

KRBL Ltd.

Investor Presentation
- Q4FY23 & FY2023

BASMATI RICE SE

NO COMPROMISE



WORLD'S NO.1 BASMATI RICE



**As per Mordor Intelligence Report on packaged basmati rice, MAT Jun'22*

Unmatched Strengths

India's largest exporter of branded basmati rice with footprint in > 90 countries



#1

India Gate is recognized as the world's no. 1 basmati rice brand*



#1

Integrated operations with world's largest rice milling capacity and the world's largest plant in Punjab, India



#1

#1

KRBL has largest contact farming network coverage for rice



Strong financial position; healthy internal accruals and liquidity with low reliance on debt



750+

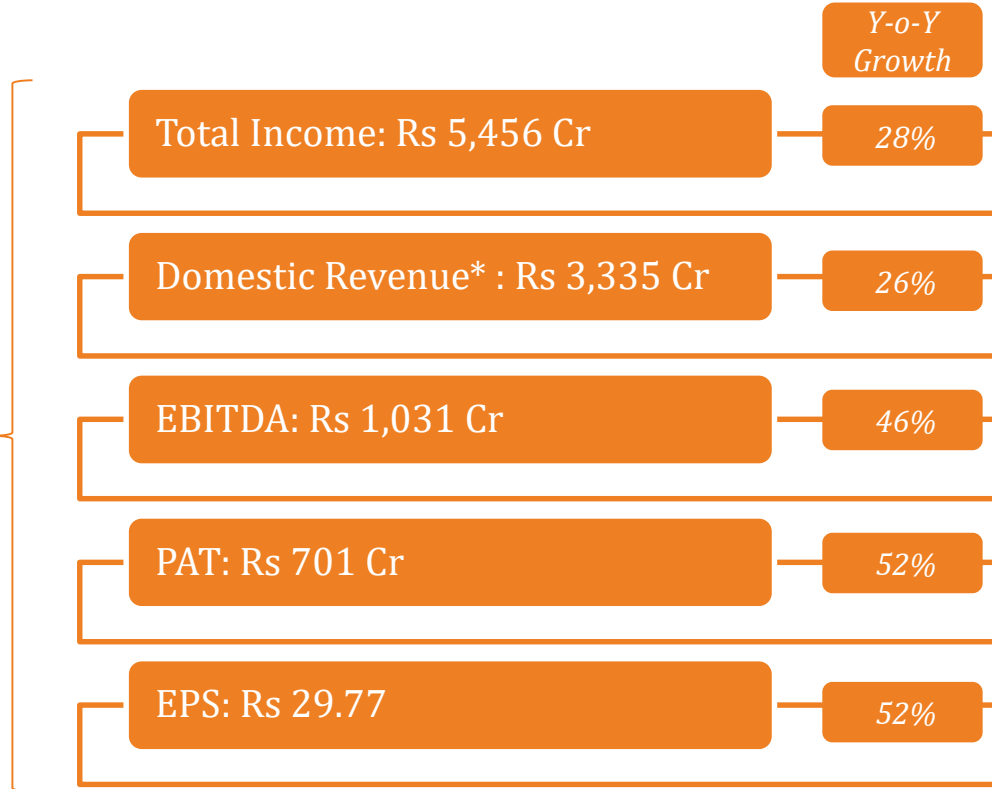
Dealer and Distributors across India



FY23- Highlights



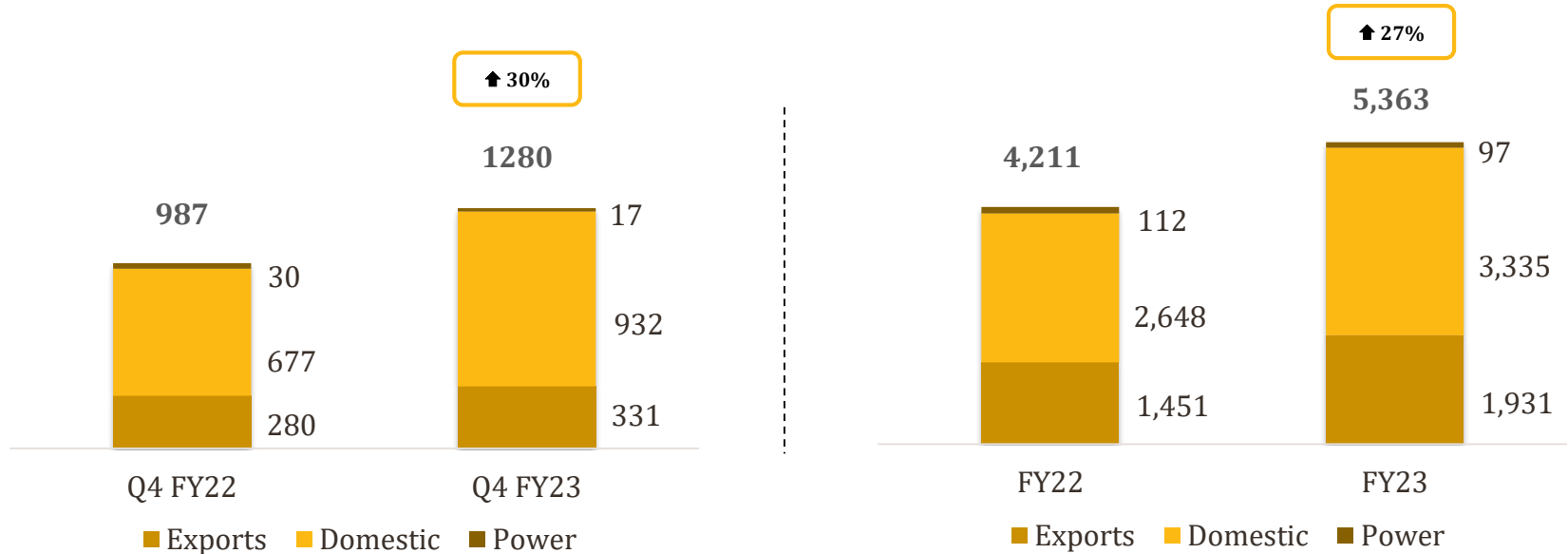
Highest Ever Annual



Q4 FY23 standalone performance highlights

Total Income	Gross Profit	EBITDA	PAT
1,323	351	187	118
61	77	4,684	4,186
Cash & Bank balance*	Net Bank Borrowings	Net worth	Total Inventory

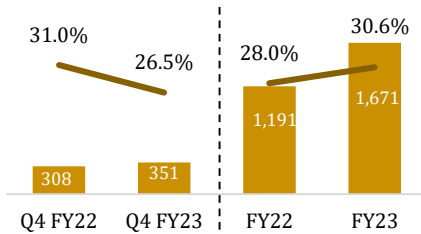
Continuing momentum in Revenue



