



INVESTOR PRESENTATION

September, 2013

Confidential

IMPORTANT NOTICE



Safe Harbor

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to KRBL Limited and its affiliated companies (“KRBL”) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

KRBL undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.

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INVESTMENT HIGHLIGHTS



Leading Market Position

- ❖ World's largest Rice Millers and Basmati Rice Exporters.
- ❖ India's largest selling Branded Basmati Rice Company.
- ❖ Strong Brand presence through collaborations with global retail chains.
- ❖ Leading position in Saudi Arabia's market- world's largest Basmati Rice market.
- ❖ Largest contract farming basmati rice in the world

Best-in-Class Operations

- ❖ India's first fully integrated and scalable rice company.
- ❖ Rice manufacturing capacities of 195 MT per hour.
- ❖ Good realizations – export price per MT commands a premium of more than 14% over the Industry average.
- ❖ Wide marketing network with presence at 6,40,000 retail outlets spread over all towns and cities of the Country.
- ❖ 35% basmati seeds in India are provided by KRBL.

Leading Brands

- ❖ "India Gate", the flagship brand of Company, is the topmost selling rice in the Branded Rice segment, both in India and Overseas market.
- ❖ Brand include – India Gate, Taj Mahal, Doon, Nur Jahan and many more.
- ❖ 25% share in the Branded Basmati exports from India.
- ❖ 30% share in the branded Basmati sale in domestic market.

Strong Financial Performance

- ❖ 3-year net sales growth CAGR of 16% and EBITDA growth CAGR of 12%.
- ❖ 3-year average return on capital employed of 27.97%.
- ❖ Strong balance sheet to support organic and inorganic growth plans.
- ❖ Short-term loan of the company rated A1+ by ICRA, indicating highest credit quality

BUSINESS OVERVIEW



- ❖ Founded in 1889 in Faisalabad, Pakistan and incorporated in 1993, KRBL is India's first integrated rice company.
- ❖ Engaged in seed development and multiplication, contract farming, production and marketing of Basmati rice.
- ❖ Being an integrated player, the Company generates value-added by-products like bran oil, de-oiled cakes and uses rice husks for captive power plant.
- ❖ Branded Basmati rice Company, with manufacturing capacities of 195 MT / per hour.
- ❖ Has set up a seed farm and a 4MT per hour seed grading plant for its R & D activities and new products testing.
- ❖ Has rice warehousing capacity of 5,00,000 tonnes and paddy storage capacity of 1 million tonnes.
- ❖ Collaboration with Bhuler, world's leading rice machine manufacturer, for process/machine improvement.
- ❖ Emerged as Top Green company in ranking of 25 most popular food companies in India by Greenpeace.

