



ANNAPURNA SWADISHT LIMITED

ANNUAL REPORT  
2024-25



**EAST'S FINEST.**

*India's  
Next.*



# Content



From the narrowest village lanes of Eastern India to bustling urban markets, Annapurna Swadisht has built its story on taste, trust, and accessibility. For years, we have been the flavour of choice in the East, creating moments of delight for millions.

Now, with the acquisition of Madhur Confectioners, a new chapter begins. This strategic step expands our horizons beyond snacks, adding strength in confectionery and unlocking new possibilities across markets. It is more than a business move — it is the bridge between where we are and where we are going.

As the proverb goes, “the first step sets the course of the journey.” This milestone marks our first decisive stride toward becoming not only the East’s most loved but also one of India’s most admired.

The promise is simple yet powerful: blending heritage with innovation, scale with quality, and regional leadership with national aspiration. From

*East's best to  
India's next,  
Annapurna  
Swadisht is  
ready to rise.*



## ACQUISITION

# Our first step towards *What's Next*



### MAKING OUR MARK

We have strategically leveraged our brand strength and product quality to establish a dominant foothold in the eastern market, an area where most major players have hesitated to enter.

By stepping into this underpenetrated region, we've outpaced unorganised competitors and captured significant market share. Demand has consistently outstripped supply and we responded with rapid scale-up, demonstrating agility, foresight and operational discipline.

Recognising a gap in product variety, we expanded our portfolio to offer a comprehensive basket that empowers distributors and retailers to source everything from a single, trusted partner. This move not only simplified supply chains but also deepened our channel relationships.

Through intelligent market entry, thoughtful portfolio expansion and sharp execution, we've transformed a high-potential region into a growth engine—reinforcing our position as a forward-looking, customer-centric brand.

### TAKING THE NEXT STEP

We are making a decisive foray into North and Central India. We acquired Madhur Confectioners Pvt.Ltd, a Indore based company at an investment of Rs 180 crore. This inorganic strategy promises to be a critical inflection point in our journey.

From a snacks-focused model until FY24, Annapurna transitioned to a broader snacks and confectionery approach in FY25 by integrating Madhur Confectioners. This strategic shift enables entry into a high-growth confectionery segment, enhancing market reach and product diversity.

### PROVIDING CAPACITY AND ADDING PRODUCTS

The acquisition gives us access to a state-of-the-art, ISO and HACCP-certified facility with a daily capacity of 90 Ton per day. Currently underutilised, the plant offers significant headroom for growth.

The acquisition significantly diversifies our SKU portfolio, bringing together 75 SKUs from our snacks segment with 31 SKUs from Madhur's confectionery line. This expanded range creates a win-win for us and our distributor network, offering a ready market for new SKUs while enabling distributors to maximise their return on investment in terms of time, effort and cost. With a broader, more compelling product mix, we're well-positioned to deepen engagement, drive incremental sales and strengthen our presence across both traditional and modern trade channels.

### EXPANDING REACH AND EXTENDING FOOTPRINT

The acquisition of Madhur Confectioners marks a pivotal moment in our growth journey at Annapurna Swadish. With this strategic move, we've expanded our footprint across 20 Indian states and entered key international markets—including African and Middle East market. This global foray positions us for accelerated cross-border growth and deeper market integration.

We now operate with a robust distribution network of over 800 distributors for our snacks segment and Madhur brings an additional 300 distributors focused on confectionery. This combined network significantly enhances our cross-selling capabilities, driving higher sales volumes and expanding our market reach. Madhur's strong presence on leading online platforms further amplifies this potential, strengthening our share across both domestic and international channels.



*With an optimised product mix, aggressive marketing and strong distribution, we see clear potential to scale output significantly over the next 2–3 years, unlocking substantial capacity and accelerating market expansion.*



## MADHUR CONFECTIONERS PRIVATE LIMITED

### Location

Indore, Madhya Pradesh

### Products

Confectionery (Lollipop, Chocolates, Candies)

### Legacy

From 1996

### Production facility

1.53 lac sq. ft. area

### Market

20 Indian states including Maharashtra, West Bengal, Uttar Pradesh, Punjab

### Distribution channels

300+, online sales and export

## STATEMENT FROM THE CHAIRMAN'S DESK

*"At Annapurna Swadisht, our goal is to become a leading FMCG brand across the country, expanding beyond our stronghold in Eastern India."*



## Dear Shareholders,

**A**s we look back on a truly remarkable year, I am honoured to share our inspiring journey of growth and resilience for the last financial year. Annapurna Swadisht Limited has built a strong foothold in Eastern India's dynamic snack and confectionery space. With a deep focus on quality, innovation, and connecting with rural consumers, we are charting the path toward our larger ambition — to emerge as one of India's next-generation FMCG leaders.

### THE GLOBAL ECONOMY

In 2024, the global economy witnessed modest growth of 3.3%, hampered by trade tensions and geopolitical conflicts. However, inflation eased, prompting central banks to cut interest rates, stimulating investment. Supply chain disruptions and volatile energy prices persisted, elevating costs. Emerging markets showed resilience, driven by domestic demand. Technological advancements fuelled innovation, yet tariff threats and policy uncertainties challenged stability. Global trade faced pressures, but rate cuts provided relief. Sectors like FMCG thrived in resilient economies, leveraging consumer demand to navigate the complex economic landscape.

### INDIAN ECONOMY: THE FRONTRUNNER

Defying global headwinds, the Indian economy expanded by 6.5%, retaining its position as the fastest-growing major economy, despite growth moderated from 8.2% in FY2023-24. Strong rural demand, supported by favourable monsoons and schemes such as PM-KISAN and MNREGA, drove private consumption growth of 7.2%. Agriculture grew by 4.6%, services by 7.2%, and manufacturing by 4.5%. Inflation eased to 4.6% for the full year, providing stability to households and businesses alike. At the same time, higher government capital expenditure and production-linked incentive (PLI) schemes gave a further boost to infrastructure development and exports.

### INDIAN FMCG SECTOR: THE RISE OF THE RURAL

In FY2024-25, India's FMCG sector achieved an estimated 5-6% growth, with rural markets significantly outpacing urban areas. For instance, rural volume surged threefold in Q4, driven by robust monsoons enhancing agricultural prosperity and government schemes, which boosted disposable incomes among rural consumers. Urban consumption maintained steady growth, narrowing the urban-rural consumption divide. Demand for snacks remained strong, driven by rising purchasing power. Despite some food inflation, the rural market remained resilient, supported by government initiatives

and infrastructure investments, sustaining the sector's momentum, positioning it for continued expansion in underserved regions.

### ASL: THE MAVERICK

In FY25, Annapurna Swadisht Limited delivered a strong performance, reflecting both financial growth and deeper market impact. Annual revenue rose to ₹408 crore, marking an impressive 53.97% year-on-year increase — significantly outpacing the broader Indian FMCG sector. This momentum was led by the trust of our rural consumers, with consolidated net profit surging to ₹21.51 crore, up 83.81%. Operational strength was equally visible, with EBITDA improving to ₹47.88 crore and margins expanding to 11.74%. The acquisition of Madhur Confectioners further strengthened our economies of scale, boosting profitability. Total assets grew to ₹236.2 crore, underpinned by our strong distribution network. Supported by strategic expansions and government initiatives, Annapurna continues to grow as a household name in Eastern India's snack and confectionery markets — even amid global economic challenges.

### OUR DREAM

At Annapurna Swadisht, our goal is to become a leading FMCG brand across the country, expanding beyond our stronghold in Eastern India. When we acquired Madhur Confectioners in January 2025, it helped us diversify the offerings by adding confectionery to our snack range. With a growing network of over 1,100 distributors and a scalable facility in Indore, we are aiming to reach 20 states. Through continuous innovation and cross-selling, we aim to expand our market reach even further. We are confident that, by outpacing industry growth, we can rival industry giants and establish ourselves as India's next FMCG powerhouse in the process.