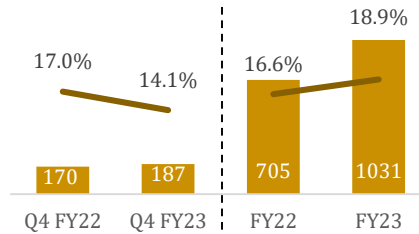
- Overall Revenue increased by 30% over Q4 FY22. Domestic revenue increased 38% and export by 18%
- Basmati revenue increased by 31%, driven by 12% growth in volume and 17% growth in realization.

Profitability metrics for Q4 & FY23

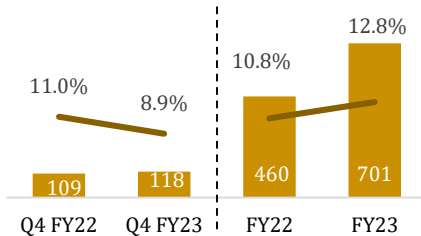
Gross Profit



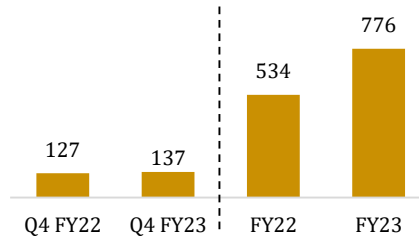
EBITDA



Profit After Tax



Cash Profit



- During Q4 FY23, increase in basmati realization by 17% compared to Q4 FY22 was offset by a corresponding 24% rise in rice input costs.
- Gross Profit margin at 26.5% was lower owing to higher input cost and higher share of bulk non-basmati export sale (11% as against 7% of rice sales) where original contract was cancelled and goods had to be sold at lower realization in a different country.
- EBITDA margin was at 14.1% and benefited from lower proportionate freight on sales, employee costs, and other expenses partially offset by Rs 10 Cr transshipment expenses related to aforementioned deal.

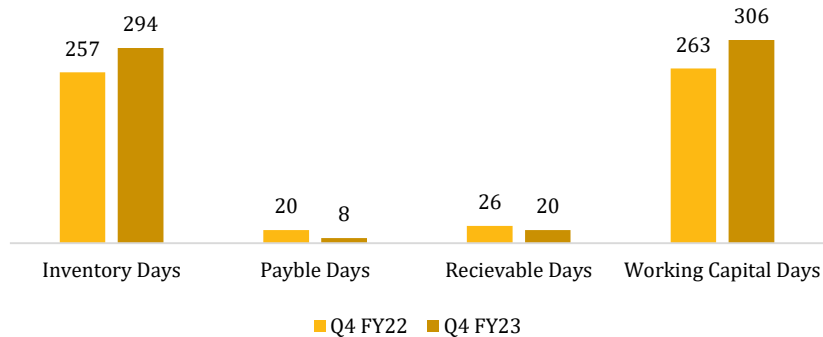
Superior balance sheet matrix

Current Ratio (%)

