

MBFSL/CS/2025-26

19th February, 2026

To, Department of Corporate Relations, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	To, National Stock Exchange of India Ltd, Exchange Plaza, C- 1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai– 400051
Scrip Code: 543253	Scrip Symbol: BECTORFOOD

Dear Sir/Madam,

SUBJECT: TRANSCRIPT OF EARNINGS CONFERENCE CALL – Q3 & 9M FY26 UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the earnings conference call of the Company held on February 13, 2026 to discuss Q3 & 9M FY26 results.

We Request you to kindly take the same on record.

Thanking You,

Yours faithfully,

For **Mrs. Bectors Food Specialities Limited**

Atul Sud
Company Secretary and Compliance Officer
M.No. F10412

Mrs Bectors Food Specialities Ltd



“Mrs. Bectors Food Specialities Limited
Q3 & 9 Months FY '26 Earnings Conference Call”

February 13, 2026

Mrs Bectors Food Specialities Ltd



**MANAGEMENT: MR. ANOOP BECTOR – MANAGING DIRECTOR AND
PROMOTER – MRS. BECTORS FOOD SPECIALITIES
LIMITED
MR. MANU TALWAR – CHIEF EXECUTIVE OFFICER –
MRS. BECTORS FOOD SPECIALITIES LIMITED
MR. PARVEEN KUMAR GOEL – WHOLE-TIME
DIRECTOR & CHIEF FINANCIAL OFFICER – MRS.
BECTORS FOOD SPECIALITIES LIMITED
MUFG INTIME – INVESTOR RELATIONS ADVISOR**

**Moderator:**

Ladies and gentlemen, good day, and welcome to Mrs. Bectors Food Specialities Limited Q3 and 9M FY '26 Earnings Conference Call. As a reminder, all participant lines will remain 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 telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anoop Bector, Managing Director and Promoter. Thank you, and over to you, sir.

Anoop Bector:

Thank you so much, and good evening, everyone. On behalf of Mrs. Bectors Food Specialities Limited, I extend a very warm welcome to all participants joining us for our quarter 3 results discussion call for the financial year 2026.

Today, I'm joined by Mr. Manu Talwar, our Chief Executive Officer; and Mr. Parveen Kumar Goel, Whole-Time Director and Chief Financial Officer. We also have with us our Investor Relations Advisor from MUFG Intime. I hope everyone had an opportunity to review our investor deck and press release, which have been uploaded on the stock exchanges as well as on our company website.

The company reported revenue from operations of INR533.3 crores in the third quarter of FY'26, reflecting a growth of 8.4% year-on-year. The Biscuits vertical delivered a resilient 5.7% year-on-year growth, impacted by GST 2.0 transition as well as continued uncertainty due to punitive tariffs. The bakery vertical recorded a strong 13.2% year-on-year growth, led by English Oven brand.

EBITDA percent came in at 12.9%, which is 44 bps up over quarter 3 of the financial year 2025. Amid a dynamic global trade environment, many India-based manufacturers with growing international linkages like us, navigated a period of uncertainty in the recent times.

The proposed trade agreement between India and the United States marks a meaningful step forward in economic, strategic and geopolitical terms, reinforcing India's position as a globally competitive manufacturing and sourcing hub.

We express our sincere gratitude to honourable Prime Minister, Shri Narendra Modi, for envisioning the same and for progressive trade facilitation measures and tariff rationalization from 50% to 18%, which has strengthened confidence in the India's export ecosystem, enhanced the attractiveness of Indian food and FMCG manufacturing for a long-term global partnerships and advanced the vision of Viksit Bharat. This development will enable us in regaining momentum and strengthening our exports vertical.

On the domestic front, implementation of GST 2.0 reforms led to transitional inventory impact. However, the significant benefits to the consumer bode well for the category, and we are already witnessing the consumption picking up. Post GST rationalization, we passed on the full benefits to consumer through MRP reductions and increased grammages, enhancing value for the consumer.



On the bakery front, English Oven continues to be the key driver of performance, supported by sustained momentum from our QSR partnerships. English Oven's strong trajectory is underpinned by brand pull, health-first initiatives and distribution excellence. I'm happy to share with you that we successfully commissioned our Kolkata plant in January, making our foray into East.

Further, we expanded the English Oven brand into Hyderabad market, marking a strategic entry into a key growth region. We are progressing towards commissioning of the Khopoli plant, targeted in the next few months, which will further enhance our capacity and operational flexibility. Together, these initiatives are expected to strengthen our presence across key markets, improve supply chain efficiencies and support sustained growth through deeper regional penetration.