### THANKING NOTE

In the end, I wish to express my profound gratitude to our dedicated board members for their strategic counsel. My sincere thanks to our management team and every employee throughout the organisation; your resilience and commitment are the foundation of our success. To our shareholders, thank you for your continued trust. Finally, to our valued customers and partners, we are grateful for your loyalty. Your collective efforts have been instrumental in our achievements, and I am confident as we navigate the future together.

With warm regards,

**Shreeram Bagla**  
Chairman & Managing Director



# About us

**A**t Annapurna, we aim to make quality food products accessible to the rural heartlands of Eastern and North-Eastern India. Guided by a vision to nourish and uplift communities, we deliver trusted, affordable FMCG products tailored to local tastes and preferences. Established in 2016 as Annapurna Agro Industries, now Annapurna Swadisht Limited, we have rapidly evolved into one of India's leading packaged snack and beverage companies. Our deep-rooted commitment to rural India drives everything we do—from product innovation to last-mile delivery. Our operational strength lies in our state-of-the-art manufacturing facilities located in Asansol, Siliguri,

Gurap, Dhulagarh, Indore. To further scale and streamline our output, last year we collaborated with five specialised white-label manufacturing partners. With the recent acquisition of Madhur, we have added chocolates, lollipops, candies to our portfolio, expanding our reach to over international markets. We offer a broad range of products, including pellet-based snacks, corn-extruded snacks, cakes, namkeen, candies, sweets, savouries, and biscuits. Annapurna products are available in over 100 towns and 1000 villages across 10 states. We remain committed to offering high-quality goods at competitive prices, reaching even the remotest markets.



<b>06</b> State-of-the-art manufacturing facilities	<b>106</b> SKUs	<b>11</b> Product categories
<b>20</b> State	<b>160</b> Super Stockists	<b>1,100</b> Direct and Indirect Distributors
<b>36.57</b> 3-year CAGR in Revenue from Operations (%)	<b>52.34</b> 3-year CAGR in EBITDA (%)	<b>44.40</b> 3-year CAGR in PAT (%)

## OUR COMPETITIVE STRENGTHS

- 01 INDUSTRY STANDING**  
Among India's rapidly expanding and emerging companies in the organised snacks industry, with an extensive footprint.
- 02 EXPANSIVE RANGE OF OFFERINGS**  
Spanning 106 SKUs in categories such as Potato Chips, Extruded Snacks, Namkeen, and Sweet Snacks.
- 03 VAST PRESENCE ACROSS STATES**  
100 manufacturing facilities with a presence across multiple retail outlets, totalling 1000 million locations.
- 04 MARKET DOMINANCE**  
One of the market leaders in the Rs 5 segment of sweet and savoury snacks in rural India.
- 05 SEASONED LEADERSHIP TEAM**  
A leadership team with proven strength and extensive experience.
- 06 SUBSTANTIAL FINANCIAL BASE**  
Strong financial foundation through consistent revenue growth and profitability.

## SNAPSHOT OF RECENT GROWTH

	FY24	FY25
SKUs	77	106
Revenue	Rs 26,497.28 Lac	Rs 40,797.06 Lac
EBITDA	Rs 2,813.5 Lac	Rs 4,788.438 Lac
Net Profit	Rs 1,313.23 Lac	Rs 2,151.3 Lac



# Our Story So Far

As our journey continues to evolve, one thing remains unchanged: our commitment to delivering joy in every bite. Because while our offerings may grow, our mission will always remain the same: to make every moment a little more delicious, a little more joyful, and a lot more memorable.

## 2016

Annapurna Agro Industries was incorporated with the establishment of an extruded pellet unit in Asansol, West Bengal. The company initially focused on supplying raw pellets to regional snack producers.

## 2019

Focus on the retail opportunity by initiating the first expansion into packaged snacks.

## 2020

Set up fryers and a packaging unit at the Asansol facility. Introduced the first retail product, Fryums, at a Rs. 5 price point, generating over Rs. 13 crore in revenue.

## 2021

Expanded the team and strengthened distribution channels. Introduced potato chips, cakes, and candies.

## 2022

Started the second manufacturing unit in Siliguri, West Bengal and breached revenue of over Rs. 160 crore. A total of 38 SKUs were launched across six categories, and 300 distributors and 80 super distributors were established across five states.

## 2023

Listed on NSE Emerge, we have ventured into Indian snacks and beverages. Our presence has improved in Odisha and Bihar, expanding from three earlier states. We now offer a diverse product range spanning ten categories. Additionally, we commenced operations at our owned manufacturing units in Gurap and Dhulagarh. We have also introduced ready-to-eat noodles, popcorn, and jhalmuri.

## 2024

Acquisition of Madhur Confectioners Private Limited, a crown in the Jewel.

Presence in domestic and international market.

Went from East India to PAN India.

Distribution figures moved to 4 digits.

## 2025

On boarding of Sourav Ganguly as our Brand Ambassador.

# What keeps us going

**D**riven by an unwavering commitment to excellence, a passion for innovation and a deep dedication to customer success, we continue to move forward with purpose. We view every challenge as an opportunity, cultivating a culture of resilience while staying anchored in our core values. It is the trust of our stakeholders and the impact we create that propel our journey—every single day.

## ALWAYS FINDING A NICHE

With a keen eye for untapped opportunities, we have carved a distinct space in rural Eastern India's snack landscape. By focusing on affordable, high-quality products that reflect local tastes and preferences, we've built a strong foothold in an underserved yet high-potential market. Our offerings meet the unique needs of our consumers and foster lasting loyalty—proving that thoughtful, regionally attuned innovation drives meaningful growth.

## PASSION FOR INNOVATION

Fuelled by our passion for innovation, we relentlessly craft new flavours and products that resonate deeply with consumer tastes. This creative energy keeps us ahead of the curve, allowing us to consistently deliver fresh, exciting snacks that captivate and delight our customers—especially in rural markets—with every launch. It's this connection to our consumers that drives us to keep innovating, one bite at a time.

## PRODUCT MARKET FIT

We set our product prices based on a deep understanding of our target customers' preferences, allowing us to introduce higher-priced SKUs with confidence and ease. By tailoring our snacks to match the tastes of rural India—offering affordable, high-quality options like fryums and namkeen—we consistently drive strong demand and build lasting customer loyalty. This strategic alignment enables us to meet unique market needs with precision and consistency, thereby maintaining a clear competitive edge in a dynamic landscape.

## STRATEGIC OUTSOURCING

We embrace strategic outsourcing to expand our production capacity and extend our market reach. We partner with trusted manufacturers who share our commitment to quality and reliability. This approach allows us to scale efficiently while maintaining high standards and optimising costs. It enables us to strengthen our presence across diverse markets, without losing focus on our core strengths. By doing so, we meet growing consumer demand with consistency, agility and impact.

## REGIONAL BRAND STRENGTH

We are deeply rooted in rural Eastern India. Our brand is trusted and loved in households across the region. We focus on affordable, high-quality snacks that reflect local tastes. This approach builds strong consumer loyalty and lasting relationships. Our robust distribution network strengthens our presence and reach. Together, these efforts shape a powerful regional identity. It's this connection that drives our continued success in the market.

## COST-EFFECTIVE OPERATIONS

We are committed to resource efficiency across our operations. This discipline enables us to maintain a lean cost structure while delivering affordable, high-quality snacks. Our streamlined processes support consistent profitability and operational agility. By aligning our model with the needs of rural consumers, we ensure relevance and reliability. This cost-conscious, performance-driven approach enhances our competitive advantage. It positions us for sustained growth and long-term value creation in a dynamic market landscape.





# Flavours for every heart

Annapurna Swadish's brand success is rooted in our irresistible product portfolio—crispy snacks, flavorful bites, and indulgent sweets—all thoughtfully crafted to create unforgettable taste experiences. Cherished by our loyal customers, these carefully curated offerings continue to delight and inspire, proving that great taste always finds its way to the heart.

