

— STRATEGIC ADVISORY | APRIL 2026

OPERATING IN UNCERTAINTY

A guide to service continuity & supply stability

*What the next 90 days mean for your operations – and what
decisions you need to make now.*

SECTION 01
Reading The Operating
Environment

SECTION 02
The Four Control
Levers

SECTION 03
Compass India as Your
Continuity Partner

We are seeing a **layered disruption** – supply, cost and operations stressed simultaneously but at different tempos. Understanding the sequence matters more than reacting to any single signal.

SECTION 01

Reading The *Operating Environment*

How to interpret the next 60–90 days

Disruption severity by category & time horizon

	ENERGY & FREIGHT 	EDIBLE OILS & IMPORTS 	SUPPLY & VENDORS 	FOOD COMMODITIES 	OPERATIONS 
NOW 0–30 DAYS	● CRITICAL Brent crude \$61»\$118/bbl Q1 2026; LPG up ~19%; Strait of Hormuz severely restricted.	● ELEVATED India imports ~60% of edible oil needs; sunflower/soy prices rising; packaging costs following.	● ELEVATED Delays in imported items; packaging lead times 2–3X normal; some vendors under margin stress.	● STABLE WPI food inflation 1.85%; India wheat harvest near-record ~115 MMT; domestic cereals stable.	● RECOVERING 85% of B&I sites returned to Business As Usual (BAU) menus; kitchen fuel costs rising; cold chain under pressure.
NEAR 30–60 DAYS	● ELEVATED Prices stabilising at \$85–100/bbl; freight premiums persist across corridors.	● ELEVATED India-US trade deal introduces tariff quotas for US soybean oil – import landscape shifting.	● CRITICAL Smaller vendors may exit under margin pressure; supply gaps possible in import-dependent categories.	● WATCH Global cereal prices +4.3% (FAO, March); fertiliser cost pressure building for next season.	● ELEVATED Sustained fixed cost drag if energy remains elevated; governance speed increasingly critical.
STRATEGIC 60–90 DAYS	● WATCH Domestic fuel prices stable for now; any future adjustment adds passthrough pressure.	● MANAGEABLE Multi-source strategy insulates exposure; domestic oil seed production expanding.	● MANAGEABLE Multi-source model institutionalised; approved alternates in place across Tier 1 categories.	● WATCH Monsoon outcome is the key H2 2026 variable; fertiliser pressure on next crop season.	● MANAGEABLE Data-led agility and multi-source supply converts crisis into structural competitive advantage.

Sources: IEA Oil Market Report April 2026; FAO Food Price Index March 2026 (128.5 pts, +2.4%); WPI March 2026; USDA Grain & Feed Annual 2025/26.



India's macro context

PLANNING POSTURE

- With ongoing inflation management and **state assembly elections (4 states)** on the horizon, retail fuel and LPG prices remain stable domestically.
- Should prices adjust **post-election**, some cost passthrough into food service operations is possible.
- A prudent planning posture factors this into the **60–90 day outlook**.

The strategic question is not whether your food services will face pressure. They will. **The question is how exposed you are** – and how much of that exposure has already been addressed by your provider.

SECTION 02

The Four Control Levers

A decision framework for managing volatility

There are **four levers** that determine your exposure to supply volatility. Two are **operational** – menu flexibility and supply model depth – activatable within days. Two are **structural** – governance speed and data & analytics – powerful in the long run. Most organisations are well-managed on the operational levers and under-invested in the structural ones.

 01 Menu Flexibility What % of your current menu can be maintained, substituted or reconfigured without impacting the employee experience? Agile menu adaptation – from BAU to restricted to Business Continuity Plan (BCP) – is the first line of defence. This means maintaining flexibility through local and seasonal produce substitutes, while ensuring any substitution still meets our minimum nutritional and quality standards. Ability to switch between approved menus in <72 hrs is the key differentiator.	 02 Ready-to-Deploy Alternate Suppliers Do you have approved alternate vendors and brands across every critical category, ready to deploy within days if needed? Compass Group India maintains multi-supplier coverage across all key categories as standard – not as contingency. Where supply is constrained, our first response is menu agility: switching to local, seasonal or alternate ingredients that meet quality standards.	 03 Governance Speed How long does a cost escalation decision take to move from identification to approval? The situation is expected to last. We push back on supplier escalations where possible. Some client cost passthrough is expected. Speed of joint decision-making determines service continuity. Propose a fortnightly joint review cadence during elevated volatility.	 04 Data-led Decision Making Can you see your supply chain risk, cost trajectory and menu performance in real time – and are you using that visibility to act? Data infrastructure is a resilience asset. Can you see commodity exposure, BCP menu adoption and Average Per Cover (APC) trends by site – and benchmark against regional and national? Compass India can provide enhanced reporting on request including site-level cost tracking, regional and national benchmarks and BCP menu adoption.
--	---	---	--

Where are you on the resilience matrix?

FLEXIBILITY X GOVERNANCE SPEED

FLEXIBILITY IS PARAMOUNT

Low flexibility is never acceptable – regardless of how fast decisions are made. Agile menus, multi-supplier coverage and fuel-flexible kitchens are the foundation. Everything else builds on this.

FASTER GOVERNANCE YIELDS BEST RESULTS

Flexibility unlocks its full value only when decisions move at the speed of the environment. Joint escalation paths, named owners and agreed thresholds convert flexibility into action.