Key Brands



Industry Recognition



BUSINESS OVERVIEW

Brands Strength



India's largest selling branded Basmati Rice

"India Gate", the largest selling branded Basmati rice in the Indian market

Strong foothold in domestic market with a 30% market share

Wider product reach and acceptance with small consumer packs

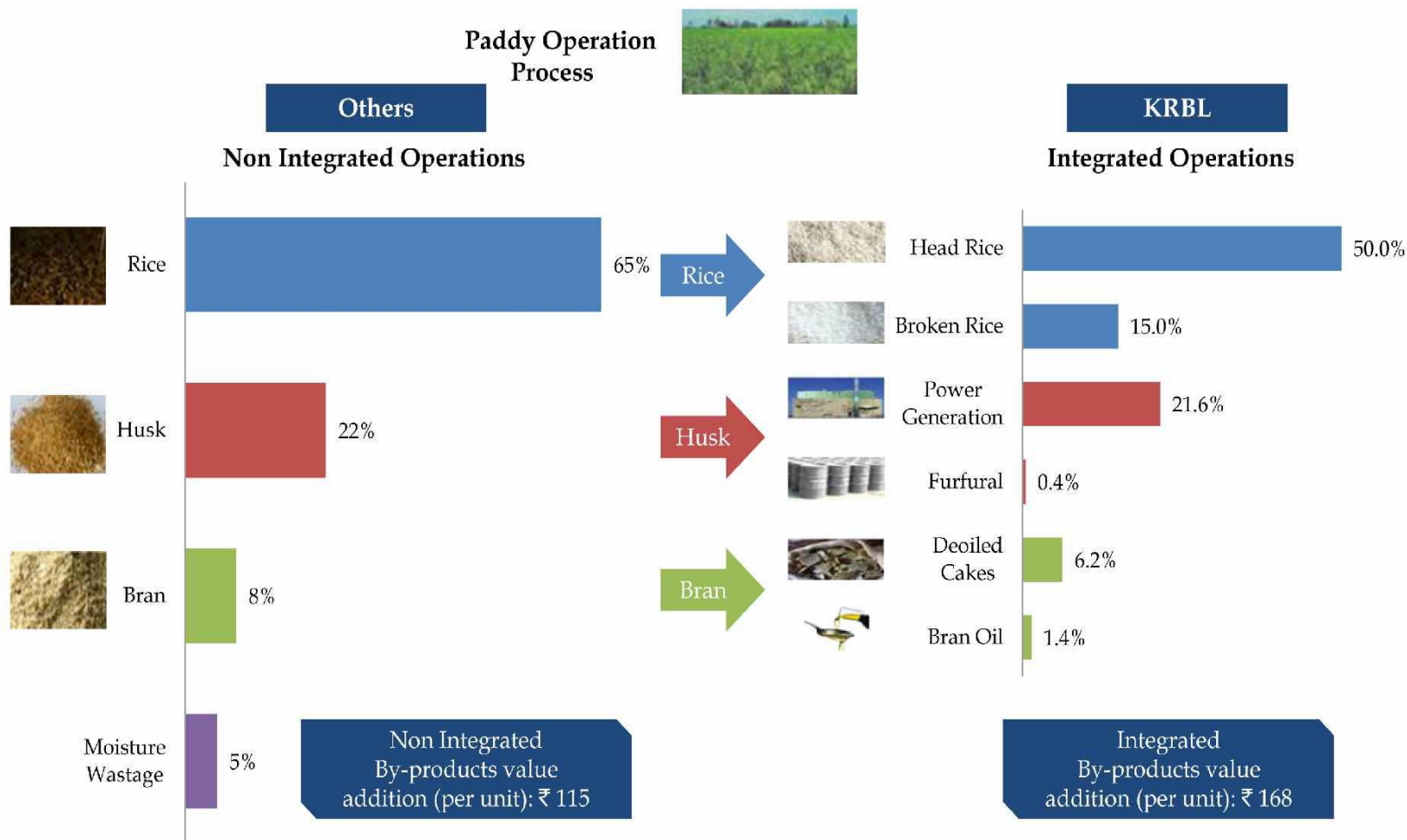
A leading position in Saudi Arabia, the world's largest Basmati Rice market

Awarded with 'MERA' Brand for four consecutive years by AMFG (Leading media & brand rating company)



BUSINESS OVERVIEW

KRBL has fully integrated operations leading to better margins due to scale and effective utilization of by products

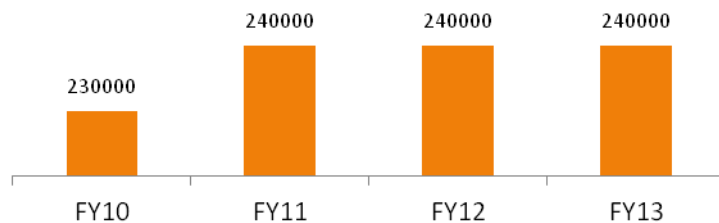


BUSINESS OVERVIEW



Contact Farming Enhanced Realizations

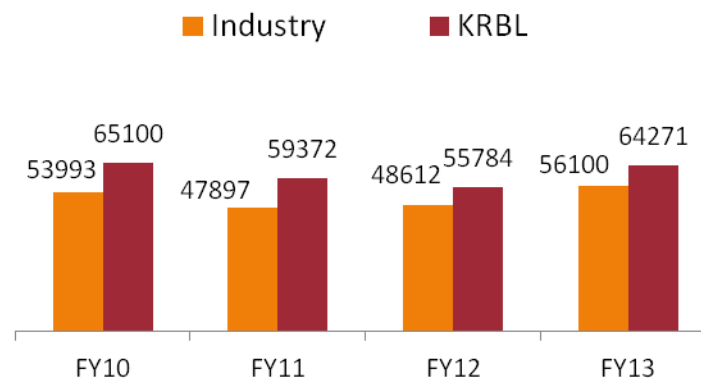
KRBL's Acreage Under Contact Farming



Benefits to Farmers

- ❖ Access to competitive and modern technologies
- ❖ Significant reduction in risk and uncertainty of markets
- ❖ Enhanced earning potential due to improved crop quality and productivity
- ❖ Crop switching - Leading to enhanced realization
- ❖ Good value of paddy without involving intermediaries

Unit Export Value Realization (/ MT)