## WESTERN SNACKS

**39.48%**

Contribution to Revenue in FY25

**24.65%**

Growth in Revenue over FY24

## TRADITIONAL SNACKS

**18.61%**

Contribution to Revenue in FY25

**163.37%**

Growth in Revenue over FY24

## BAKERY BEVERAGES & OTHERS

**12.44%**

Contribution to Revenue in FY25

**(1.69)%**

Growth in Revenue over FY24

## CONFECTIONERY

**10.54%**

Contribution to Revenue in FY25

**311.10%**

Growth in Revenue over FY24

## NOODLES

**9.73%**

Contribution to Revenue in FY25

**169.01%**

Growth in Revenue over FY24

## EDIBLE OIL

**9.20%**

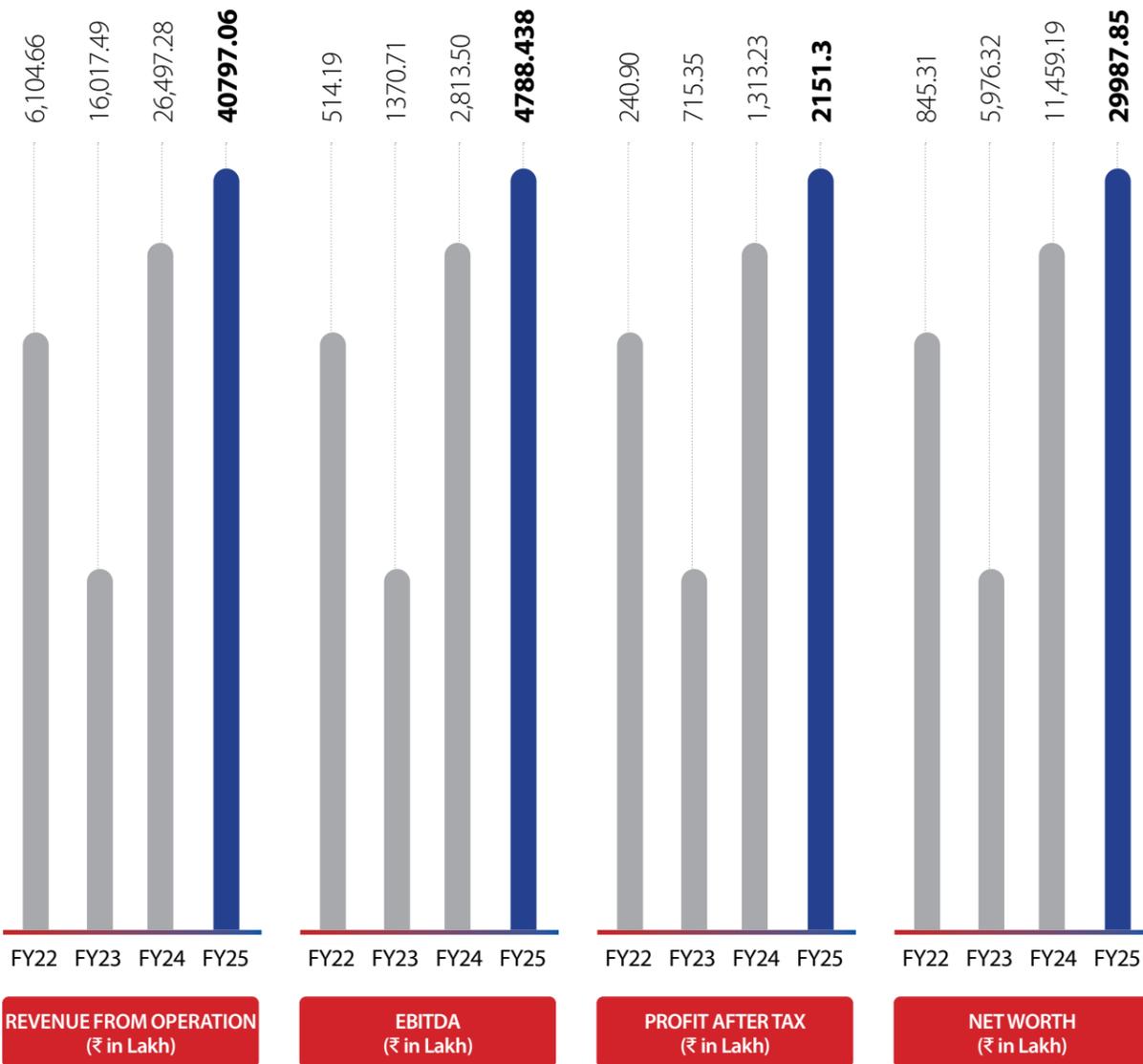
Contribution to Revenue in FY25

**10.43%**

Growth in Revenue over FY24

# Financial Metrics

Despite challenging conditions, our performance underscores a steadfast commitment to excellence, innovation, and customer-centricity—reaffirming our leadership in the fast-moving snacks category. The uplift across key metrics validates the strength of our team and strategy, positioning us to accelerate growth and deliver sustained value for all stakeholders

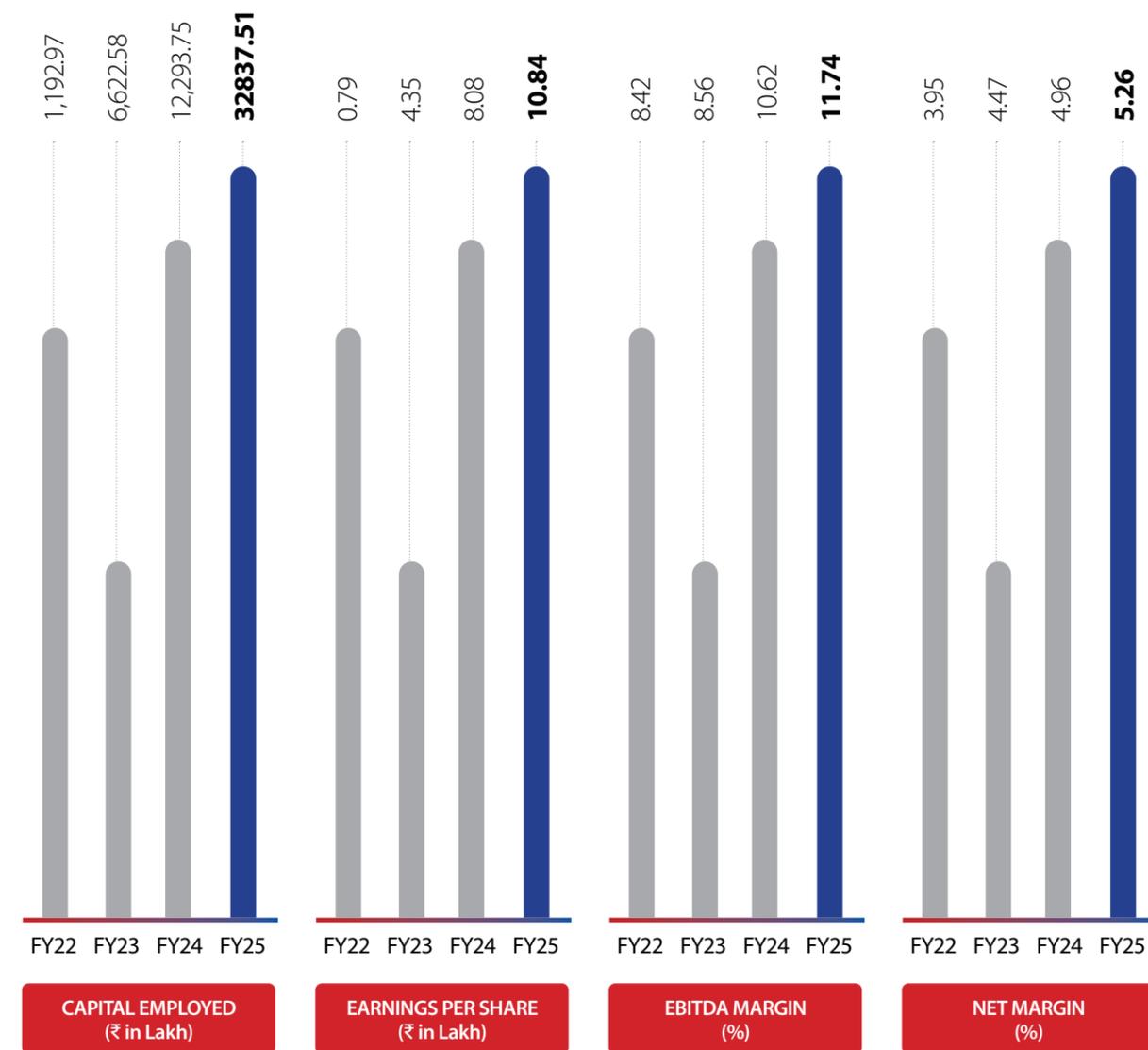


Significance: Showcases growing traction for products

Significance: Improved operational profitability and cost efficiency,

Significance: Demonstrates a business's financial success.

