affecting business operations and financial condition.
- BFSL, its Subsidiaries, certain of its Directors and its Promoter are involved in certain legal proceedings, which if determined adversely, may adversely affect the business, financial condition and results of operations.
- Experienced negative cash flows (from investing activities and financing activities) in the past and may continue to have negative cash flows in the future. Any such negative cash flows in the future may adversely affect the business, financial condition and results of operations.
- BFSL is exposed to foreign currency exchange rate fluctuations, which may impact its results of operations, impact cash flows and cause financial results to fluctuate.
- A disruption or shutdown of manufacturing operations or under utilisation of manufacturing facilities or failure to commission new facilities successfully or a shortage or non-availability of fuel, electricity, or water could have an adverse effect on BFSL's business, financial condition and results of operations.
- BFSL do not have any long term contracts with QSR customers and any disruption in business operations with its QSR customers will adversely affect the business, financial condition and results of operations.
- Inability to manage inventory and foresee accurate demand for products for a future period may adversely affect the reputation, business, results of operation and its financial performance.
- BFSL is subject to labour laws and other industry standards and its operations could be adversely affected by strikes, work stoppages or increase in wage demands.
- Tax incentives and tax credits currently available to BFSL could be modified or repealed in the future, which could adversely affect the business and prospects.
- BFSL may not be able to successfully grow its premium biscuits and bakery segments, which may result in an adverse impact on the business prospects and results of operations.
- BFSL may be affected due to seasonality in sale of its products in the future.
- Business and prospects may be adversely affected if BFSL are unable to maintain and grow brand image.
- Any contamination or deterioration of products could result in legal liability, damage the reputation and adversely affect the business prospects and consequently financial performance.
- Concerns over nutritional values of the products may reduce demand for products or increase the cost of products.
- Inadequate or interrupted supply, seasonality, price fluctuation and adulteration of raw materials could adversely affect the business, results of operations and financial condition.
- Inability to comply with food safety laws, environmental laws and other applicable regulations in relation to its manufacturing facilities may adversely affect the business, financial condition and results of operations.
- If BFSL is unable to successfully expand the business operations through manufacturing facilities, increased capacity utilisation and supply its products to various regions of India, its business, financial condition and results of operation may be adversely affected.
- Working capital requirements would not be met if it experience insufficient cash flows which may have an adverse effect on the business, financial condition and results of operations.
- Revenue significantly depends on the sale of biscuits and any decline in the sale of biscuits in the market would have a material adverse effect on the business, financial condition and results of operation.

Mrs. Bectors Food Specialities Ltd

- Inability to expand or effectively manage growing super stockist and distribution network or any disruptions in supply or distribution infrastructure may have an adverse effect on the business, financial condition and results of operations.
- Largely rely on third-party transportation providers for both procurement of raw material and distribution of the products.
- If BFSL is unable to effectively implement business and growth strategies regarding expansion of the product portfolio, its growth, business, financial condition and results of operations may be adversely affected.
- Failure to protect confidential information like product recipes, pricing or launch information could adversely affect competitive position.
- BFSL may be unable to grow its business in semi urban and rural markets, which may adversely affect the business prospects and results of operation.
- A significant portion of revenue is dependent on exports to its international consumers. Any failure to fulfil the requirements of international consumers may adversely affect its revenues, result of operations and financial condition.
- BFSL is required to obtain licenses and approvals under several legislations including the FSS Act and the relevant rules and regulations, the Factories Act and the S&E Acts under various states. Inability to obtain or renew such permits, approvals and licenses in the ordinary course of its business may adversely affect the business, financial condition and results of operations.
- The outbreak of COVID-19, or outbreak of any other similar severe communicable disease could have a potential impact on the business, financial condition and results of operations.
- Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of Equity Shares, independent of its operating results.