Benefits to the Company

- ❖ Adequate availability of paddy
- ❖ Ensures good quality of procured paddy
- ❖ Significant savings in transportation and Mandi tax
- ❖ Building lasting, mutually beneficial relationship with the farmers
- ❖ Insulation from fluctuations in paddy prices
- ❖ Enhanced realizations

BUSINESS OVERVIEW

State Of The Manufacturing Facilities With Distribution Network In India And Across



Rice Business

Plant Location	Function	Capacity (MT/hr)	Grading & Packing (MT/hr)
Ghaziabad	Rice Processing	45	50
Dhuri	Rice processing	150	50
Delhi	Grading		30
Total		195	130

Energy Business

Plant Location	Function	Capacity (MT/hr)
Dhuri	Biomass	12.3
Ghaziabad	Biomass	3.5
Sub-Total	Biomass	15.8
Maharashtra	Wind	12.5
Rajasthan	Wind	8.1
Tamil Nadu	Wind	11.85
Karnataka	Wind	11.1
Andhra Pradesh	Wind	2.10
Sub-Total	Wind	45.65
Madhya Pradesh	Solar	9.13
Sub-Total	Solar	9.13
Total	Biomass/Wind/Solar	70.58

Paddy Storage Area



Processed Rice Storage Area



Testing lab at the plant



BUSINESS OVERVIEW

Strong brand presence through collaborations with global retail chains

Collaborations with Retail Chains: India



Collaborations with Retail Chains: Overseas



All Middle East
Cooperative Societies

MANAGEMENT & BOARD



Extensive Management Expertise in Rice Industry and Operation Across the Value Chain

Key Executive		Back Ground
Anil Kumar Mittal <i>Executive Chairman and Managing Director</i>		<ul style="list-style-type: none"> ❖ Visionary behind the success of KRBL Ltd. ❖ Having more than 36 years of experience in Rice business ❖ Formulates marketing strategy of the company and supervises the marketing functions ❖ Founder & Former President of All India Rice Exporters Associations
Arun Kumar Gupta <i>Executive Joint Managing Director</i>		<ul style="list-style-type: none"> ❖ Expert on Basmati Paddy Supply Chain Management. Expert on Paddy Milling Technology ❖ Having more than 27 years of experience in Rice business. ❖ Executive Member, Basmati Rice Farmers & Exporters Development Forum ❖ He is a Commerce Graduate from Delhi University
Anoop Kumar Gupta <i>Executive Joint Managing Director</i>		<ul style="list-style-type: none"> ❖ Financial Architect & Chief Strategist of the Company ❖ Having more than 26 years of experience in Rice business ❖ Former Executive Committee Member of All India Rice Exporters Associations ❖ He is a Science Graduate from Delhi University
Priyanka Mittal <i>Whole-time Director</i>		<ul style="list-style-type: none"> ❖ Young Turk bringing Management Innovation into the Company ❖ Specialist on International Marketing of Agri and Food Products ❖ She is a Business Management Graduate from University of Southern California, USA
Rakesh Mehrotra <i>Chief Financial Officer</i>		<ul style="list-style-type: none"> ❖ Has over 27 years of experience in the field of finance ❖ Has previously worked with some of the leading corporate like Surya Group, Lakhani Group, Sanjay Dalmia Group, Mafatlal Group and Onida Group ❖ He is a Chartered Accountants from ICAI and Commerce Graduate from BHU
Ashok Chand <i>Whole-time Director</i>		<ul style="list-style-type: none"> ❖ Has over 36 years of experience in the field of engineering and food processing industry ❖ Has previously worked with some of the leading FMCG and consumer companies in the world ❖ He has also obtained Certificate of Entrepreneurship from IIM, Ahmedabad

MANAGEMENT & BOARD



Board of Directors



Audit Committee

Name	Status	Independent
Ashwani Dua	Chairman	✓
Vinod Ahuja	Member	✓
Narpinder Kumar Gupta	Member	✓
Anoop Kumar Gupta	Member	