Significance: indicates good financial health



Significance: a business is likely growing and investing in its operations, indicating potential expansion and market share gains.

Significance: indicates a company's increasing profitability and financial health, which can attract investors.

Significance: indicates a company's improved operational efficiency, suggesting better cost control relative to revenue and a stronger ability to generate cash from its core business.

Significance: improved financial health and operational efficiency, showing that a company is increasingly converting revenue into profit

# Unlocking Potential

In a rapidly evolving business landscape, opportunities abound for those ready to embrace change and drive transformation. By leveraging emerging technologies, market trends and strategic partnerships, we are poised to capitalise on untapped potential. This write-up explores key avenues for expansion, innovation and value creation, positioning us to turn possibilities into measurable success.

## RISING INCOMES

Government support and normal monsoons promise a good harvest, which should increase the earnings of rural India. Furthermore, government road projects are poised to create significant employment opportunities, thereby improving the earning potential of rural India.

## GOVERNMENT SUPPORT

Government schemes, such as MNREGA, ensuring wage employment, PM-KISAN, supporting farmers

and Direct Benefit Transfers, increase disposable income among the rural poor, fuelling demand for quality, budget-friendly products.

## UNCLUTTERED SPACE

In rural markets, competitors have vacated key price points, creating a strategic opening for Annapurna Swadishat. Its ₹5 offering, coupled with FSSAI-compliant snacks, resonates strongly with value-conscious consumers and encourages a shift from unorganised players to trusted, organised brands.

# Strategic Roadmap

A clear and agile strategy is the cornerstone of sustainable growth. By aligning innovation with operational discipline, we turn market insights into actionable plans—optimising resources, anticipating challenges and capitalising on emerging opportunities. This write-up outlines our roadmap to deliver value, foster resilience and achieve long-term leadership in our industry.

## MARKET EXPANSION AND PENETRATION

Annapurna is rapidly expanding beyond Eastern India into Bihar, Assam, Jharkhand, Odisha, Uttar Pradesh and the North East through new projects and acquisitions, while significantly scaling its distributor network and retail footprint. With added access to online platforms like Amazon and Flipkart, the company now reaches multiple states and overseas markets. Focused on underpenetrated rural regions, Annapurna is strategically positioned to capture a dominant share of the underserved snacks and confectionery segment, capitalising on the faster growth of rural consumption compared to urban demand.

## STRATEGIC ACQUISITIONS AND SYNERGIES

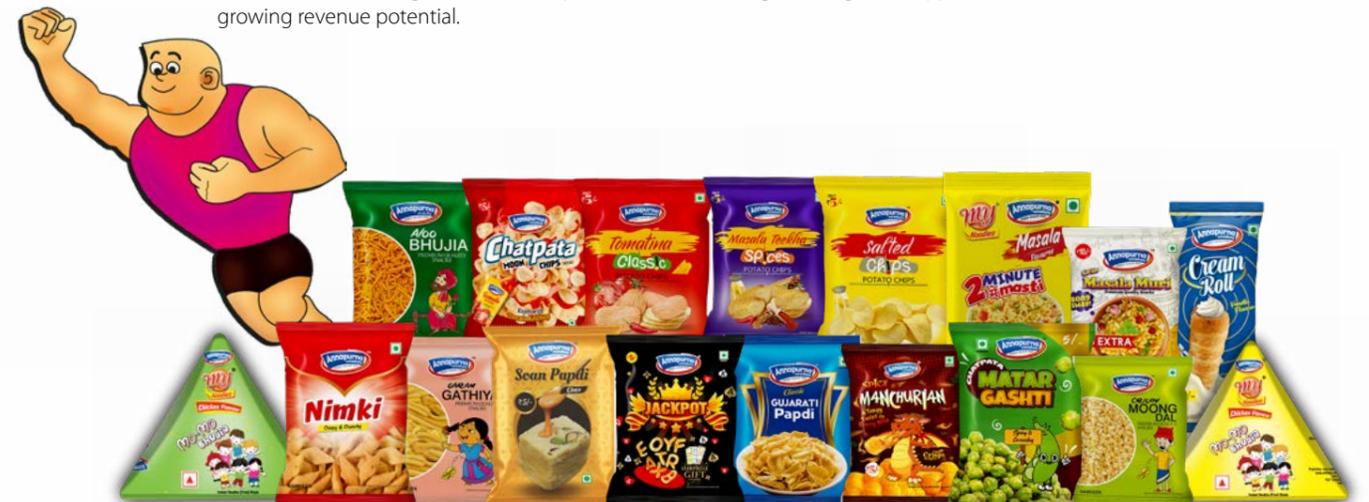
Annapurna's acquisition of Madhur Confectioners marks a strategic pivot to a "Snacks + Confectionery" model from FY25, unlocking entry into a high-growth segment. The underutilised Indore facility offers multiple times production potential over 2–3 years with the right product mix, marketing and distribution. The deal enables cross-selling synergies, boosts sales and market share and drives cost efficiencies and margin improvement. A broader SKU portfolio further strengthens value for both the company and its distributor network.

## OPERATIONAL EXCELLENCE AND COST EFFICIENCY

Annapurna leverages cost efficiencies through bulk raw material sourcing and strategically located plants that minimise logistics expenses. Its frugal, cash-advance business model ensures negative working capital and strong financial health. Focused on high-margin products, the company maintains strict quality controls and flexibly outsources capacity. Positioned to capitalise on India's rapidly expanding FMCG sector—set to double by 2025—Annapurna benefits from supportive policies like the PLI scheme and 100% FDI in food processing, unlocking significant growth opportunities.

## PRODUCT PORTFOLIO DIVERSIFICATION AND INNOVATION

Annapurna has doubled its SKU count from 38 in FY22 to 107 in FY25, including 31 confectionery SKUs, offering a robust portfolio for distributors and retailers. With the launch of ready-to-eat noodles from its new Siliguri plant, the company has diversified beyond traditional snacks. Its agile, research-driven go-to-market approach enables rapid product rollouts, while strategic pricing at ₹10 and ₹50 reflects strong consumer acceptance and growing revenue potential.





*Management  
Discussion  
and Analysis*



# Indian Economy

## INDIA'S ECONOMIC RESILIENCE

India cemented its position as the fastest-growing major economy in FY2024-25, with GDP growth estimated at 6.3%, outpacing global peers. As per the IMF report, the economy is set to surpass Japan to become the world's fourth-largest in 2025, driven by strong domestic demand, manufacturing revival, and sustained reforms.

