

Result Update

Q4 FY26

Mrs Bectors Food Specialities Ltd.

Institutional
Research

Mrs Bectors Food Specialities Ltd.



BP WEALTH

FMCG | Q4FY26 Result Update

01st June 2026

Revenue Crosses Rs. 2,000 Crores Milestone; Bakery and Biscuits Continue to Deliver Steady Growth

Mrs. Bectors Food Specialities Ltd. reported a healthy operational performance in Q4FY26 despite a challenging business environment characterized by tariff-related uncertainty, GST transition disruptions, and geopolitical tensions in West Asia impacting exports. Consolidated revenue from operations stood at Rs. 485.9 crores in Q4FY26, registering a growth of 8.9% YoY, led by consistent growth across both the biscuits and bakery segments. Gross profit increased by 13.5% YoY to Rs. 224.2 crores, with gross margins improving to 46.2% from 44.3% in Q4FY25. EBITDA grew by 11.1% YoY to Rs. 61.7 crores, while EBITDA margin expanded by 25 bps YoY to 12.7%, supported by calibrated price hikes and cost-efficiency measures. PAT stood at Rs. 35.4 crores, up 3.3% YoY, with PAT margins at 7.3%. For FY26, the company achieved a significant milestone by crossing Rs. 2,000 crores in annual revenue, reporting consolidated revenue of Rs. 2,043.6 crores compared to Rs. 1,873.9 crores in FY25, reflecting a growth of 9.1% YoY. EBITDA stood at Rs. 257.7 crores with margins of 12.6%, while PAT came in at Rs. 140.9 crores. Over the last four years, the company has nearly doubled its revenue base from Rs. 988 crores in FY22 to over Rs. 2,043 crores in FY26, translating into a revenue CAGR of approximately 20%. The strong performance was driven by sustained growth in the Cremica biscuits portfolio and English Oven bakery business, supported by premiumization, distribution expansion, and continued brand investments. The Board has recommended a final dividend of Rs. 0.70 per equity share for FY26.

Valuation and Outlook

Mrs. Bectors Food Specialities Ltd. continues to strengthen its position as one of India's fastest-growing packaged food companies, backed by strong brands in both biscuits (Cremica) and bakery (English Oven). The company has successfully doubled its revenue base over the last four years, achieving a 20% CAGR while simultaneously investing in manufacturing capacity, distribution expansion, leadership capabilities, and brand building. Management remains optimistic about FY27 despite inflationary pressures arising from crude-linked commodities, packaging materials, and logistics costs. The implementation of Project IMPACT, calibrated pricing actions, and ongoing cost optimization initiatives are expected to support margin improvement, with management guiding for sequential EBITDA margin expansion over the coming quarters. Growth prospects remain encouraging, driven by expected low-to-mid teen growth in biscuits, mid-teen growth in bakery, recovery in export markets following easing US tariff concerns, expansion of English Oven into newer geographies, and increasing premiumization through products such as NaturBaked and value-added bakery offerings. Additionally, the commissioning of the Khopoli and Kolkata facilities, rising contribution from quick commerce channels, and continued distribution expansion provide a strong runway for growth. While geopolitical uncertainties in West Asia, commodity inflation, and competitive intensity remain key monitorable risks, the company appears well-positioned to sustain double-digit earnings growth over the medium term, supported by improving operating leverage, stronger export visibility, and an increasing share of premium and value-added products in the overall portfolio. **Thus, we expect Mrs. Bectors Foods Specialities Ltd. to generate stable revenues over the long term and is trading at a PE of 28.8x/24.7x on FY27e/FY28e EPS estimates. We value Mrs Bectors Foods Specialities Ltd. at 34x FY27e EPS and have revised the target price to Rs 205 (up 18%).**

Key Highlights

Particulars (Rs. Crs.)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)
Net Sales	486	446	8.9%	533	-8.9%
Gross profit	224	198	13.5%	240	-6.6%
Gross margin (%)	46.2%	44.3%	186 bps	45.0%	114 bps
EBITDA	62	56	11.1%	68	-9.8%
OPM (%)	12.7%	12.5%	25 bps	12.8%	-13 bps
PAT	35	34	3.3%	38	-7.0%
PAT Margin	7.3%	7.7%	-40 bps	7.1%	15 bps