Remuneration Committee

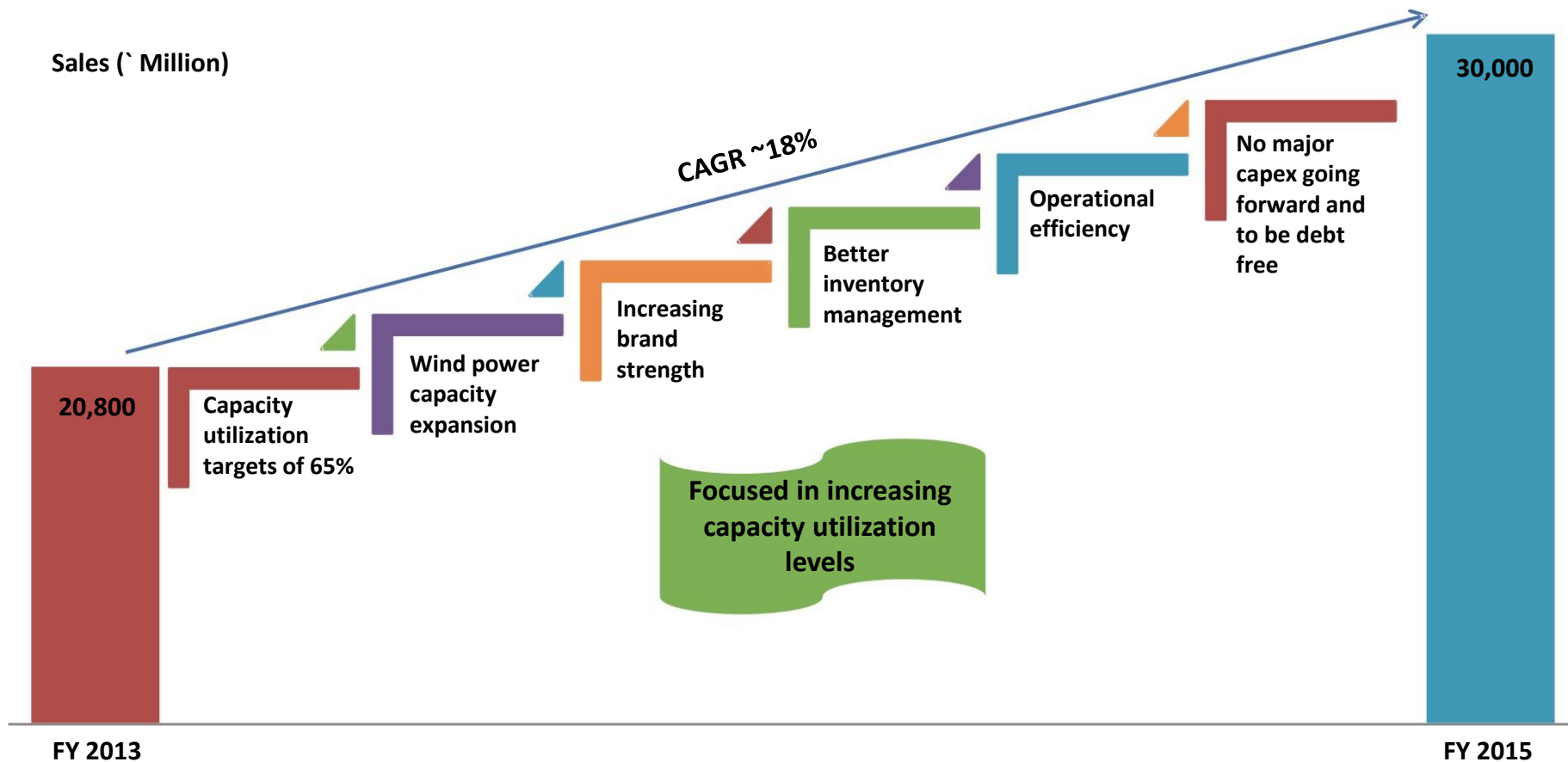
Name	Status	Independent
Ashwani Dua	Chairman	✓
Vinod Ahuja	Member	✓

STRATEGY



Clearly Defined Group Strategy

Sales (₹ Million)



WIDE DISTRIBUTION NETWORK



Distributor/Dealer Network in India	550
Retail Outlets in India	640000
Presence in Domestic Retail Chain	20
Distribution Network	28 States
Presence in the Rural Market	All over India
Purchase Centre	182 centers in 5 states
Overseas Registrations	45
Export Countries	33

Collaborations with Retail Chains

India

- Reliance Retail
- Pantaloons Food - Big Bazaar
- D Mart
- Aditya Birla - More
- Spencer's
- Hyper City
- Sabka Bazaar
- V. Mart
- N'Mart
- Wal-Mart
- Food Bazar
- Vishal Mega Mart
- Star Bazar
- Auchan

Overseas

- All Middle East Cooperative Societies
- Carrefour
- Costco
- Fiesta
- 4 Square
- Geant
- HEB
- IGA
- Giant
- Lulu
- New World
- On the Spot
- Pack 'n Save
- Shop Rite
- SPAR
- Spinney's
- The Great Canadian Superstore
- Woolworths
- Write Price