	SLOW GOVERNANCE Decision lag the environment	FAST GOVERNANCE Joint escalation; decisions within agreed thresholds
HIGH FLEXIBILITY Agile menu; multi-supplier; fuel-flexible kitchens	Right Tools, Wrong Speed - Flexibility exists – but slow sign-off means the window closes before action is taken. - Cost exposure compounds while decisions are still pending. HSEQ MEDIUM Unvetted alternates may enter without full FSSAI checks; standards drift under time pressure.	Fully Resilient – The Compass Model - This is the ideal state with agile menus, multi-supplier coverage and fuel-flexible kitchens – all active. - Fast joint governance means flexibility is converted into action before cost or service is impacted. HSEQ LOW All substitutes pre-approved against FSSAI norms, nutritional benchmarks and allergen matrices.
LOW FLEXIBILITY Limited vendor coverage; menus not designed for rapid adaptation	Most Exposed - No flexibility, no governance speed – any disruption becomes a service failure. - Ad-hoc sourcing under pressure leads to quality and safety shortcuts. HSEQ HIGH Unplanned vendor switches bypass quality audits; food safety risk is highest here.	Speed Without Safeguards - Fast decisions, but nowhere to go – the toolkit is too narrow to act on them. - Speed under pressure leads to unvalidated substitutes; risk is hidden until an incident. HSEQ HIGH Allergen gaps, unverified FSSAI status, reduced audit frequency – masked by fast decisions.

Compass India as Your *Continuity Partner*

What institutional-grade food services looks like in a volatile environment

Scale matters in a supply crisis. Operating across **800+ sites** and serving **millions of meals annually**, we operate as a **continuity infrastructure partner** – with procurement depth, supply breadth and data capability, no other service provider can replicate independently.

What we did when it mattered

CRISIS RESPONSE RECORD

Resilience BCP menus deployed across Business & Industry sites within 72 hours of crisis onset – no client site experienced a service gap.	Partnership Personalised client communications in three structured waves within 18 days – site risk, inflation trajectory, mitigation plan.	Agility Critical category inventory cover increased; high-risk ingredient substitutes activated and quality-approved before deployment.
Inflation Supplier price increase negotiations initiated – pushed back on immediate passthroughs, absorbing pressure to protect client cost lines.	Data Visibility Live P&L and KPI dashboards established; daily crisis governance cadence maintained across all impacted sites.	Menu Design Menu engineering shifted to fuel efficient, tasty and relevant dishes while nutritional standards were preserved – no compromise on HSEQ.

OUTCOMES | AT 90 DAYS

What Good *Looks Like*

The signals of a resilient continuity posture

The organisations that emerge from this period with the strongest continuity posture will be those that used the disruption to **institutionalise what was previously ad-hoc**.

MULTI-SOURCE AS POLICY

- Multi-supplier coverage across all key categories as standard – pre-qualified, not crisis-sourced.
- Alternate brands & vendors quality-approved and ready to deploy across edible oils, packaging and LPG-dependent inputs.
- Where supply is constrained, menu agility is the first response – local, seasonal or alternate ingredients meeting quality standards.
- Category-level vendor coverage reviewed quarterly; gaps addressed before they become vulnerabilities.

FLEXIBILITY IN OPERATIONS

- Compass Central Kitchens are designed for fuel flexibility – not locked to a single energy source.
- Electrification of kitchen equipment actively underway across sites, reducing dependence on LPG and diesel.
- Alternate bio-fuels adopted where grid and piped gas (PNG) infrastructure is unavailable – reducing exposure to LPG price spikes.
- Fuel-agnostic equipment specifications now embedded in new site commissioning standards.

GOVERNANCE & DATA ANALYTICS

- Joint escalation paths defined, tested and embedded in the Master Service Agreement – named decision owners on both sides.
- Compass tracks site-wise performance metrics daily, weekly, monthly: food cost per meal, BCP menu adoption, APC trends, category risk flags.
- Agreed cost escalation thresholds let our teams act within a defined band without waiting for approval on every line item.
- Enhanced reporting activated on request – site vs. regional vs. national benchmarks in real-time.

RESILIENT SUPPLY DESIGN

- Critical inventory cover maintained above standard levels for high-risk categories; reviewed after every significant market event.
- Import-dependent ingredient exposure actively mapped and reduced – domestic and alternate-origin sources developed in parallel.
- Supply design reviewed at every new site commissioning – resilience built in from day one, not retrofitted under pressure.



THE ASK

Compass India is not just responding to this crisis – **we are shaping how institutional food service should respond to one.** As India's largest provider, we have the scale, data and operational depth to see patterns that no single-site or regional provider can. The two conversations below are where that expertise is most directly useful to you.

01

Identify Your Key Decision Owner

Named point of contacts identified for cost and menu escalations – enabling decision making swiftness the environment demands. Also an opportunity to share learnings: managing over-reliance on imported materials and diversifying risk across categories, key resource identification, alternate sources and CPU infrastructure (alternate biofuels, electrification, PNG transition).

02

Build Flexibility into Your Operations

Work with our culinary and operations teams to embed fuel and menu flexibility as a design principle – not a crisis response. Approve your substitute menu and BCP activation threshold so teams can act within 48 hours of a disruption; align on kitchen equipment electrification where feasible; confirm site readiness for alternate fuel sources (PNG, biofuel). Operational flexibility, once built in, is your lowest-cost form of resilience.

©2026 COMPASS INDIA FOOD SERVICES PVT. LTD. ALL RIGHTS RESERVED.

Compass, Compass logo and all Compass brands are registered trademarks of Compass Group LLC. Information in this document is subject to change.