Source: Company, BP Equities Research

Sector Outlook Positive

Stock

CMP (Rs.)	174
Target Price (Rs.)	205
BSE code	543253
NSE Symbol	BECTOR-FOOD
Bloomberg	BECTORS IN
Reuters	MRSB.BO

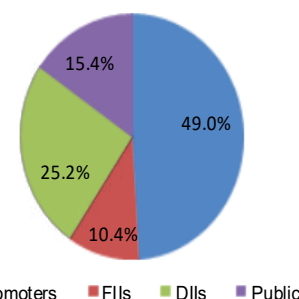
Key Data

Nifty	23,383
52 Week H/L (Rs.)	1,074/693
O/s Shares (Cr.)	31
Market Cap (Rs. Cr.)	5,339
Face Value (Rs.)	2

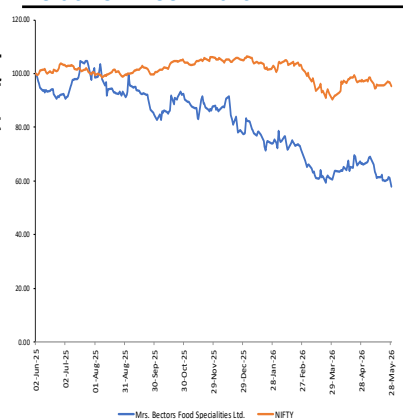
Average Volume

3 months	9,23,331
6 months	7,35,127
1 year	1,51,863

Share Holding Pattern (%)



Relative Price Chart



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Key Concall Highlights

FY27 Growth Outlook

Management remains optimistic about demand trends despite near-term inflationary and geopolitical challenges.

Biscuit business is expected to grow in the low-to-mid teens in FY27.

Bakery segment is expected to maintain mid-teen growth momentum.

Premiumization, distribution expansion, and brand investments are expected to remain key growth drivers.

“Management expects biscuits to deliver low-to-mid teen growth and bakery to maintain mid-teen growth in FY27 despite inflationary and geopolitical challenges.”

Management Commentary

Management believes FY26 was one of the most challenging years operationally due to tariffs, GST reforms, inflation, and geopolitical disruptions.

Despite these headwinds, the company delivered revenue growth of 9.1% and crossed the Rs. 2,000 crores revenue milestone.

Continued premiumization, distribution expansion, capacity additions, export recovery, and Project IMPACT are expected to support sustainable growth and profitability in FY27 and beyond.

“Premiumization, distribution expansion, capacity additions, export recovery, and Project IMPACT are expected to drive sustainable growth and profitability in FY27 and beyond.”

Inflationary Pressures and Cost Outlook

Current inflation impact is estimated at approximately 3%, primarily driven by palm oil, packaging materials, crude-linked inputs, logistics, and minimum wage hikes.

Wheat inflation is not a major concern as the company has adequate coverage and biscuits are less affected by wheat quality issues related to gluten.

Management has already implemented pricing actions and cost saving measures to offset inflationary pressures.

Gross margins and EBITDA margins are expected to remain protected in H1FY27 unless crude prices witness a sharp spike.

“The company expects to offset the ~3% inflation impact through pricing actions and cost efficiencies while protecting margins in H1FY27.”

EBITDA Margin Outlook

Management expects sequential EBITDA margin improvement in Q1FY27 and Q2FY27.

Project IMPACT initiatives, pricing actions, and manufacturing efficiencies are expected to support margin expansion.

The long-term objective remains moving closer towards 14% EBITDA margins.

“Sequential EBITDA margin improvement is expected in Q1FY27 and Q2FY27, supported by Project IMPACT and operating efficiencies.”

Project IMPACT

Project IMPACT has become an annual cost optimization exercise embedded within the company's planning process.

Savings are being generated across manufacturing, supply chain, sales & distribution, and recipe optimization.

The initiative is expected to play a critical role in offsetting inflationary pressures during FY27.

“Project IMPACT continues to deliver cost savings across the value chain and remains a key lever for margin expansion.”

Biscuit Business Outlook

FY26 biscuit growth was impacted by GST 2.0 disruptions, export challenges, and industry pricing dislocations.

Management expects stronger growth in FY27 as pricing stabilizes and export demand improves.