DOMINANT MARKET POSITION

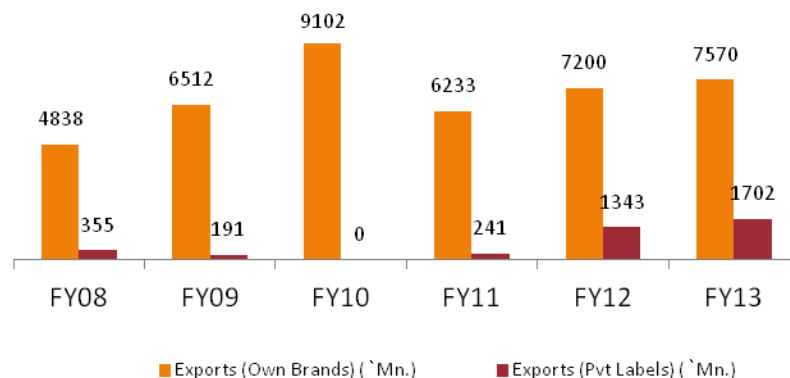


KRBL Market Share in Traditional Trade

Shares in 1 Kg Pack	Valume Share in %	Share in 5 Kg Pack	Valume Share in %	Share in 10 Kg Pack	Valume Share in %
KRBL	35.9	KRBL	39.3	KRBL	27.3
LT Overseas	17	LT Overseas	17.9	Sachdeva and Sons	21
Kohinoor Foods	13.2	Kohinoor Foods	9.2	LT Overseas	19.9
Shakti Bhogh Foods	3.7	D.S.Export	5.8	Sunstar Overseas	9.6
Karorimal Kashiram	3.6	Shakti Bhogh Foods	5.2	Kohinoor Foods	7.1

Source: AC Nielsen ORG-MARG Survey, 2012; Company

More than 83% of total sales is through KRBL's own brands



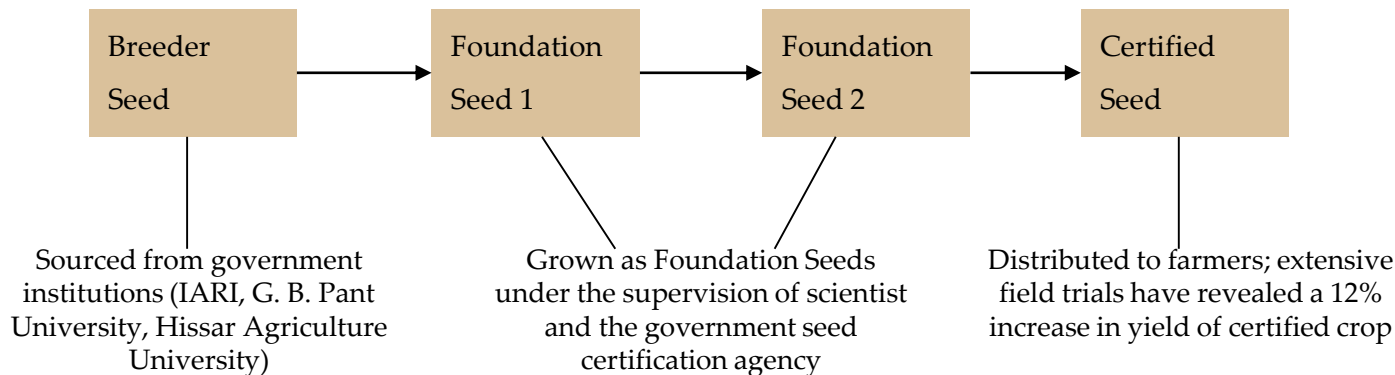
Leadership in export segment

Rank	FY11	FY12	FY13
1	India Gate	India Gate	India Gate
2	Train	Unity	Train
3	Telephone	Al Wisam	Pusa
4	Alwissam	Train	Alwissam
5	Mohsen	Telephone	1121 Pusa

Seed Development and Multiplication (QSDIP Programme)

- Dedicated wing comprising eminent agricultural experts to continuously research and develop pedigree seeds in line with farmers and market demand.
- KRBL has established a 300 hectare seed farm and a 4 MT / hour capacity seed grading plant.