Our new product development strategy remains anchored around building a strong health-oriented portfolio, with the full rollout of Zero Maida range and NaturBaked reinforcing our better-for-you positioning, the foray into ready-to-eat desserts under the frozen range continues to scale up, enabling English Oven to participate beyond breakfast and snacking in a household.

The ready-to-eat pipeline remains robust with key launches planned over the coming quarters. On the biscuits front, we had a successful Diwali season with the gifting portfolio realizing a 20% plus growth, introduction and scaling up of Golden Bites, Fruit and Nut and Pista Almond cookies.

The bakery cookies complements our strategy of premiumization in general trade, along with quick commerce first products like Zero Maida Coconut, which continues to do well. Rounding up the quarter, we had a very successful collaboration with Blinkit on Christmas, where our flagship Danish Butter Cookie tins penetrated 3 lakh-plus households and generated brand goodwill.

Before we move to our financial performance for the quarter, I am pleased to share that we have declared an interim dividend of INR0.6 per equity share. Talking about the financial performance, our Biscuit segment reported revenue growth of 6%, which stood at INR325 crores in Q3 FY '26 as compared to INR308 crores in Q3 FY '25.

The segment has grown by 21% over Q3 FY '24. Our Bakery segment revenue for Q3 FY '26 stood at INR198 crores against INR175 crores in Q3 FY '25, thus registering a growth of 13% on a year-on-year basis, including Retail Bakery and Institutional segment. This segment has grown by 36% over Q3 FY '24.

The consolidated revenues for the current year stood at INR533.3 crores versus INR492.1 crores in Q3 FY '25, thus registering a growth of 8.4% on a year-on-year basis. EBITDA stood at INR68.4 crores, resulting in a growth of 11.4% on a year-on-year basis.

The EBITDA margins for the quarter stood at 12.8%. PAT stood at INR38.1 crores for the quarter, resulting in a growth of 10.1% on a year-on-year basis and PAT margins for Q3 FY '26 stood at 7.1%.



Moving to 9 months financials FY '26. The consolidated revenue for 9 months FY '26 stood at INR1,557.7 crores versus INR1,427.8 crores in 9 months FY '25, thus registering a growth of 9.1%. EBITDA for 9 months FY '26 stood at INR195.9 crores. EBITDA margin for 9 months FY '26 stands at 12.6%.

PAT for 9 months FY26 stood at INR105.5 crores. In Q3, PAT is impacted on account of provisioning owing to new Labour Code amendments. With this, I request you to open the floor for questions and answers. Thank you so much.

Moderator: The first question is from the line of Raghav Maheshwari from Kamaya-kya Wealth Management.

Raghav Maheshwari: So sir, my first question is on the Khopoli expansion. As we move closer towards commissioning this plant, could you help us quantify the peak revenue potential from this particular facility at optimum utilization? And what is the timeline that you are assuming for reaching towards that optimum level?

Anoop Bector: This plant is actually quite a large facility, and the infrastructure has been created for much more than what we have. But at the moment, what I can guide you is that the plant capacity for breads would be around 132,000 breads a day. And in case of buns, we would be doing around a million buns a day. So this was actually in the buns case, it is going to be double than what we have.

In case of breads, it's going to be much larger because breads was a very small business, and we were getting it done from outside. So these two factories, in the next few years are going to be commendable and would give a very good quality breads, and we are looking at good growth numbers.

On the exact side, how many years I'll take, I don't have those numbers with me. But whenever I mean, we have the next 3 years plans, which we can share it later. But at the moment, this is the best what I can tell you.

Raghav Maheshwari: Okay, sir. So could you help us with the asset turn on this capex, if not revenue potential?

Anoop Bector: Yes. So asset turnover on this asset is, like I said, the infrastructure has been created for a much bigger business, right? So asset turnover, I think will be on the lower side will be -- Manu, can you share this?

Manu Talwar: Yes. So as this facility has been built for a longer tenure and in bakery, especially we need to invest in one go for the 5, 7 years of capacity. So in next 2 to 3 years' time, we should start hitting an asset turn of 2, 2.5 for this plant, but it will take about 3 years to get to that asset.

Raghav Maheshwari: Got it, sir. And sir, my second question is on the export side, which has been a strong performer for us. And with this trade deal likely coming into effect from Q1 onwards and the EU FDA also now concluded, we are expecting a favourable shift in the operating environment?



So sir, could you help us quantify what kind of financial enhancement we should expect from these developments? And like do you primarily see this as a volume driver? Or we can also see a structural improvement in EBITDA margins?

Anoop Bector:

So this has been relatively new, right? I mean, it just happened. But yes, this will relatively improve any manufacturer from India's ability to sell in the EU and America. And we are very, very hopeful of getting a big benefit out of this opening from a 50% punitive tariff to an 18% tariff. So hopefully, we would be able to have a lot of value addition in the business.