Domestic and export businesses are both expected to contribute to growth recovery.

The company remains focused on driving distribution expansion around its Rajpura and Indore manufacturing hubs.

Industry Pricing and Competitive Dynamics

Management believes the Rs. 4.50 price point strategy adopted by certain competitors after GST changes was an aberration.

Industry pricing is gradually normalizing towards appropriate price points.

The company expects a more stable competitive environment going forward.

“Competitive pricing disruptions post-GST are normalizing, creating a more stable operating environment for the biscuits category.”

Export Business Recovery

Export growth remained in low single digits during FY26 due to US tariff uncertainties and West Asia conflict-related disruptions.

US tariff concerns have eased significantly and discussions with customers have resumed.

Management expects export growth to return to low-to-mid teen levels in FY27.

Government support through the Ministry of Commerce and Ministry of External Affairs has helped address regulatory challenges in certain international markets.

“Exports are expected to recover to low-to-mid teen growth in FY27 as U.S. tariff concerns ease and global demand improves.”

International Business Expansion

The company now exports to over 70 countries globally.

New customer acquisitions and entry into new geographies continue through a calibrated market-by-market approach.

Management remains confident about long-term export opportunities despite near-term geopolitical challenges.

“The company continues to expand its global footprint across 70+ countries through new customer acquisitions and market expansion.”

Bakery Business Outlook

Bakery growth moderated in Q4FY26 primarily due to the complete shift of the Navratri season into March.

Management indicated that January and February witnessed strong double-digit growth before seasonal factors impacted March sales.

English Oven continues to maintain a high-teen growth trajectory.

QSR demand is showing encouraging signs of recovery after a prolonged slowdown.

“Bakery growth remains structurally strong, with management guiding for mid-teen growth supported by English Oven and recovering QSR demand.”

English Oven Expansion

Kolkata launch has shown strong traction, particularly in quick commerce channels where the brand has already achieved high single-digit market share.

Hyderabad launch is progressing well, although growth has been relatively slower than Kolkata.

Mumbai remains the largest opportunity for English Oven due to low current market share.

Future expansion opportunities include Chennai, Ahmedabad, Punjab, and deeper penetration across existing markets.

“New market launches and expansion in Mumbai are expected to significantly strengthen English Oven’s growth trajectory.”

Khopoli Plant Update

The new bun line at the Khopoli facility has been commissioned and is operational.

The bread line is nearing completion and commercial production is expected during the current quarter.

Management highlighted that the facility is among the most technologically advanced bakery plants in the country.

The plant is expected to improve supply chain efficiencies, product quality, and regional market penetration.

Distribution Expansion Strategy

The company plans to add approximately 40,000 outlets during FY27.

Distribution expansion will continue to focus within a 400 km radius of manufacturing facilities.

Weighted availability in North India is targeted to increase from approximately 35% currently to 40-45% by FY30.

Overall retail reach is expected to increase from over 7,00,000 outlets currently to 9,00,000-10,00,000 outlets by FY30.

“Distribution expansion remains a key growth driver, with plans to increase retail reach to nearly 1 million outlets by FY30.”

Premiumization Strategy

Premium products currently contribute approximately 55-56% of English Oven revenues.

Management aims to increase premiumization levels to around 65% over the medium term.

NaturBaked continues to gain traction as a clean-label and health-focused brand.

Higher-value categories are expected to support both growth and margin expansion.

“Increasing premium product contribution remains a major focus area to drive both revenue growth and margin expansion.”

New Product Launches

NaturBaked Protein Bread was launched to capitalize on rising consumer demand for protein-rich foods.

English Oven Cheesecake Jars were introduced to tap into the growing premium dessert market.

Valentine's Day and Christmas collaborations with Blinkit generated strong consumer engagement and brand visibility.

Management continues to focus on premium, health-oriented, and convenience-led innovations.

“The company continues to strengthen its premium and health-focused portfolio through innovation-led product launches.”

Frozen and Value-Added Bakery Products

The company is expanding its frozen and value-added bakery portfolio including sourdough, frozen dough, sandwiches, and ready-to-eat products.

Demand through both B2B and quick commerce channels remains encouraging.