Process Flow



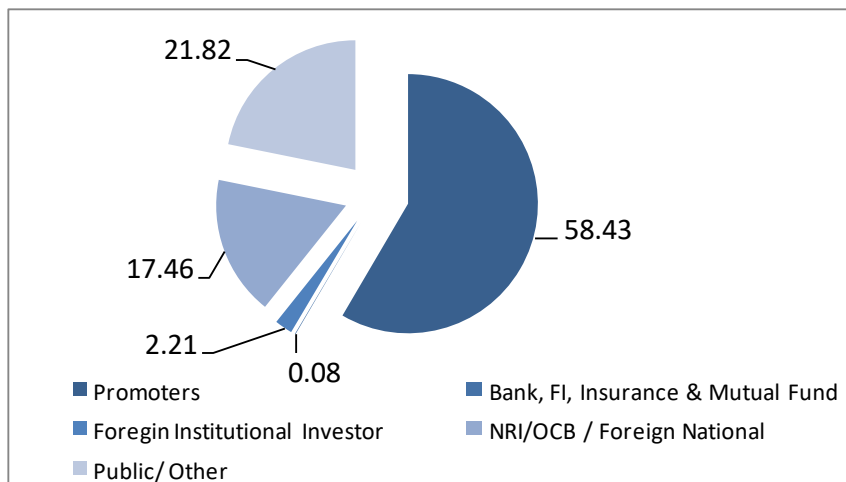
- Collaboration with Buhler, world's leading rice milling manufacturer, for process / machine improvement
- Working closely with farmers to improve pre-post harvesting techniques

Future Plans

- Increasing size of the seed farm to 700 hectares
- KRBL plans to distribute high yielding certified seeds to farmers through Contact Farming programme; High yielding seeds are being developed in collaboration with ICAR
- A corpus of ` 10 Cr has been planned for grass root level agricultural research

FINANCIAL OVERVIEW

Shareholding Pattern



Share Holding Information as on 30-9-2013

Institutional/Bodies Shareholders Holding	%
Reliance Commodities DMCC	9.69
CLSA (Mauritius) Limited	1.12
Vocation Investment & Finance Co.	0.21
HSBC Midcap Fund	0.31
Copthall Mauritius Investment	0.70

Market Data

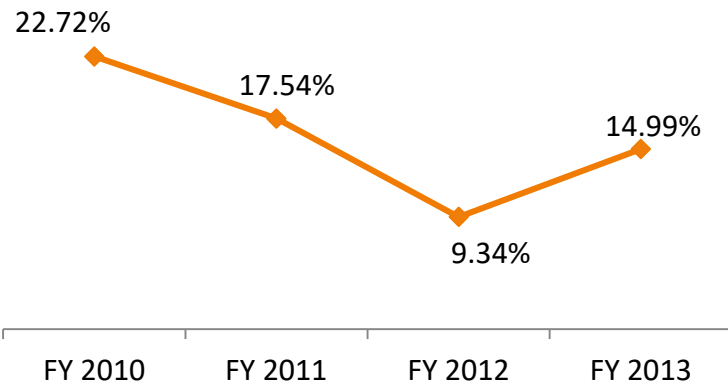
Market Cap (` In Million)	7580
Share Price (`)	24.50
Book Value Per Share (`) (31.03.2013)	31.35
52 Week High / Low (`)	34/19.30
Outstanding Shares (million)	236
Free Float	41%
BSE Ticker	530813
NSE Ticker	KRBL