Raghav Maheshwari:

Okay, sir. And sir, if you can list down some growth drivers for FY '27?

Manu Talwar:

So our growth driver for FY '27, yes, definitely, export will be a better growth driver this year because of the whole trade treaty and some other uncertainty, although export has been growing over the last 4 years, been growing on an average of high-double digit in the last 4 years. But this year has been a low on account of this tariffs and other things.

So we expect export to get back into a good growth engine for us to get into mid-teens to high-teens kind of growth. Similarly, bakery, English Oven continue to expand, as you would have heard in the MD speech that we have opened up Kolkata and so we opened up our East region.

We have also opened up another big city on bakery in the southern region. And we continue to kind of expand in other regions. So English Oven should continue this journey of growing and our Khopoli plant, which is getting commissioned in the next few months' time, so we have very aggressive plans for Bombay and Maharashtra in terms of growth.

So English Oven will remain a high-growth engine for us with probably expecting another 1 or 2 cities further getting added during this coming financial year, right? Domestic biscuit business, again, has seen a sequential improvement in growth in this quarter over the last quarter. And trends are looking good.

We are very clearly investing. As we shared last time, we're investing in a 400 to 500 kilometers range from our both Indore plant as well as from our Punjab plant and going deeper in our penetration coverage. So that also should be good. Coming on a B2B business for bakery, yes, B2B business on our bakery side, QSR is still on a low burn, but we're very confident that now there should be a turnaround there.

But what we did over the last 2, 3 years, we added a frozen business and the frozen business has built into a good business, which has become almost 20% of our B2B bakery business and has a great growth potential. And so we're expecting that, again, to leverage and to grow that part of the business.

And also, as mentioned in the speech, we have started introducing some of the frozen products in our retail. These are some of the pilots which we have done in the NCR. And but we see that also should start stabilizing and growing there. So these are some of the few growth engines across the business areas, which should help us grow well in the coming financial year.



- Raghav Maheshwari:** Noted, sir. That helps, sir. And what is the percentage of B2B as compared to the total revenue?
- Manu Talwar:** B2B bakery you're asking?
- Raghav Maheshwari:** No. So overall business, in the bakery, what is the percentage of B2B revenue?
- Manu Talwar:** You're talking of B2B bakery or you're talking exports and B2B put together?
- Raghav Maheshwari:** I'm talking about exports and bakery put together, sir?
- Manu Talwar:** Exports and B2B bakery put together should be closer to 45%, 46%, 47% around that, yes.
- Anoop Bector:** But what is the QSR as a B2B, I think more relative would be the Indian B2B, which is our QSR business, right?
- Manu Talwar:** Another thing which I want to take the opportunity of highlighting here is that you see our Cremica brand biscuit, we have a large domestic business, but Cremica brand is also a very large business internationally. We are selling Cremica brand over 50 countries. Cremica brand has done also very well in this financial year.
- It is contributing over 50% of our revenues internationally, which is in our export division. So the Cremica brand from your question point of view, the Cremica brand is both there internationally as well as domestic, and it's a fairly large business, both in India as well as outside India.
- Moderator:** The next question is from the line of Soham Samanta from Motilal Oswal.
- Soham Samanta:** So just wanted to check, is it fair to assume that our export growth of this quarter, lower-double digit, while the domestic is flat to marginal on year-on-year?
- Manu Talwar:** So our export has grown lower in this quarter. So our export growth was single digit and our domestic growth was high-single-digit, almost touching double digit. It was around that much. But yes, export was a low-single digits.
- Soham Samanta:** You have to say domestic is high single-digit and majorly it will come from volume?
- Manu Talwar:** Come from, sorry?
- Soham Samanta:** Volume, domestic biscuit?
- Manu Talwar:** So there has been GST changes and all that, which has obviously led to higher. So we have definitely grown in volumes in this quarter, but it's also the value growth.
- Soham Samanta:** So if you assume that high-single digit, in that case, what would be the volume? Low-single-digit volume?
- Manu Talwar:** Let me just answer you.