### Key Growth Drivers

- **Private Consumption Rebound:** Urban and rural demand surged, driven by moderating inflation, a normal monsoon, and improved agricultural incomes.
- **Manufacturing & Services Growth:** Production-linked incentive (PLI) schemes and global supply chain diversification fuelled manufacturing growth (Index of Industrial Production - 4%). Industrial output grew by 5%, exceeding the expectation by 40 basis points.
- **Robust Tax Collections:** The annual GST collections consistently crossed ₹16.75 lakh crore, a 9.98% increase Y-o-Y, reflecting formalisation and consumption strength.
- **RBI's Supportive Stance:** Two consecutive repo rate cuts in quick succession eased borrowing costs, spurring investment and housing demand.

## INFLATION & DEMAND

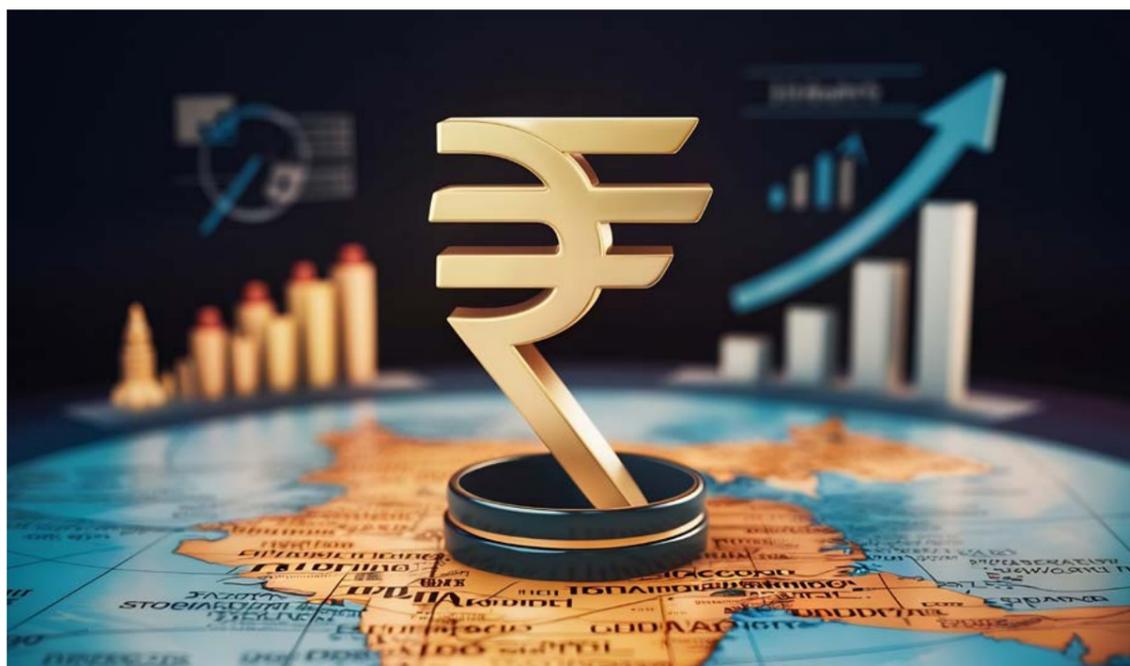
Although inflation declined to 4.6% for the full year—its lowest level in six years and well within the RBI's tolerance band—no significant change was observed in the employment rate. However, strong rural demand (due to higher MSPs and welfare spending) and rising exports offset global headwinds.

## OUTLOOK FOR FY2025-26

Growth in India is projected to remain stable in FY2026, aided by:

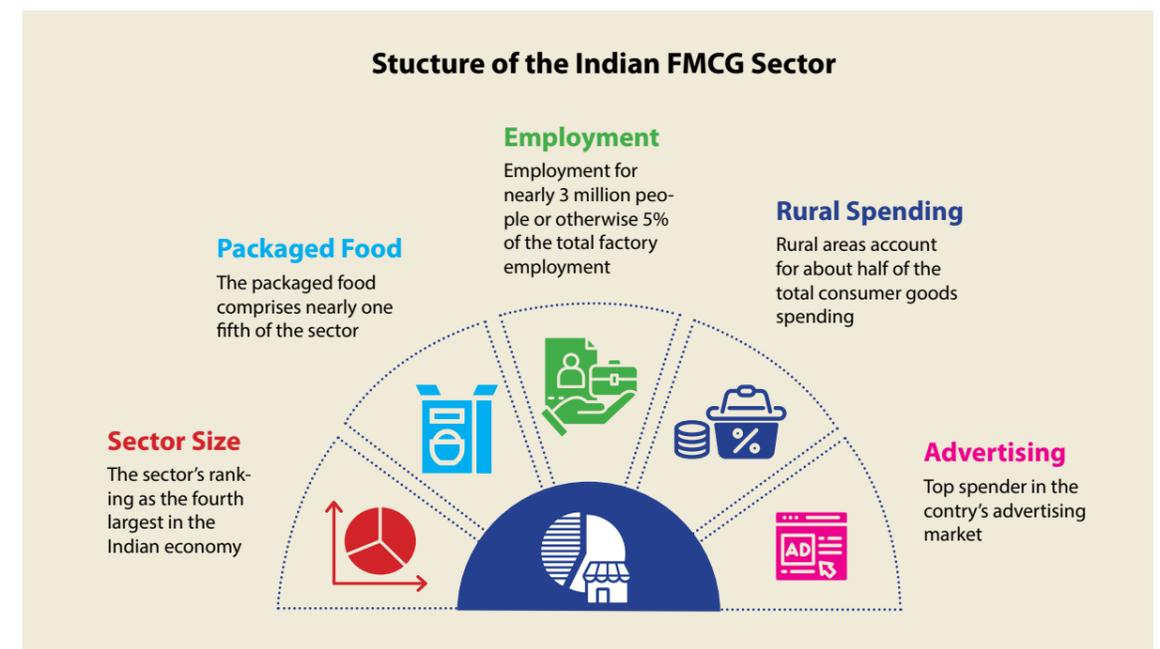
- Infrastructure push (rail, roads, and renewables)
- Private capex revival in many sunrise sectors
- Digital & green economy investments

With macro stability, demographic dividends, and policy continuity, India will likely remain a global bright spot, though geopolitical risks and commodity price fluctuations warrant vigilance. The focus on manufacturing self-reliance ("Make in India") and export competitiveness will be pivotal in maintaining momentum. In short, the financial year 2025-26 could further solidify India's rise as a growth powerhouse.

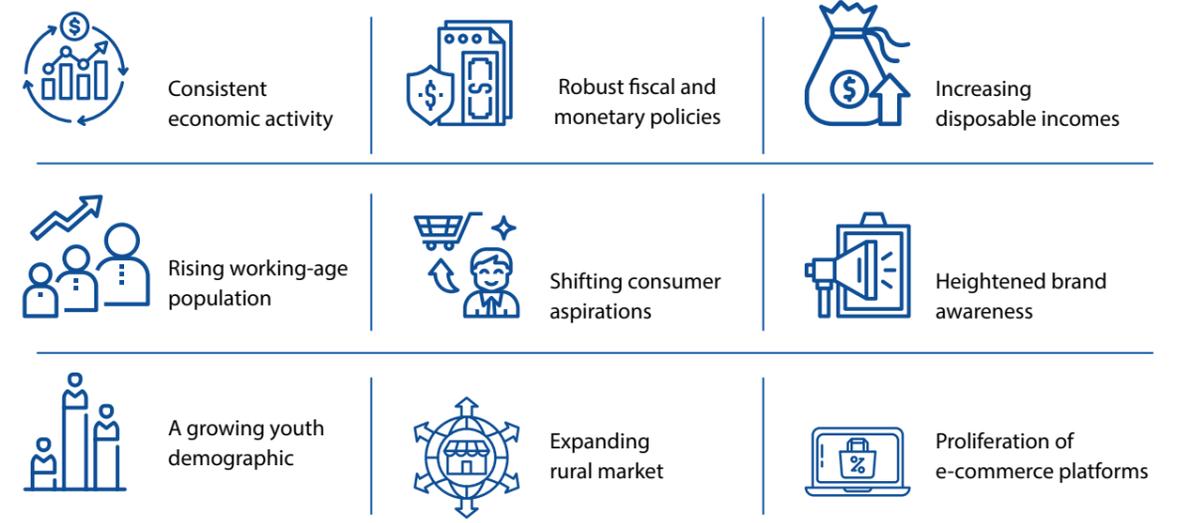


# Industrial Overview

## THE FMCG SECTOR



## GROWTH DRIVERS



## TRENDS

Driven by a large and youthful demographic, India is witnessing a growing preference for convenience-oriented products, emphasising affordability, accessibility, and alignment with global food trends.