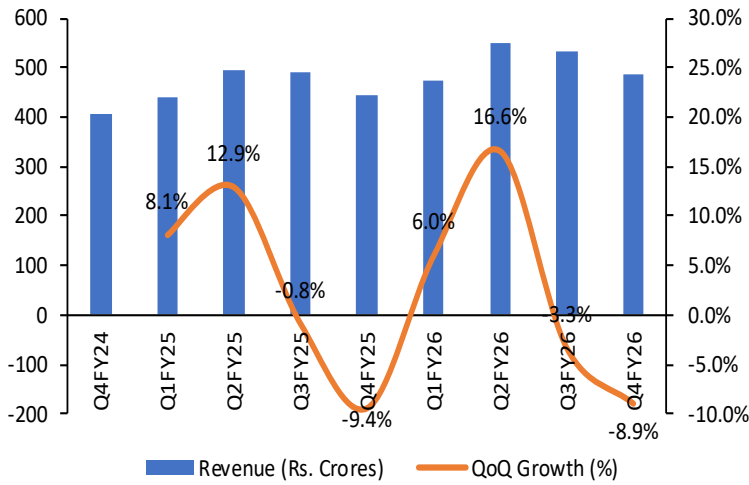
Management sees this category as a significant long-term growth opportunity.

Existing relationships with QSR customers provide a strong platform for scaling these products.

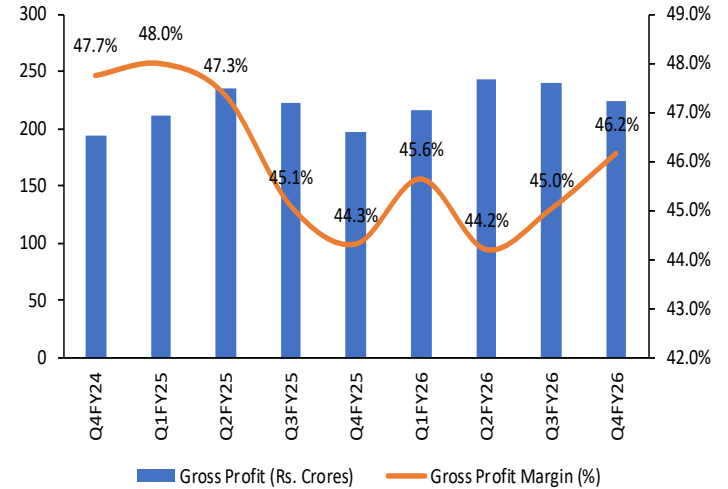
“Frozen and value-added bakery products are emerging as a significant long-term growth opportunity across B2B and quick commerce channels.”