- Anoop Bector:** So I think there have been a lot of changes because the GST 2.0 changes. So I think at this point of time, comparison might not be right because we have been in the transition.
- Soham Samanta:** Okay. And sir, last on a margin, how do you look right now because in Q3 last quarter also, we are targeting 14% plus. So how do you look Q4 and FY '27?
- Manu Talwar:** See, as I explained to you last time that for us, margin starting from quarter 1 of next financial year, as I said that we can look at in the H1 of next financial year, we should start getting to the 14% range.
- Soham Samanta:** Okay. And what about the gross? So any marginal improvement you can see from gross margin as well in FY '27?
- Manu Talwar:** Gross margin. So in the gross margin, you're asking, right?
- Soham Samanta:** Yes.
- Manu Talwar:** So gross margin, I will be able to give more clarity in the next call. We are just in the process of concluding our AOP. So to exactly comment on the gross margin side would be a little tough. But yes, you can expect some marginal improvement there.
- Soham Samanta:** Okay. Okay. And sir, last thing that in this quarter, what is the , B2C growth English Oven? It is mid-teens?
- Manu Talwar:** Yes. It's a high teens growth.
- Soham Samanta:** High teens. Okay. Okay. Thank you.
- Moderator:** The next question is from the line of Ronak Shah from Equirus Securities Private Limited.
- Ronak Shah:** Sir, my first question is regarding the domestic biscuits. So as the market leader has already highlighted that the competition is very high. So can we elaborate that considering the high competition from local plus your larger national players, the growth rate into the domestic biscuits will going to be into the high-single to low-double digit only in near-term?
- Manu Talwar:** See domestic biscuit business has been for a while a very highly competitive and intense business. And in a territory of North India, definitely is a highly competitive business, both with big player and local players, right?
- We have seen a sequential improvement over the last quarter and this quarter in the growth. And yes, you're very right. We do expect the next 2 quarters to march towards the low teens kind of growth, and that's what we are targeting to achieve in the next financial year.
- Ronak Shah:** Okay. Okay. So sir, it is fair to assume that the double-digit growth will come from the second half of FY '27 into the biscuits -- domestic biscuits especially?



Manu Talwar:

No, no. see, as I said, growth even in this quarter, we had a high-single-digit growth. So we see sequentially with the consumer GST impact also turning positive quarter-on-quarter. It should keep improving.

Ronak Shah:

Okay. Got it. Sir, my second question is on bakery part. So though we have clocking around 13% to 14% sort of growth, but it sounds a bit conservative considering the TAM plus the opportunity plus the activation in terms of the green label and all which we are doing. So what has caused our slower growth rate? And going forward, by when we are again targeting a high-double-digit or high teens sort of growth rate into the bakery segment?

Manu Talwar:

So I just, I think, mentioned that in the English Oven, we have grown high teens. It's only the B2B business, which had a lower growth. That's why average is around 13.5%, 14% there. So English Oven continues to march at a good growth rate and shall continue to do that as well as expand further. We are very, very firm on becoming a pan-India strong brand over the next 2 years' time. And that's why we added 2 more geographies in this quarter and in the first quarter of the FY26.

And while we are building these geographies and our Bombay, Maharashtra geography will see a huge expansion as we updated you the Khopoli plant will come up soon in the next few months' time. And we are also likely to add another few cities in this financial year. So English Oven growth is robust and will continue to be robust.

Ronak Shah:

Got it. And sir, last piece on the exports part. So can you highlight some qualitatively how we are diversifying apart from the U.S.A. and from the profitability front, considering the lower tariff now being into the system, are we expecting a significant improvement into the U.S. exports and the margin as well?

Manu Talwar:

Please, please go ahead.

Anoop Bector:

Yes, I'll go ahead. See, what is happening is Mrs. Bectors has always invested and has built up a capability to export biscuits to every segment of countries, right? So we are exporting to around 60, 70 countries today. And out of them, U.S.A is one of them. South America is big for us. Europe is going to be turning out to be good opportunity.

U.K. with the new FTA, Europe with new FTA, U.S.A over the last 6 months from we had seen all projects coming on to hold. So we feel Mrs. Bectors is fully ready, geared up to get the benefit of these opportunities. So we will see good value and not value biscuits, but premiumization from our perspective, which we will deliver to these markets.

Manu Talwar:

And Anoop, I would request to you also, you can brief them how we have upgraded our capabilities on distinctive biscuit category in India and international market

Anoop Bector:

So I mean today, Mrs. Bectors is one of the largest suppliers of Danish cookie tins to the U.S.A. And so the Indore plant was specifically built with the mind that we are going to be feeding the U.S.A market.



So for the last 6 months since the time Indore plant had started, actually we didn't want to use that capacity into India because that plant could make very specific good products. So now things will get activated. We already have used this time last 6 months to prepare the products, so I think the benefits will come in now very clearly to the company.

Ronak Shah: Okay. Okay. If you may permit for last one. Can you just highlight on the export incentive, which has been paused from the government? Are there any updates on that part?

Anoop Bector: Yes. So that absolutely right. So there was definitely in the last 6 months, from August onwards, we have not been able to get those benefits. And in fact, if those benefits had come in, our margins would have shown a very different sort of numbers.