The urban segment was the largest contributor to the sector's total turnover in India. However, in recent years, the market in rural India has grown faster than in urban areas. Rural areas now account for about half of total consumer goods spending.

## PERFORMANCE IN FY25

The industry faced inflationary pressures during the first two quarters. The input prices went up, and as a result, the first half of the financial year saw a significant price hike. The price increase has also led to pressure on volumes, but the quantum of price hikes remains firm.

The third quarter was not very different either. Rural areas were more resilient than urban areas. Prices remained high, yet the companies had to face margin contraction. Even festive times couldn't offer much relief. Except for major corporates in the sector, all others reported minimal growth.

With retail and food inflation decreasing to a more manageable level, the situation improved in the fourth quarter and for the entire year. The sector experienced overall volume growth due to a stable demand trajectory for the full fiscal year. Urban consumption has also begun to rise.

The sector reported an 11% year-on-year value growth for the March quarter (the final three months of 2024-25), driven by a 5.1% volume increase and a 5.6% price hike. The sector regained momentum as input costs stabilised and companies adjusted pricing strategies.

## FAVOURABLE OUTLOOK

A combination of favourable monsoon rains, government investment in rural infrastructure, and minimum support prices for crops should positively impact rural demand, which is expected to remain stable. A slight expected increase in urban demand may drive this year's overall volume growth to exceed last year's performance.

Despite easing inflation, elevated edible oil prices continue to drive up staple food costs, contributing to market growth. Meanwhile, several consumer goods companies report a delayed recovery in urban demand. The Union government's income tax cuts and recent welfare programs should also yield positive outcomes.

Most price hikes have already occurred, with inflation consistently trending downward and crude oil prices remaining stable. However, inflation is expected to rise in the first half of the year due to the base effect. In the latter half of FY25, copra and edible oil prices saw significant increases. Thus, the first half of this year may be inflationary, but copra prices should ease in the second quarter.

### Macro-economic Factors Impacting FMCG Consumption

- More spending power to the customer: Declining inflation puts more money in people's pockets.
- Tech-driven shopping: AI plays a bigger role, with a significant percentage of consumers using AI to shop.
- Side hustles & savings focus: A large percentage of people are looking for extra income to maintain their spending habits.

### Strategies of the FMCG Industry Going Forward

1. **Enhancing Local Manufacturing:** FMCG companies are increasing local production while reducing reliance on imports in response to supply chain issues. Government programs such as 'Make in India' and PLI schemes promote domestic manufacturing, strengthening supply chain resilience.
2. **Omnichannel Expansion:** With consumers shopping across online and offline platforms, FMCG brands ensure they lead the market by seamlessly integrating both channels. Key strategies such as hyperlocal deliveries, quick commerce (10-minute delivery), and AI-driven customer insights are emerging to enhance shopping experiences and increase customer retention.
3. **Mergers and Acquisitions:** Major FMCG players seek strategic partnerships and acquisitions to drive growth. Emerging D2C brands are attractive targets as global FMCG leaders aim to enhance their digital footprint and enter new markets more swiftly.

## RURAL CONSUMPTION OUTPERFORMS URBAN

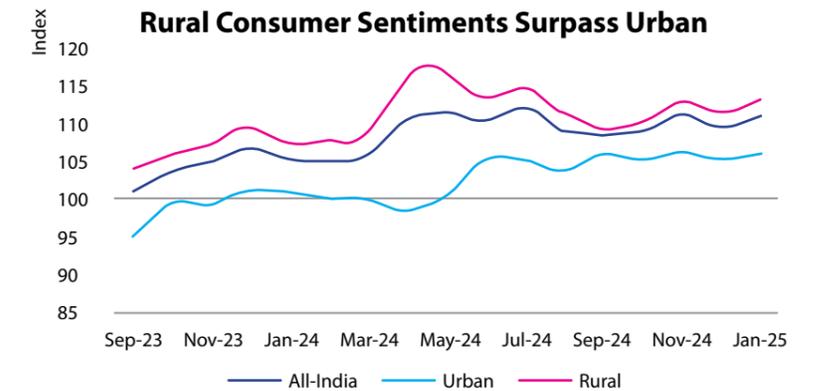
Consumption in rural India has significantly surpassed urban areas for some time. Rural FMCG sales grew by 9.9%, almost double the 5% growth in urban regions, driven by a robust Kharif harvest and favourable Rabi sowing outlooks. Additionally, the effects of the Union Budget 2025 tax reliefs are evident in consumer sentiment, with the CMIE Index of Consumer Sentiments (ICS) climbing 1.1% in January 2025, recovering from a 1.6% decline in December 2024, as illustrated in the chart below.

The "Index of Consumer Sentiments" is an economic indicator gauges consumer attitudes regarding the present and future economic landscape. A score exceeding 100 reflects optimistic consumer

confidence about future economic prospects, while a score below 100 signifies pessimistic sentiments among consumers.

Despite a generally positive trend since January, the rural Index of Consumer Sentiments (ICS) dropped by 1.9 per cent in April 2025. This

decline interrupts the steady rise in rural sentiments observed earlier this year. But, it is mainly linked to a notable reduction in rural households' future expectations rather than the current economic situation.



### The Underlying Dynamics

Over 65% of India's population resides in rural areas, yet they account for only ~35% of FMCG consumption. While urban areas have historically led FMCG growth, rural areas are experiencing rapid growth, and their influence on the sector is becoming increasingly important.

In 2023-24, the disparity in consumption between rural and urban residents in India decreased further, with non-food items still representing the majority of average monthly expenditures nationwide, according to a Household Consumption Expenditure Survey (HCES) in January 2025.

The average Monthly Per Capita Consumption Expenditure (MPCE) in rural India increased by 9.2% compared to the prior year. Meanwhile, in urban regions, this figure climbed by 8.3%. It is worth mentioning that these amounts do not include the monetary value of goods provided at no cost to qualifying beneficiary households through various social welfare programmes.

The urban-rural gap in MPCE decreased to 69.7% in 2023-24, down from 71.2% in 2022-23 and 83.9% in 2011-12, indicating continued consumption growth in rural regions.

In rural India, the dynamics and attitudes have transformed significantly in the last decades. The knowledge gap that once separated urban and rural areas has nearly disappeared. Nowadays, thanks to affordable and easily available internet and data, the rural consumer can access the same information as their urban counterparts. Furthermore, market access has improved, fuelling aspirations for entrepreneurship. It is essential to unleash those entrepreneurial spirits in rural India.