Profit & Loss

Particulars (Rs in Million)	H1FY21	FY20	FY19	FY18
Revenue from Operations	4309.9	7621.2	7836.7	6939.7
Other Income	75.6	28.5	23.6	17.9
Total Income	4385.6	7649.8	7860.3	6957.6
Total Expenditure	3588.6	6693.1	6875.8	6084.8
Cost of materials consumed	2289.3	4113.2	4068.4	3778.9
Purchase of stock-in-trade	0.0	3.7	134.1	119.7
Changes in inventories of finished goods, stock-in- trade and work-in progress	-41.1	-42.4	37.8	-70.7
Excise duty	0.0	0.0	0.0	33.3
Employee benefits expense	620.5	1179.0	1097.3	913.1
Other expenses	719.8	1439.6	1538.2	1310.5
PBIDT	797.0	956.7	984.5	872.8
Interest	54.8	150.4	126.8	61.1
PBDT	742.2	806.3	857.7	811.7
Depreciation	221.6	414.9	351.8	283.5
PBT	520.5	391.4	505.9	528.2
Share of net profit of associate accounted for using the equity method (net of tax)	0.9	0.4	0.7	0.2
Tax (incl. DT & FBT)	132.6	87.8	175.1	169.5
Current tax	121.9	129.0	117.8	164.5
Deferred tax	10.7	-41.2	57.2	5.0
PAT	388.8	304.0	331.5	358.9
EPS (Rs.)	6.8	5.3	5.8	6.3
Equity	572.7	572.7	572.7	572.7
Face Value	10.0	10.0	10.0	10.0
OPM (%)	16.7	12.2	12.3	12.3
PATM (%)	9.0	4.0	4.2	5.2

(Source:RHP)

Mrs. Bectors Food Specialities Ltd

Balance Sheet

Particulars (Rs in Million)	H1FY21	FY20	FY19	FY18
Non-current assets				
Property, plant and equipment	3269.7	3375.7	3442.7	2405.7
Right-of-use assets	145.05	151.4	167.5	183.8
Capital work-in-progress	288.9	66.6	155.6	920.8
Goodwill	4.0	4.0	4.0	4.0
Other intangible assets	3.2	6.1	12.0	17.8
Equity accounted investment	39.1	38.3	37.9	38.8
Financial assets				
Loans	34.7	35.3	37.0	33.6
Other financial assets	1.2	0.3	0.4	9.7
Income tax assets (net)	30.8	42.6	41.8	29.3
Other non-current assets	223.4	174.3	40.7	66.2
Total Non-Current Assets	4040.0	3894.4	3939.4	3709.6
Current assets				
Inventories	544.5	433.73	352.83	353.49
Financial Asset				
Investments	0.0	0.0	0.0	0.2
Trade receivables	729.1	750.2	1003.3	693.8
Cash and cash equivalents	172.4	207.0	55.3	58.8
Bank balances other than (iii) above	304.2	95.5	65.0	48.5
Loans	0.0	3.6	0.0	0.0
Other financial assets	208.9	179.4	154.8	97.3
Other current assets	81.1	93.3	199.8	148.9
Assets classified as held for sale	7.1	0.0	0.0	0.0
Total current Assets	2047.2	1762.8	1831.0	1401.0
Total Assets	6087.3	5657.2	5770.4	5110.6
EQUITY AND LIABILITIES				
Equity				
Equity share capital	572.7	572.7	572.7	572.7
Other Equity	3005.0	2620.3	2374.8	2093.5
Total Equity	3577.7	3193.0	2947.5	2666.1
Non-current liabilities				
Financial liabilities				
Borrowings	1012.0	856.5	1072.1	947.1
Lease liabilities	11.7	15.4	26.8	42.1
Provisions	75.2	61.2	41.9	32.5
Deferred tax liabilities (net)	88.0	78.8	122.1	64.8
Other non-current liabilities	116.7	131.4	148.7	137.5
Total Non-current liabilities	1303.6	1143.3	1411.6	1224.0
Current liabilities				
Financial liabilities				
Borrowings	0.0	180.5	327.1	262.7
Lease liabilities	7.1	11.4	15.3	13.8
Trade payables				
<i>Total outstanding dues of micro enterprises and small enterprises</i>	75.4	59.2	67.4	0.0
<i>Total outstanding dues of creditors other than micro enterprises and small enterprises</i>	540.8	411.1	420.8	389.7
Other financial liabilities	296.0	344.7	297.4	297.6
Provisions	38.7	156.9	142.0	126.9
Other current liabilities	185.7	138.3	128.8	103.8
Current tax liabilities (net)	62.2	18.7	12.6	26.0
Total Current Liabilities	1205.9	1320.9	1411.3	1220.5
Total Liabilities	2509.5	2464.2	2822.9	2444.5
Total Equity and Liabilities	6087.3	5657.2	5770.4	5110.6

(Source:RHP)

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