But what our company has now done is we are going to be utilizing that we start importing raw materials, which are duty-free because for our exports, we can import RM, raw materials against advance license. We are going to start doing this slowly. I think in the next 6 months, we should be geared up to recover the damages.

Ronak Shah: Okay. So in terms of quantification, can it be into the range of 20 to 30-odd bps of your margin with those incentives?

Manu Talwar: No, our impact on our overall revenue would be almost close to 1%, close to that.

Moderator: The next question is from the line of Harit Kapoor from Investec.

Harit Kapoor: So I just had two or three questions. One was on the growth rates. So you've spoken a lot about how you expect business to accelerate. Should we assume that given that export business starts to normalize, hopefully, early next year and even your capacity in bread comes through only in Q1 that these growth rates on the revenue side are Q1 FY '27 onwards kind of a picture and Q4 also will be in a similar to slightly up and down band. Is that the right way to kind of think about near-term growth, on the revenue side?

Manu Talwar: You're right. Yes, that's the right way to think.

Harit Kapoor: Got it, got it.

Manu Talwar: That's what is going to happen is that from Q1, we should start seeing an improvement in our growth rate and it should kind of buildup. And looking at the situation now, trade treaty signed, nothing much going adverse largely, we should be targeting to get for the next financial year, close to mid-teens kind of growth.

Anoop Bector: So all these deals are getting signed in U.S.A is getting signed in March. And so I think U.K. and Europe are also going to be signed probably in the second quarter or something. So over the year, I think on the growth side, things look into a much stronger wicket.

Harit Kapoor: Got it. Got it. The first half performance in Bakery was about 17%-odd growth. Q3 has been 13%. This lower growth versus first half, you would attribute it entirely to B2B, is it?



Manu Talwar:

So largely, I would say, largely is B2B is a reason. Yes. But in the Q1, and the H1, our growth were higher. You see, I'll just give you a brief. We had a price increase in October or November of '24, right? So H1 was cycling that advantage also. But this quarter, again, our growth has been high teens in the bakery. So if I kind of try and normalize that, the growth has been pretty consistent there with 1% or 2% here and there. But yes, the H1 had an advantage of cycling the low-priced tariffs, right?

Harit Kapoor:

So you're saying that the bakery business is more volume-led growth this time is what you're trying to...

Manu Talwar:

In Q3, yes.

Harit Kapoor:

Yes. Got it. And just as a comment, I would recommend if you could also give -- I know your tonnages across are very different, but henceforth or whenever possible, if you can also give a broad range of where the volume growth have been either separately for biscuits and bakery or overall for the business because that helps us understand the pricing differential also because in the B2B business, we can't really pick it up from the market. So if possible, if you can kind of do that math, that will be fantastic?

My next question was on the margin side. So look, the export incentive has not been there this quarter it was there for 2 months in Q2. But still, we've seen a sequential improvement in the gross margin, right?

I think an earlier participant also had a gross margin question. But from your perspective, is this improvement is driven by mix because B2C has done better in both biscuits and in breads? Or is it also an RM -- some RM benefits also kind of starting to flow through now? How would you interpret this sequential improvement?

Anoop Bector:

So Harit, let me first clarify on the RM margins. We have always believed in predictability. So we are one of those companies who didn't get the benefits of lower prices. So that's one thing because we had done our hedging till March. So there were no benefits which have come in from the raw material side. But Manu can explain you the best regarding this.

Manu Talwar:

Yes, yes, yes. So I think Anoop has covered that answer, and it's largely the business, business mix and efficiencies. So RGM, revenue growth management and business mix and there's some bit of efficiency, which has helped us to improve that margin over last quarter.

Harit Kapoor:

Got it. Got it. And last question was Anoop ji, this export incentive thing and you're looking to import now, does that completely offset whenever you start kind of offsetting this impact with your import strategy, does that completely offset the area.

Anoop Bector:

In fact, we have been waiting that this because this was suspended. It was not finished or so it was only suspended. So we kept believing that this will come back. It is just a short-term thing. You know what, incentives because we people have been a very high value drivers.

I mean, for us, our Danish cookie tins are very highly priced. So as a percentage, what we used to get -- I mean, I think we'll not probably be able to recover 100% of what we were getting, but



we will target to get towards that. I mean -- but it is going to take us 3 to 6 months because I have to create this complete import. We have already targeted a few raw materials, which we have already started sending the POs. But I think in the next 4, 5 months, we will get out of it.

Harit Kapoor:

Understood. Understood. And despite you saying that -- so it will take 4, 5 months in your view, but even though it will take 4, 5 months?

Anoop Bector:

So if we reach the optimization, reach optimization, right? Not 4, 5 months to start. We've already started, but it will reach 4, 5 months to optimize it, right?

Moderator:

The next question is from the line of Darshit Vora from Asit C Mehta Institutional Equities.