Quarterly Snapshot

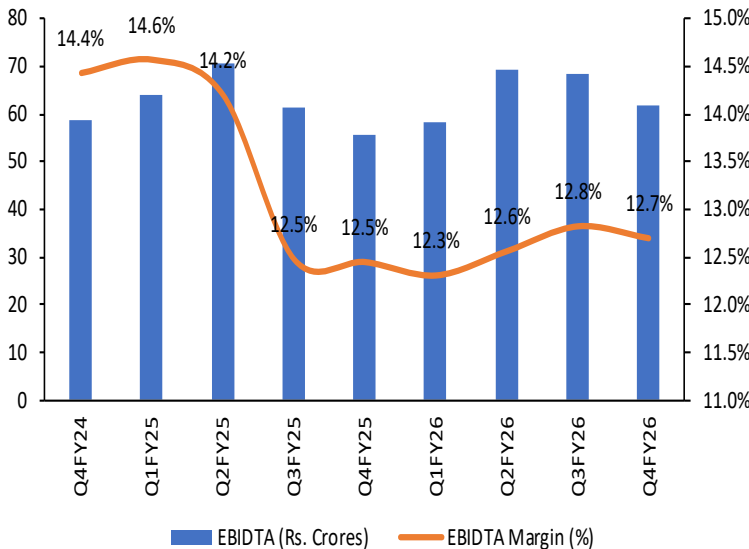
Stable revenue growth on YoY basis



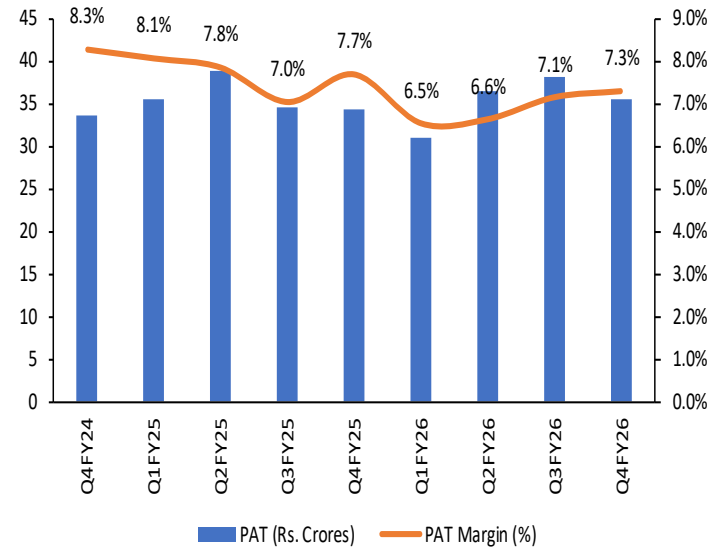
Gross margin improved supported by favourable product mix



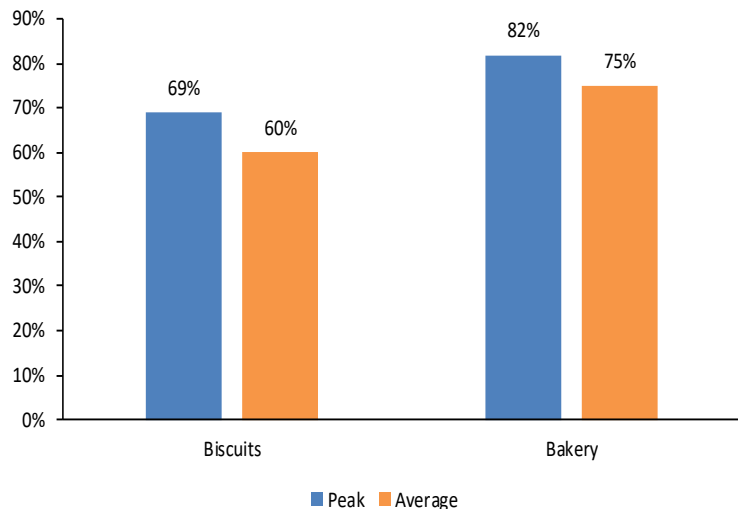
Calibrated price increases drove YoY EBITDA margin expansion