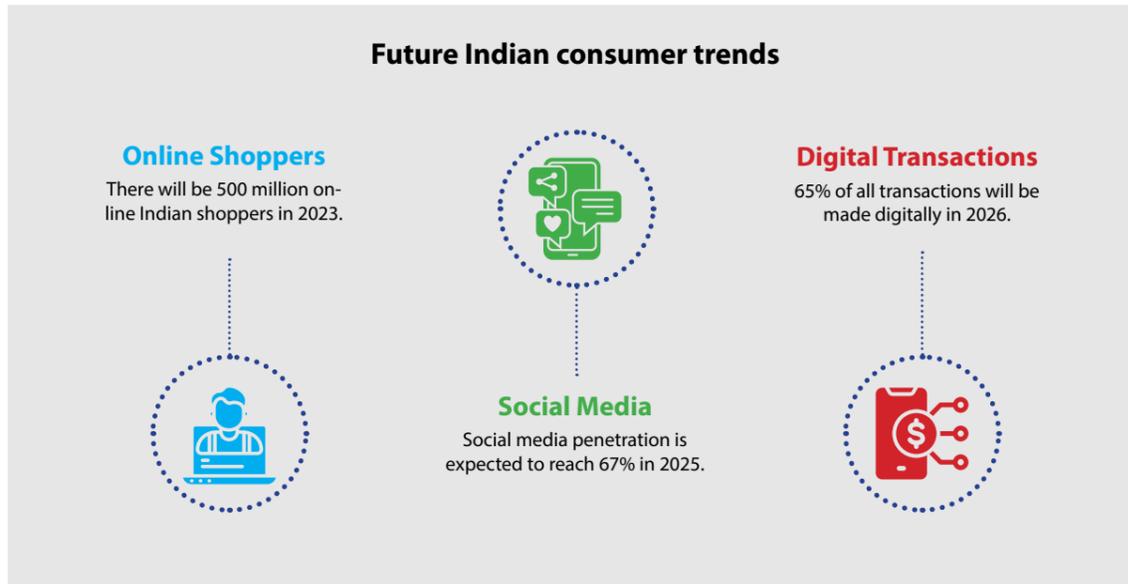
The fast-declining rate of poverty is likely behind the improvement in rural consumption. Poverty in rural areas declined to less than 5% for the first time. It outpaced the reduction in urban areas, driven by higher consumption growth among the bottom 0-5% decile, supported by government initiatives, according to a recent analysis by SBI Research.

Rural poverty decreased to 4.86% in 2023-24, down from 7.2% in 2022-23 and 25.7% in 2011-12. Meanwhile, urban poverty declined to 4.09% in 2023-24, compared to 4.6% in the prior year and 13.7% in 2011-12.

Implementing government programs such as direct benefit transfers (DBT), significant investments in rural infrastructure and focused initiatives to boost farmers' income creates a more empowered rural consumer base. As farmers and rural communities experience increased financial stability, their purchasing power rises, benefiting the FMCG sector. This shift not only opens up a potentially vast new market for FMCG companies but also encourages them to innovate and adapt their products to meet the evolving needs of these consumers.



# Indian Snack Market



In Indian markets, snack culture thrives. Street vendors attract crowds with crispy phuchka, jhal muri, vada pav and bhel puri. Local shops offer affordable namkeen, enhancing tea-time conversations. Supermarkets feature fusion chips and protein bars for health-conscious youth. Festivals boost demand for sweets like laddoos, while the monsoon season spikes pakora sales. Small vendors introduce spicy variations to compete against brands. E-commerce delivers exotic snack mixes to consumers, merging tradition with convenience.

India's snack market presents diverse flavours and textures to satisfy every taste bud. From timeless traditional treats to contemporary innovations, Indian snacks cater to all preferences. The snack market flourishes from rural areas to cities, driven by flavours, cultural heritage, and communal enjoyment.

In 2024, the size of the Indian snacks market reached INR 46,571.3 Crore. The market is projected to grow to INR 1,01,811.2 Crore by 2033, reflecting a compound annual growth rate (CAGR) of 8.63% from 2025 to 2033.

## GROWTH DRIVERS

This growth is fuelled by rising urbanisation, increasing disposable incomes, shifting lifestyles, increasing retail channels and innovation in packaging. Moreover, the growing young population and embracing Western eating habits enhance the demand for convenient, ready-to-eat snack choices among various demographics.

## Trends

- Increasing demand for processed foods and convenient on-the-go products.
- Rapid urbanisation results in busy work schedules and more sedentary lifestyles, leading to increased snack consumption over traditional meals.
- Snacks featuring ethnic flavours, such as banana chips, murukku, papad, and samosas, are gaining immense popularity among teenagers, hostel residents, and bachelors.
- The blend of traditional Indian flavours with global influences is emerging. Producers are exploring new horizons, incorporating unique ingredients and tastes worldwide into regional snacks.
- Growing health consciousness has prompted consumers to seek natural, organic, vegan, low-calorie, and gluten-free snack choices. As a result, manufacturers are introducing value-added products with diverse flavours, textures, and seasonings to appeal to a broader consumer audience and improve their product range.

## THE SAVOURY INDIAN SNACK & SWEET MARKET

### The Snack Market

For generations, Indian families have depended on savoury snacks. Festivals such as Diwali and Holi heighten the craving for traditional treats, strengthening regional snacking customs. Every state boasts unique savoury snacks, shaping consumer preferences in India.

Packaged savoury snacks have emerged as the preferred option for busy consumers. The organised savoury snacks market is expected to experience rapid growth, showcasing its rising prominence. The Indian savoury snacks market ranks among the fastest-growing segments in the food industry.

As packaged snacks in India experience rapid growth, the upcoming decade offers promising opportunities for brands, retailers, and entrepreneurs. They will be leaders in this flourishing market by embracing innovation, focusing on quality, and addressing changing consumer needs.

## THE SWEET MARKET

In Indian households, sweets hold a deep-rooted and cherished cultural significance. These traditional confections are essential during religious and festive events and family gatherings nationwide.

Traditional Indian sweets, made from fruits, dairy, pulses, cereals, or various ingredient combinations, feature an astonishing variety. This diversity is enhanced because most sweets have been cherished and developed over centuries across different regions of the country, highlighting regional specialities and flavours.

The Indian sweets market is largely unorganised. But in recent years, there has been an increasing demand for packaged sweets primarily owing to cleanliness and hygiene. Moreover, rising input prices may lead to adulteration. Also, packaged sweets have a longer shelf life.

Attractive packaging that lists all ingredients on the label for packaged sweets fosters consumer trust. Regulatory bodies like FSSAI are also reinforcing food labelling and safety regulations.

The size of the packaged sweets market in India reached INR 7,268.0 Crore in 2024. The market is projected to grow to INR 27,647.5 Crore by 2033, with a CAGR of 16% from 2025 to 2033. Key factors fuelling this market growth include an increasing working population, changing consumer preferences toward ready-to-serve options, and the easy accessibility of packaged sweets through online and offline distribution channels.





# Company Overview

Established in 2015 as Annapurna Agro Industries, the Kolkata-based fast-moving consumer goods (FMCG) enterprise has evolved into a publicly traded company, consistently delivering affordable and flavourful snacks to India's heartland.

Under the leadership of visionary chairman Shreeram Bagla, the Company has recognised the significant potential in Tier III and IV towns, where the demand for branded products is increasing. With six manufacturing facilities located in different parts of India, Annapurna produces over 107 stock-keeping units (SKUs) — including noodles, biscuits, candies, sweet & savoury products, potato chips and much more — all competitively priced to meet the needs of budget-conscious consumers.

Rural women, empowered through Annapurna's initiative, are integral to the supply chain, infusing artisanal pride into the products. The company is, supported by 1100 distributors, ensures that packs reach even the most remote villages through Uttar Pradesh, Bihar, Jharkhand, West Bengal, Assam, Odisha and all over India, bridging the urban-rural divide.

## BRAND ACQUISITION

As part of its national expansion strategy, in the 2024-25 financial year, the Company acquired Madhur Confectioners Private Limited (MCPL), a well-known producer of various confectionery items, such as flavoured candies, lollipops, toy chocolates, and others. The Company has planned a fundraising effort of Rs 83.36 crore through warrants to facilitate expansion.

### Other Strategic Initiatives

**Manufacturing Expansion:** The Company operationalised new plants in Gurap and Dhulagarh, West Bengal, to increase production capacity for its portfolio, including namkeens, fryums, noodles, and biscuits. Backward integration through a flour mill improved cost efficiency and supply chain control. The Company also plans to set up a new plant in Tezpur, Assam.

**Product Diversification:** Annapurna expands its product basket regularly, capturing a broader market. The acquisition of Madhur Confectioners in January 2025 added sweets and confectionery, targeting festive demand and baby segments.