Darshit Vora:

Most of my questions have been answered, but I had one part with respect to the larger competitor has hinted at a strategy towards competing fiercely. So do we have any kind of plans that we are either making or have in pipeline to compete with the players even the regional competition?

Manu Talwar:

So you're talking of Cremica domestic biscuit business, right?

Darshit Vora:

Yes, yes.

Manu Talwar:

So in our domestic biscuit business, as I said, there are 2-pronged strategies, out of which one is obviously, we explained to you that how we are going to penetrate deeper within the 400 kilometers of our Punjab and Indore plant, right, and drive the distribution growth and expansion there.

Second, alongside that, while we are investing behind our brands and varieties, which are doing well like Coconut, Bourbon, Digestive and all, we have also in the over the last 8, 9 months, if you look at, we have launched a series of premium products, which MD had mentioned in his speech also, right, which are premium cookies as well as some of the health varieties and some in terms of premium like sourdough and other products, right?

So objective is to now the products which we have launched over the last 9 months' time, we also invest behind to keep building those products. So objective behind that is that we are very clear now that what we will be launching is a differentiated product, which we have done.

And we want to build these products over the years because getting into the again me-too kind of product doesn't give you that differentiated strength in a highly competitive business. So these are the 2, 3 large strategies which we are on execution mode now, and these will be our sources of growth for our RGM of domestic biscuits.

Darshit Vora:

All right. All right. And secondly, just extrapolating this competition point to the bakery business as well. On the quick-com front, we have seen some of the quick-com companies as well coming out with their brands and some other smaller companies also launching their own brands in the bakery side, even the premium ended bakery side. So have we seen some kind of impact of that competition?



Manu Talwar:

No. quick-com is also a very competitive platform, but we have been an early starter in year '22 in quick-com as we continue to invest on this platform. We're very confident of this platform kind of growing in a changing consumer environment, and that's what has happened. So we have a stronger share in quick-com business, much ahead of our general trade share, and we continue to grow very, very aggressively here.

So quick-com in English Oven is now contributing almost 33%, 34% of our revenues, right? And this is kind of improving every quarter and every year. So if I remember right, over the last 1 year itself, we would have doubled. We have doubled our revenue contribution. So a, English Oven is a high-growth business.

In this high-growth business, quick-com has contributing almost 33%, 34% and this contribution has literally doubled over the last 12 months, right? So it's a strong journey. We have a strong hold. We're investing behind it, and we remain ahead in this journey versus many other players.

Darshit Vora:

Okay. That's great to hear. And finally, just also on the B2B part. So we have seen certain newer brands and players also entering, certain international brands also entering the chain QSR space. So do we or have we seen some client additions or new brand additions in our B2B portfolio? Or do we plan to add something?

Anoop Bector:

I would not know. If you would tell us which brand you're talking about, we can tell you we're part of them or not. Because we have Tim Hortons, which is a coffee chain, we supply to them. So we'll need to know. I mean, we supply to most of the burger guys. So we hold a very strong position over there. So you need to tell us who is the person who will come in. So that probably we can know because otherwise, we will not come to know otherwise.

Manu Talwar:

All the new premium range is where we are present with our frozen range also getting very strong. So we are offering them a variety of products, right? And we are still in discussion on many of the new products with these chains. So in terms of customer additions on our B2B bakery side, there has been a robust performance, especially led by the frozen range of our products. Because our share in a bun business in quick-com is already upward of 80%, 85%.

Moderator:

The next question is from the line of Chirag Shah from White Pine Investment Management.

Chirag Shah:

Sir, just a question on this India U.S.A tariff. So as things are, is it back to normal business or there is some added tailwind? And if yes, which countries generally we compete with, which gives us some advantage?

Anoop Bector:

When U.S.A trade tariff had happened, so we are covering most of the countries. But what we are seeing is in our journey, in our trade fairs, with our people who are visiting, we feel Europe is coming out strong. So Europe which was earlier not there or very limited for Indian food products other than ethnic is now getting into the mainstream.

So what you have to understand about exports is that we have a very limited ethnic consumer. Our consumer is more mom-and-pop stores. As a general, we compete with the local competition. We're giving them the local product. So that is the differential which is there with us.



I think Europe is coming out extremely well. We also see America as they have started responding and coming back on to the old projects which they had put on hold till the time these duties were not clarified. So I think there's a great opportunity in South America, in Europe, in U.S.A as well. So U.K. is going to be very good for us.

Chirag Shah: So my question was, so it is back to normal business, right, before the entire tariff tantrum happened?

Manu Talwar: No, no, no.

Chirag Shah: We are back to normal business or there is an added advantage that we have?