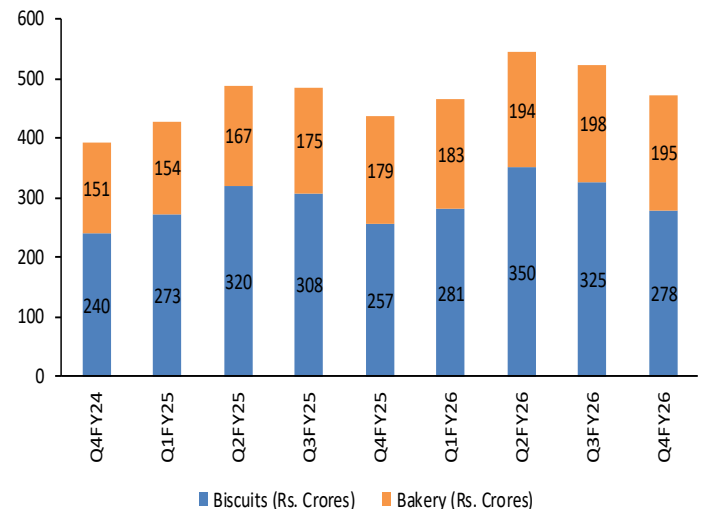
PAT margins declined on YoY basis



Capacity Utilization at the end of Q4FY26



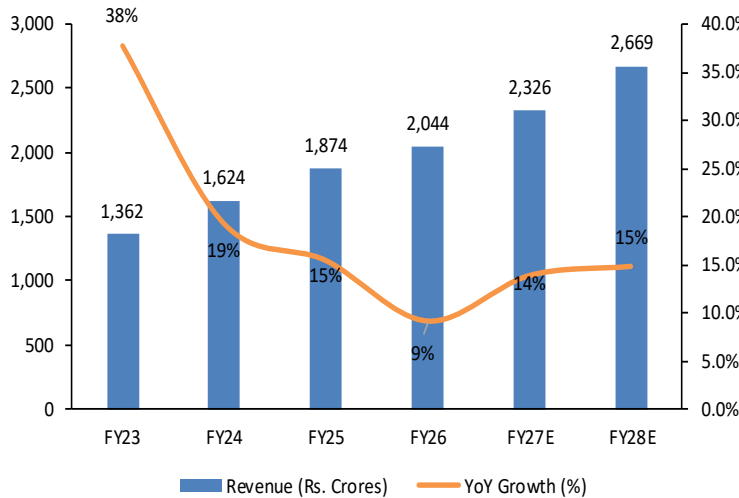
Segment wise revenue split



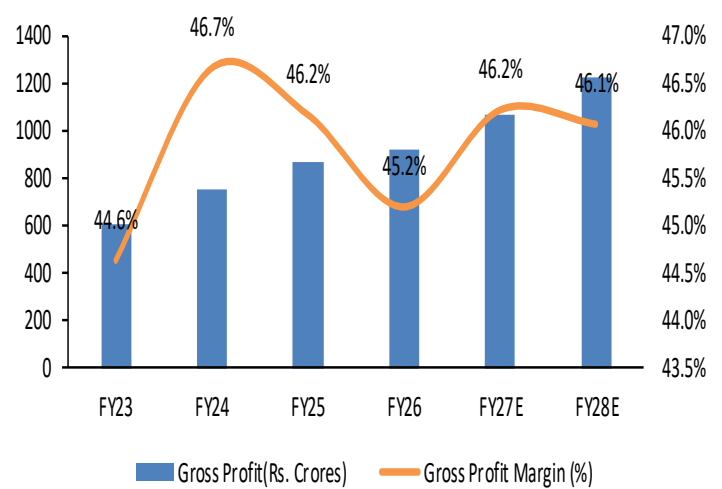
Source: Company, BP Equities

Financial Snapshot

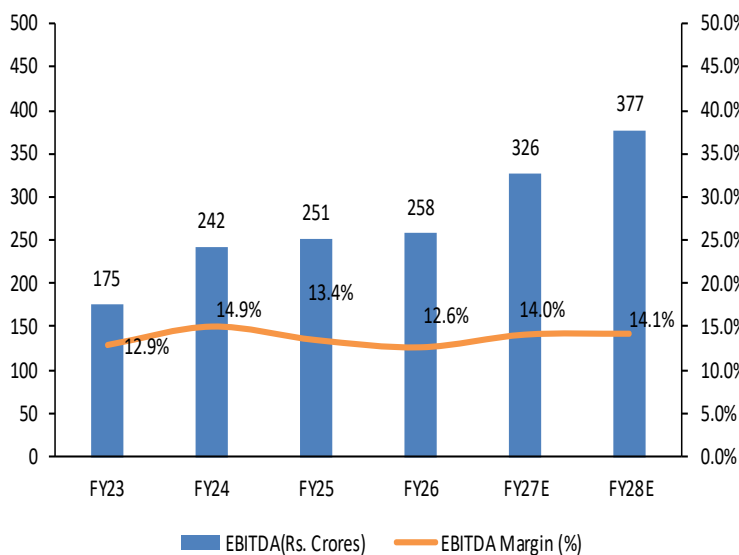
Revenue to grow at a healthy rate



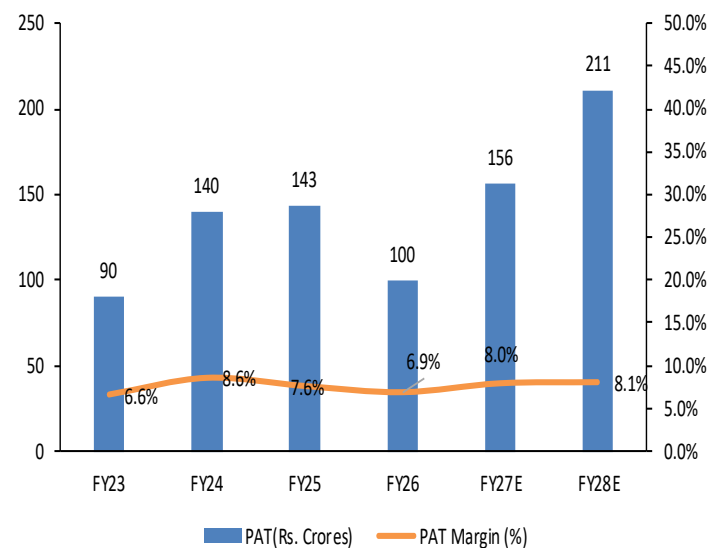
Gross margin to improve in coming years



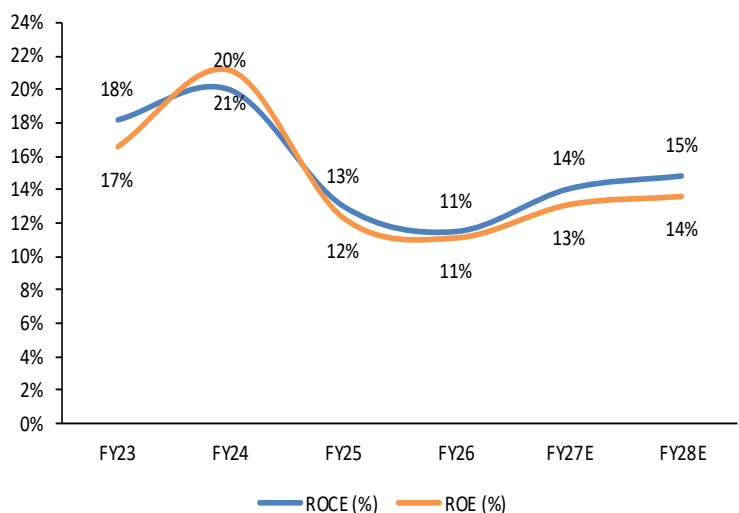
EBITDA margins expected to reach 14% by FY27



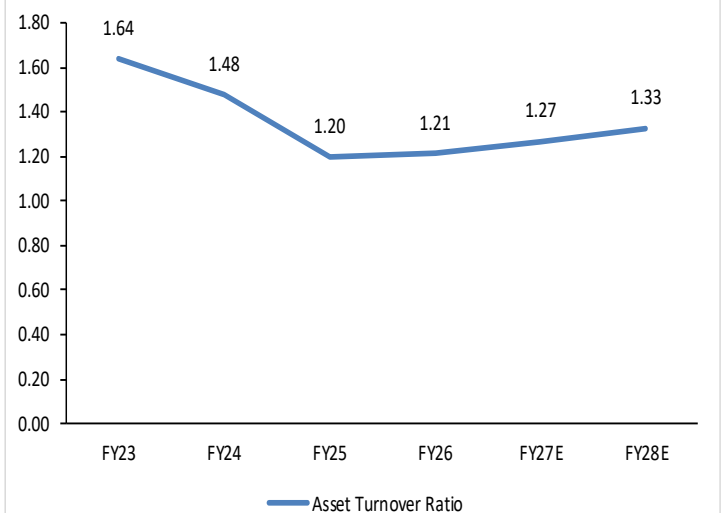
PAT margins declined on YoY basis



Improving return ratios



Gradual improvement in asset turnover ratio



Source: Company, BP Equities

Balance Sheet (Consolidated)

YE March (Rs. Crores)	FY23	FY24	FY25	FY26	FY27E	FY28E
Equities and Liabilities						
Equity share capital	59	59	61	61	61	61
Reserves & Surplus	486	604	1,104	1,210	1,355	1,531
Non-controlling interest	0	0	0	0	0	0
Total Equity	544	663	1,166	1,271	1,416	1,592
Non-current liabilities						