**Rural Market Penetration:** With a network of over 1100 distributors, the Company further deepens its reach in Tier III and IV towns, offering affordable, low-unit packs tailored to rural consumers' preferences and rising incomes.

**E-commerce and D2C Push:** The D2C platform and partnerships with e-commerce channels scaled online sales, enhancing accessibility and brand visibility in urban and rural markets.

**Fundraising for Growth:** A Rs 83.36-crore preferential issue of 23.75 lakh warrants in May 2025 supported capacity expansion, marketing, and debt reduction, aligning with its Rs 1,000-crore revenue target.



## OPPORTUNITIES IN 2025

- Rural Demand Surge:** Favourable monsoons and schemes like PM-KISAN boost rural incomes, enabling Annapurna to expand affordable snacks and noodles in Tier III and IV towns using its distributor network.
- Brand Value in Rural Areas:** Annapurna's trusted brand, known for tasty, budget-friendly snacks, can deepen rural loyalty through localised marketing and community engagement, tapping into rising aspirations.
- Affordability of Products:** With easing inflation, Annapurna can easily maintain low-unit packs (e.g., Rs 5-10) to cater to price-sensitive rural consumers, driving higher purchase frequency.
- Availability and Accessibility:** Expanding its distributor network and leveraging e-commerce and rural kirana stores ensures Annapurna's snacks are widely available and accessible, even in remote villages.

- Policy Support:** PLI schemes and rural infrastructure focus in the 2025-26 Union Budget enhance manufacturing efficiency and rural purchasing power, supporting Annapurna's production scale-up and market penetration.
- Acquisition Synergies:** The Madhur Confectioners acquisition strengthens distribution and product offerings, enabling organic growth and deeper market penetration.

## THREATS IN 2025

- Competitive Pressure:** Large FMCG players and local brands challenge margins with aggressive pricing and branding, especially in low-unit-pack segments.
- Rising Input Costs:** Volatility in raw material prices, like palm oil and spices, strains profitability despite benign crude-linked derivatives.

## FINANCIAL PERFORMANCE

Total revenue for FY2025 stood at ₹40871.36 Lakhs, compared to ₹ 26,574.26 Lakhs in FY2024, representing a robust 54% YoY growth on the back of healthy demand from across the market and deeper penetration.

EBITDA for FY2025 saw a substantial increase, rising from ₹ 4788.44 Lakhs in FY2024 to ₹2813.51 Lakhs in FY2024. This represents a growth of over 70 % year-on-year, highlighting the company's improved operational efficiency and effective cost management.

The margin increased from 10.62% in FY2024 to 11.74% in FY2025, reflecting better control over operating expenses relative to revenue growth. The notable improvement in EBITDA and EBITDA margin is primarily attributed to the company's ability to scale operations while maintaining cost efficiencies.

Net Profit for FY2025 was ₹ 2151.30 Lakhs, a notable increase from ₹1,313.23 Lakhs in FY2024 on the back of EBITDA growth.

The company's total debt increased from ₹6,326.84 Lakhs in FY2024 to ₹ 11478.10 Lakhs in FY2025. This increase reflects the company's expanded borrowing to meet immediate operational and working capital needs.

The Net Worth saw a substantial increase/decrease from ₹11,459.20 Lakhs in FY2024 to ₹ 29987.85 Lakhs in FY2025. This growth represents a nearly threefold increase in equity, highlighting the company's strong financial performance and successful capital-raising activities during the year.

The company's total debt increased from ₹6,326.84 Lakhs in FY2024 to ₹ 11478.10 Lakhs in FY2025. This increase reflects the company's expanded borrowing to meet immediate operational and working capital needs.

The Net Worth saw a substantial increase/decrease from ₹11,459.20 Lakhs in FY2024 to ₹ 29987.85 Lakhs in FY2025. This growth represents a nearly threefold increase in equity, highlighting the company's strong financial performance and successful capital-raising activities during the year.

Significant changes (i.e., change of 25% or more as compared to the immediately previous financial years) in Key Financial Ratios, along with explanation, are as follows:

Key Financial Ratios	2024-25	2023-24	Reason
Operating Profit Margin (%)	11.74	10.62	mentioned in the note above
Return on Capital Employed (%)	11.50	13.60	
Net Profit Margin (%)	5.26	4.96	
Debt Service Coverage Ratio	4.27	4.54	
Creditors Turnover Ratio	8.60	8.22	
Current Ratio	1.46	1.14	
Debt-Equity Ratio	0.33	0.55	
Debtors Turnover Ratio	9.31	10.77	
Return on Equity (%)	10.38	15.06	
Inventory Turnover Ratio	4.06	3.89	



## INTERNAL CONTROL SYSTEM & ITS ADEQUACY

The company maintained a robust internal audit structure to oversee and ensure proper internal controls, providing reasonable assurance to the Audit Committee and the Board of Directors that the processes are free from fraud and misstatements. This internal control framework also guarantees the adequacy and effectiveness of the organisation's risk management. It also monitors business processes, operations, financial reporting, and compliance, as required by its nature, size, scale, and complexity.

Regular internal audits and management reviews are conducted across key value chain areas, including procurement, manufacturing, information technology, supply chain, sales, marketing, and finance. The management periodically reviews the internal auditors' reports, and corrective and remedial measures are implemented to reinforce the controls and improve the effectiveness of the current systems. Summaries of the reports and actions taken are submitted to the Audit Committee of the Board.

## HUMAN RESOURCE

Annapurna prioritises investing in its personnel, fostering an exceptional work environment that provides numerous learning and professional development opportunities. This approach not only attracts young talent but also enhances the competencies of their seasoned employees, culminating in a dynamic and versatile team.

The company's employee-centric approach cultivated a collaborative culture that nurtures individual growth while promoting high satisfaction and retention levels. Annapurna's varied team is a treasure, consistently driving the company's strategic goals in a fast-paced and evolving business landscape.

Annapurna employs strong talent management strategies, development programmes, productivity measures, and competitive incentives to achieve its operational and financial goals. The company prepares its employees with essential skills to address future industry challenges by

providing ongoing learning opportunities. Furthermore, Annapurna emphasises employee well-being through extensive health and safety programs that create a safe and supportive workplace.

The Company warmly welcomed new talent to support its growing business over the past year.

## RISK MANAGEMENT

Annapurna Swadisht Limited recognises that effective risk management is essential for sustainable growth in the fast-moving consumer goods (FMCG) sector. The Company operates in a dynamic market environment shaped by evolving consumer preferences, regulatory frameworks, and supply chain complexities. Annapurna acknowledges the inherent link between risk and opportunity and adopts a data-driven approach to balance both.

The Company's risk management framework is structured to proactively identify, assess, and mitigate risks across all areas of operation. A dedicated Risk Management Committee - comprising independent directors and senior management - oversees this framework, ensuring alignment with strategic objectives. The Committee provides continuous oversight and insights to maintain risk control effectiveness, with financial risk aspects additionally monitored by the Audit Committee.

Annapurna strengthened its risk approach by integrating root cause analysis into its operational processes. This enables the timely identification of existing risks and the development of mitigation strategies to reduce the likelihood of recurrence. At the same time, the Company remains vigilant of the external ecosystem, scanning for emerging risks with potential short- and long-term impacts.

Annapurna uses analytics and industry benchmarks to identify high-potential product categories and process improvements that align with market standards while managing associated risks. This balance of precaution and innovation allows the Company to respond swiftly to disruptions while pursuing growth opportunities.





## **Annapurna Swadisht Limited**

Chatterjee International Building, 13<sup>th</sup> Floor,  
Unit No. A01 and A02, 33A, Jawaharlal Nehru Road,  
Kolkata – 700071 West Bengal.

Ph.: 033-4603 2805

E-Mail: [info@annapurnasnacks.in](mailto:info@annapurnasnacks.in)  
Website: [www.annapurnasnacks.in](http://www.annapurnasnacks.in)