Anoop Bector: No, no, no. We have not lost any business, but new projects from U.S.A stopped coming in, which will now start coming in. But yes, definitely, we had to part away with some extra discounts or something, small discounts, not very big discounts. So we did not do business. Other than small, few, yes. Few retailers, yes, we lost, but that does not mean, otherwise, we will continue our business.

Chirag Shah: And sir, which country we would be competing for import if they are importing from A or B or C, something, which are the other 2 countries?

Anoop Bector: India is very unique. China is not our competitor in these products. So as I said, we make for the market. We will make products for Walmart, like most of the tins, which are Danish cookie tins, which were earlier going from Europe are now going from Mrs. Bectors. So I mean, we do not have competitors from any other country as such. That's what is it at the moment, right?

Moderator: The next question is from the line of Ajay Thakur from Anand Rathi Securities.

Ajay Thakur: So I wanted to understand a bit more on your Strategy 2.0, which you had indicated will be rolled out possibly in FY '26 towards the 2026. So I wanted to get a more sense in terms of is it kind of finalized and when can we expect that rollout to happen? And if you can share some broader context of that, it would be helpful?

Manu Talwar: Yes. I think I answered in one of the beginning question, our sources of growth across the business area, which I explained. So export, obviously, with this tariff agreement happening and with new capability of some new products coming up in Indore and one or more of plant, we should again see a resurgence of our export growth, which has been there well over the past few years, but yes, this year was a little low.

Coming to another biscuit winner, domestic biscuits, which on a quarter-on-quarter has seen improvement in growth. And we are investing in our distribution coverage in 400 kilometers from both our Punjab and Indore plant.

We have launched a series of premium products in the last 9 months' time. So we'll be again continue investing behind them to kind of build it and further strengthening our brand marketing as we are carrying out a brand study of both Cremica and English Oven. So make a go-forward



strategy on both the brands, which will further enhance the growth on the domestic Cremica Biscuits side and take it to a low teens kind of growth next year.

English Oven, as I brief that it continues to be on a strong growth path, which has been growing at kind of high teens kind of growth. And we launched in the last few months in Calcutta region and Hyderabad, further expanding our geographies.

And our Bombay plant will come up in next few months' time, which will help us good quality bun and bread supply, and we will strengthen our distribution not only in Bombay, in many parts of Maharashtra, and that will become another large source of growth for English Oven.

So English Oven continue to grow in the existing new territories plus we are planning to add some more territories in the coming financial year. B2B business, as I briefed that frozen business is showing a good traction, which we built over the last 2, 3 years' time. And now we have enough on pipeline as a promising for good revenue growth in the next financial year.

And QSRs also continue to expand in invest in their store expansion, and there should be a turnaround. So these are the business-wise sources of growth and a strategy, what you call it, for the next financial year.

Ajay Thakur:

Understood. Also wanted to get a bit more sense on the margin. We have seen a small bit of improvement. And obviously, given the fact that we will be utilizing the duty -- import duty incentives -- duty export incentives. So in that context, hopefully, the margin should start improving further possibly from Q4 onwards. So I wanted to get more sense in terms of what kind of improvement can we see in Q4 and then going forward?

Manu Talwar:

So as I've been briefing in the previous call that our target was to get to 14%. We would have got to 14%, but for the export incentive, which kind of suddenly was put under suspension by the government. Otherwise, we would have been at 14% in this quarter. So now improving from here to getting to in the 14% range is what we expect in the H1 of the next financial year, and that's the path we are progressing on.

Moderator:

The next question is from the line of Resha Mehta from Green Edge Wealth.

Resha Mehta:

So the first question is on the Bakery QSR. So fair to say it would have grown, let's say, in mid-single digits for Q3?

Anoop Bector:

Yes, yes.

Resha Mehta:

Okay. And here, again, would it be fair to assume that since we are already so well penetrated on the bun side, so any incremental growth here would largely be driven by new categories like frozen foods unless the macro demand for the QSR improves, which sees the growth from the bun side as well. Would that be the right understanding?

Manu Talwar:

Yes, broadly, yes. But yes, as we have started our Calcutta plant, so that will give us a fill up of the East region business even on the bun side. There are many new small customers also mushrooming where we had a capacity constraint both in Bombay and Bangalore. So Bombay



plant coming up will help us to service that new customer, which we were as of now not able to service them and add them to our portfolio.

Similar is a challenge in Bangalore. And Bangalore also we're investing in our expanded new plant there in the coming financial year. So that will help. So yes, so some bit of growth, which we were not able to capture of new customers in both West and South territory will get available with the capacity falling in place. And the Calcutta region would obviously is a geography new to us other than McDonald's is what will add to our business. So broadly, what you said is right.