Financial liability	99	167	110	135	135	135
Provision	5	6	5	5	5	5
Deferred tax liabilities	10	10	9	13	13	13
Other non-current liabilities	8	10	7	5	5	5
Current Liabilities						
Financial Liability	40	117	139	113	102	85
Trade Payables	77	107	105	118	127	146
Other current liabilities	40	16	19	22	22	22
Current tax liabilities	1	0	0	1	1	1
Provision	6	5	6	5	5	5
Total Liabilities	287	437	400	416	415	416
Total Equity & Liabilities	831	1,100	1,566	1,687	1,831	2,009
Assets						
Non-Current Assets						
Fixed Assets	408	492	550	856	902	971
Capital Work-in-progress	49	94	237	90	90	90
Right of use Assets	18	32	63	67	79	92
Goodwill	0	0	0	0	0	0
Financial assets	36	9	15	40	40	40
Other Intangible Assets	0	0	9	8	8	8
Other non-current assets	26	64	72	37	37	37
Current Assets						
Inventories	81	104	137	127	150	172
Trade Receivables	90	133	135	172	174	200
Cash and Cash Equivalents	9	8	86	37	101	147
Financial assets	87	145	219	207	203	203
Other-current assets	26	19	42	46	46	46
Total Assets	831	1,100	1,566	1,687	1,831	2,009