Market Data as on 21-11-2013

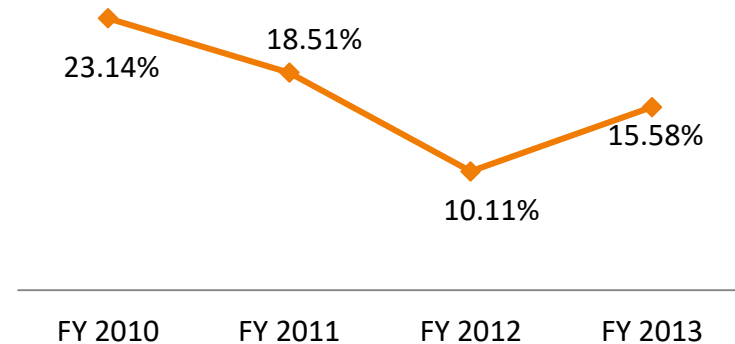
FINANCIAL OVERVIEW



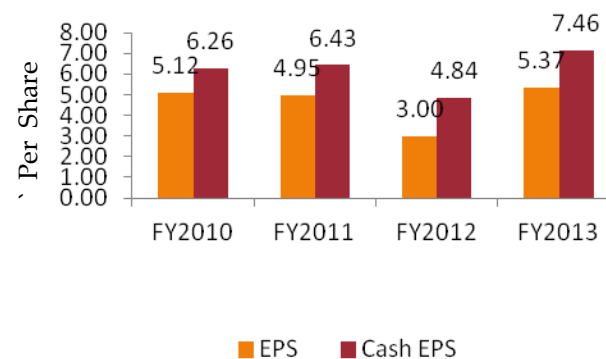
Return on Capital Employed



Return on Equity



EPS and CASH EPS

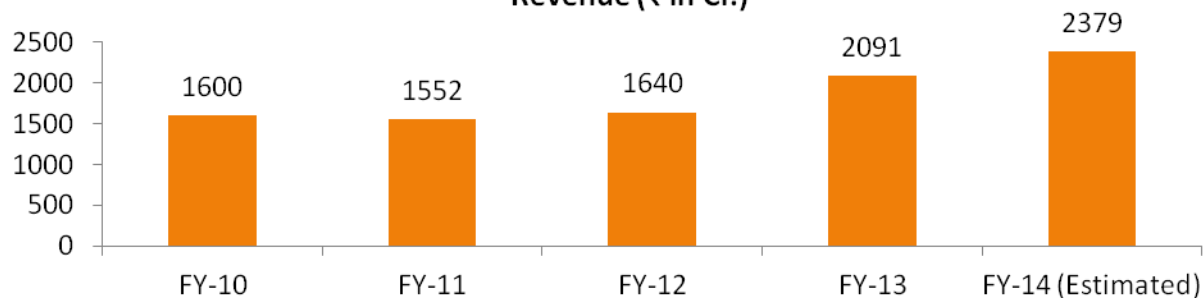


FINANCIAL OVERVIEW

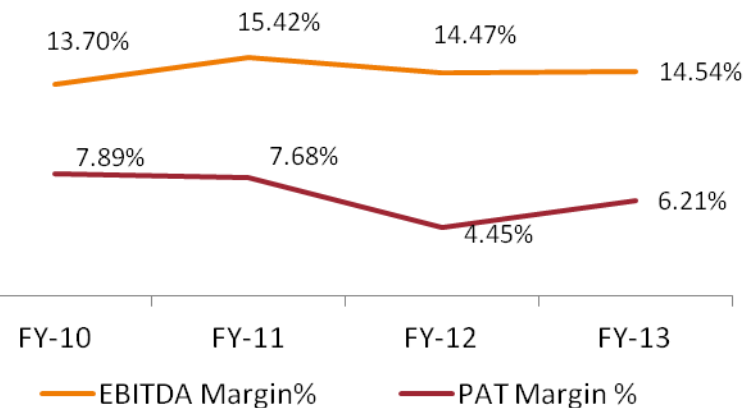
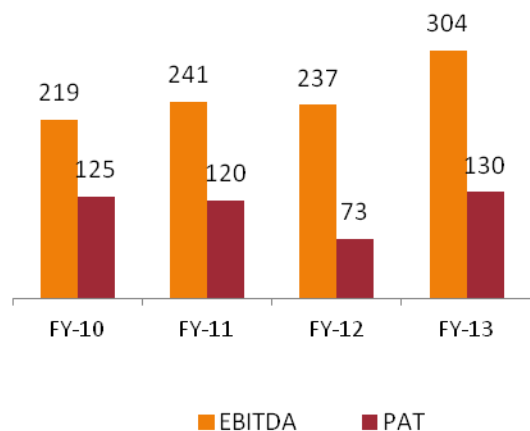


P&L Growth and Margin Trends

Revenue (₹ in Cr.)

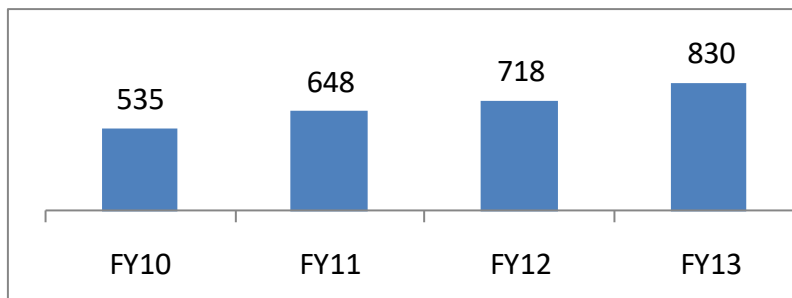


Rs.in Cr.