Resha Mehta: So with that, then FY '27 onwards, can we expect this to touch like double-digit or a high-single-digit kind of a growth for the bakery QSR?

Manu Talwar: So bakery B2B business, yes, we will be targeting a low teens kind of growth in the coming financial year.

Resha Mehta: Right. And on the export biscuit business, so while we have seen a low-single-digit growth in Q3, if you could break it up into the U.S.A and the non-U.S.A business. So as I understand, the U.S.A business is almost 20% of our exports business. So how much would have U.S.A business degrown? And how much would have the non-U.S.A business grown?

Manu Talwar: Most of the territories have grown. So we don't share number to that granularity. But broadly, yes, our challenge in Q3 was U.S.A, which is kind of now will get rectified.

Resha Mehta: So okay. So the non-U.S.A business would have registered a double-digit kind of a growth? Or would we have seen some slowdown there?

Manu Talwar: I don't have a ready number as of now. So yes and we normally don't get into sharing such a granular number. But directionally, as I said, it is true.

Resha Mehta: And so the export business also with the U.S. trade deal coming through, right, would that also be a low-double-digit kind of a number that we are targeting for growth for FY '27?

Manu Talwar: Yes.

Anoop Bector: Yes.

Resha Mehta: And now that the trade deal has been announced, so are we already seeing like more inquiries from the U.S.A business? Or it's still status quo?

Anoop Bector: We have started and people have started talking to us, right, that -so like I mean, we had a deal, if the trade deal had not had happened, we would have lost the deal because there are certain businesses which are like the Danish cookie tins, we are approved supplier with them.

But if it was 50%, we would not have got that. They were not going to come back to us or we would have had to discount heavily, so which has gone into our favour. So already things have started happening. India is back into their mind, where even the buyer was confused as much as we were confused.



So it's very difficult to create a supply chain. So effectively, I think going forward, India is going to emerge as a big player in sports and food products and biscuits being one of them. And America being a very large consumer will really give a benefit. But those companies will benefit who are prepared. Like I mentioned earlier, we manufacture for the market, for the U.S. market. We do not manufacture ethnic products.

We do ethnic wherever there's a need. But our main competition happens, if I do America -- if I'm selling biscuits into America, I'm doing a cheese cream for them, a cracker for them. It's a product which they keep eating. They are consumers of that product, right? So it's not that I'm giving them a jeera biscuit or something else. So we are sure that things will be much more productive.

Resha Mehta:

Sure, sure. And...

Anoop Bector:

It is so new. In fact, the agreement has -- right now, we don't even know. I mean we know we're going to have 18% tariffs. But we don't know. It might be different. It might be lower, it might be something else, because in the newspapers, we read that certain food items are being considered as 0. Now if that is the case, we don't know. So I think end of March, we'll have a clear clarity on what is happening. But yes, things are moving in the right direction.

Resha Mehta:

Understood. And just the last one on the domestic biscuits business. So while you all have articulated the future growth levers for the domestic biscuit business, but I just wanted to kind of double-click on why the domestic biscuit business has been sluggish?

So see, the GST-related disturbance is something that even the industry leader has faced. And if you look at our domestic biscuit business, the growth versus, let's say, Britannia is hardly 200 bps higher, while we are probably 1/8 their size, right?

And so is it -- if I exclude the GST part, is it -- I mean, what is it that has impacted our growth in the domestic biscuit business over the last 1 year? So is it like a lot of competition? Were we constrained on capacities? Were there any execution gaps? If you could just kind of help me on this?

Manu Talwar:

Let me brief you, right? That's still briefed in the last actually. You see domestic biscuit business, if you remember, we had a huge commodity spike in prices starting October, November of '24, right, palm oil and other things. And with the hyper competition is something which had put a very large adverse pressure on our domestic biscuit profitability and margin.

And so it was very important for us to kind of first make sure that we correct our margins there and get the business again to a good sustainable level. And that's what took about close to 8, 9 months to get that into mode. And then we started about kind of getting into the, again, distribution expansion, new products and other things a few months back, which will now is getting back into the investing behind a high growth, investing on distribution brand more.

And we have seen a sequential improvement in our growth over the last quarter to this quarter, and that journey will continue. So our expectation is to get to into low teens kind of growth in the next coming financial year, and we're confident we should be able to achieve that.



Moderator: Ladies and gentlemen, due to time constraint, that was the last question. I would now hand the conference over to the management for the closing comments.

Anoop Bector: Thank you, everyone, for joining us. I hope we have been able to answer all your queries. In case you require any further details, you may please contact us or MUFG Intime, our Investor Relations partner. Thank you very much. Bye.

Moderator: Thank you once again, sir. On behalf of Mrs. Bectors Food Specialities Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.