Source: Company Reports, BP Equities Research

Income Statement (Consolidated)

Particulars (Rs. Crores)	FY23	FY24	FY25	FY26E	FY27E	FY28E
Income						
Revenue from operations	1,362	1,624	1,874	2,044	2,326	2,669
Less: Excise duty	0	0	0	0	0	0
Net revenue from operation	1,362	1,624	1,874	2,044	2,326	2,669
YoY revenue growth	37.8%	19.2%	15.4%	9.1%	13.8%	14.8%
COGS						
Cost of materials consumed	738	834	983	1,065	1,213	1,399
Purchases of stock-in-trade	24	41	39	51	52	57
Changes in inventories of finished goods, WIP, stock-in-trade	-7	-8	-13	4	-14	-17
COGS	754	866	1,009	1,120	1,251	1,439
Gross Profit	608	758	865	924	1,075	1,230
Employee benefit expense	163	218	259	295	313	348
Other expenses	270	297	355	371	436	505
Total Expenses	433	515	614	666	749	853
EBITDA	175	242	251	258	326	377
Depreciation and amortization expense	53	61	76	90	102	117
EBIT	122	181	176	168	224	260
Finance costs	13	12	13	12	14	14
Other income	12	19	29	31	36	41
EBT before share of profit in associate & exceptional items	121	188	192	187	246	287
Share of Profit in associate	-	-	-	-	-	-
Exceptional items	-	-	-	-	-	-
Profit / Loss before tax	121	188	192	187	246	287
Current tax	31	48	49	47	61	71
Total tax expense	31	48	49	47	61	71
PAT	90	140	143	141	185	216

Source: Company Reports, BP Equities Research

Cash Flow Statement (Consolidated)

Particulars (Rs. Crores)	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT	121	188	192	187	246	287
Add: Depreciation & Amortization	53	61	76	90	102	117
Other	8	0	-3	-7	14	14
Changes in working capital	12	-47	-53	-9	1	-29
Less: Taxes paid	-30	-49	-50	-43	-61	-71
Cash flow from Operating	164	153	161	218	302	318
Cash flow from Investing	-151	-224	-331	-213	-174	-200
Cash flow from Financing	-37	69	248	-54	-64	-71
Net Cash flow	-23	-1	79	-49	63	47
Opening balance	32	9	8	86	37	101
Unrealized exchange loss	0	0	0	0	0	0
Closing balance	9	8	86	37	101	147

Source: Company Reports, BP Equities Research

Key Ratios

Particulars	FY23	FY24	FY25	FY26	FY27E	FY28E
ROCE (%)	18.2%	19.9%	13.0%	11.5%	14.0%	14.8%
ROE (%)	16.5%	21.1%	12.3%	11.1%	13.1%	13.6%
EPS	3.1	4.8	4.7	4.6	6.0	7.0
DPS	3.00	3.25	3.60	1.30	1.30	1.30
P/E	62.1x	39.8x	40.7x	41.4x	31.5x	27.0x
P/BV	25.4x	10.6x	5.0x	4.6x	4.1x	3.7x
Inventory days	21	21	23	24	24	24
Receivable days	22.1	25.1	26.1	27.4	27.4	27.4
Payable days	18	21	21	20	20	20
Operating cycle days	25	25	29	31	31	31
Debt to Equity ratio	0.22	0.34	0.11	0.10	0.09	0.06
Interest coverage ratio	9.4	15.3	13.6	14.4	16.3	18.8

Source: Company Reports, BP Equities Research

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