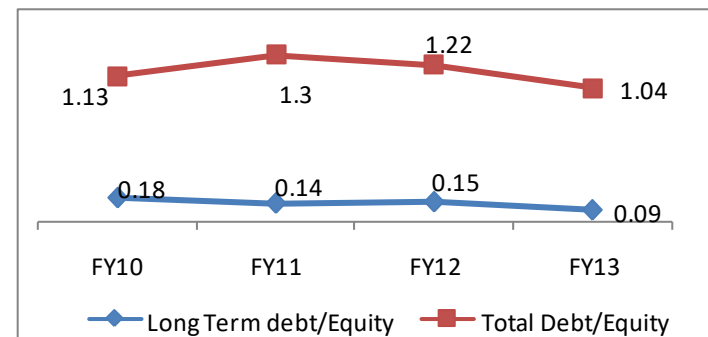


Balance Sheet Strength

Strong Growth in Net Worth (` In Cr.)



Debt-Equity Ratio



- ❖ Asset utilization to improve with higher capacity utilization
 - ❖ Dhuri Plant expected to be at 65% utilization level by FY14, leading to improved EBIDTA margin
 - ❖ UP plant at 100% utilization level
- ❖ Low debt gearing at 1.04x
- ❖ ROE at 15.58% in FY13
- ❖ Strong Inventory build-up enabling extended storage period and hence enhanced margins. Very good inventory gains as company is carrying low-cost inventory in books
- ❖ FY13 inventory stood at Rs.1,260.29 Cr.
- ❖ Raw Material Valued at Rs.23,243 per MT and Finished Goods at Rs.33,920 per MT

FINANCIAL OVERVIEW



(Fig. in Rs. Cr.)

Operating Results (Consolidation)	FY 2011	FY 2012	FY 2013
Sales	1,551.27	1,631.00	2080.39
EBITDA	241.57	237.30	304.12
Profit Before Tax (PBT)	158.06	95.25	184.20
Taxes	37.73	22.22	54.34
Profit After Tax (PAT)	120.33	73.03	129.86
<u>Financial Position:-</u>			
Gross Fixed Assets (Incl. CWIP)	405.50	426.28	457.77
Current Assets, Loans & Advance	1,461.15	1553.14	1524.45
Current Liabilities & Provisions	1122.04	1166.97	1085.08
Net Working Capital	339.11	386.17	439.37
Share Capital	24.35	24.35	24.24
Reserves & Surplus	623.48	693.69	806.11
Share Holders Funds	647.83	718.04	830.35
Book Value	26.65	29.54	34.33
Long Term Loans	91.50	106.39	77.45
Working Capital Loans	746.46	768.94	758.12
Total Capital Employed	739.33	824.43	907.80
ROCE (%)	29.96	24.66	29.28
RONW (%)	18.57	10.17	15.64
No. of Share (in cr.)	24.31	24.31	24.19
Earning Per Share (₹) (Diluted)	4.95	3.00	5.37
Cash EPS (₹) (Diluted)	6.46	4.84	7.14

FINANCIAL OVERVIEW



(Fig. in Rs. Cr.)

Financial Summary

OPERATING RESULTS	(FY 2011-12) Consolidated	(FY 2012-13) Consolidated
Gross Sales (Including Other Income)	1639.64	2091.12
EBITDA %	237.30 14.55%	304.12 14.62%
Profit Before Tax (PBT) %	95.25 5.84%	184.20 8.85%
Profit After Tax (PAT) %	73.03 4.45%	129.87 6.21%
EPS (in `)	3.00	5.36

FINANCIAL OVERVIEW



(Fig. in Rs. Cr.)

Financial Summary

OPERATING RESULTS	(FY 2012-13) Q1 (Consolidated)	(FY 2013-14) Q1 (Consolidated)	(FY 2012-13) Q2 (Consolidated)	(FY 2013-14) Q2 (Consolidated)	(FY 2012-13) H1 (Consolidated)	(FY 2013-14) H1 (Consolidated)
Gross Sales (Including Other Income)	518.69	690.34	573.2	663.91	1092.12	1354.25
EBITDA %	98.88 19.15%	109.89 15.95%	75.26 13.17%	113.30 17.21%	174.12 16%	223.20 16.57%
Profit Before Tax (PBT) %	46.76 9.05%	62.61 9.09%	77.05 13.48%	98.99 15.03%	123.82 11.38%	161.61 12%
Profit After Tax (PAT) %	34.01 6.56%	49.64 7.19%	54.53 9.51%	74.62 11.24%	88.54 8.11%	124.27 9.18%
EPS (in `)	1.40	2.08	2.24	3.06	3.64	5.10

Contact Details

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