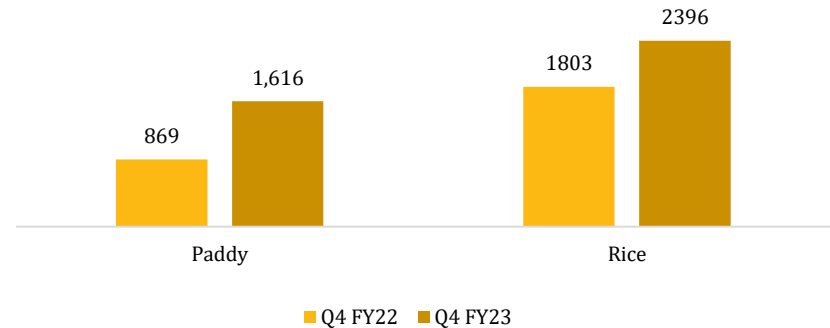


- To fulfil anticipated demand, the total inventory as of 31st Mar, 2023, is at Rs 4,186 Cr, compared to Rs 2,816 Cr as of 31st Mar, 2022.
- Overall liquidity position remains strong.

Working Capital Days



Inventory Position (Rs. Crore)



All figures are based on standalone financials

Superior balance sheet matrix

Net Bank Borrowing (Rs. Crore)



Interest Coverage Ratio



All figures are based on standalone financials

- Total Bank Borrowing as of 31st Mar, 2023 at Rs 138 Cr as against Rs 6 Cr as on 31st Mar 2022)
- Financial strength reflected in Strong Credit Rating: **Long Term Rating:** [ICRA] AA(Stable), upgraded on Feb 28, 2023
- Short Term Rating: [ICRA] A1+; CARE A1+

FY23 standalone performance highlights

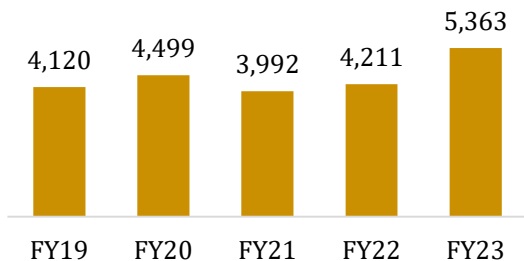
Particulars (Rs in Cr.)	FY22	FY23	YOY Growth
Revenue From Operations	4,211	5,363	27.4%
Total Income	4,253	5,456	28.3%
Gross Profit	1191	1,671	40.3%
<i>Gross Profit Margin</i>	28.0%	30.6%	
EBITDA	705	1,031	46.2%
<i>EBITDA Margin</i>	16.6%	18.9%	
Profit after tax	460	701	52.3%
<i>PAT Margin</i>	10.8%	12.8%	
Cash Profit	534	776	45.3%

- In FY23, domestic sale increased by 26%, led by 6% basmati volume growth and 26% basmati realization growth.
- Export sale increased by 33% mainly due 38% higher basmati sales realization, partially offset by marginal drop in basmati sale volume by 2%.
- Other income grew by 118% to Rs 93 Cr which includes Rs 44 Cr of Interest on IT refund.
- Better realization & higher other income, resulted in better margins which was partially offset by higher rice input cost, higher freight on sales, advertisement cost and other expenses.

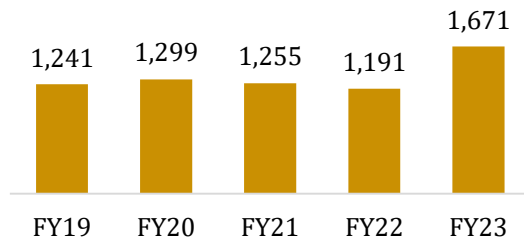
All figures are based on standalone financials

Financial trends over the years

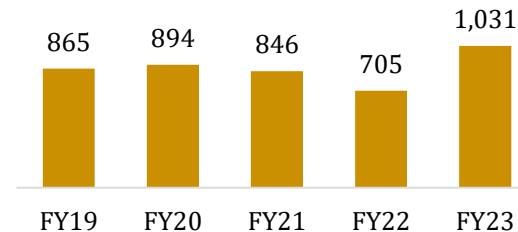
Revenue



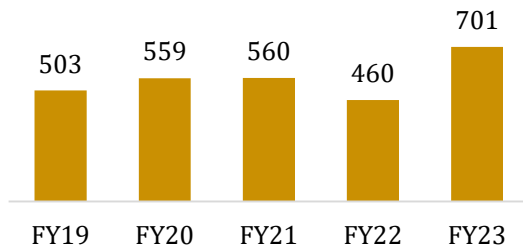
Gross Profit



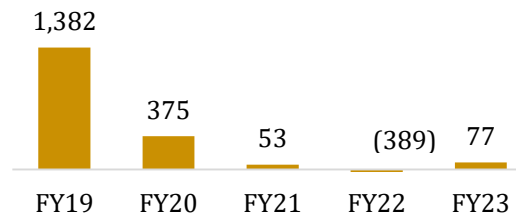
EBITDA*



PAT

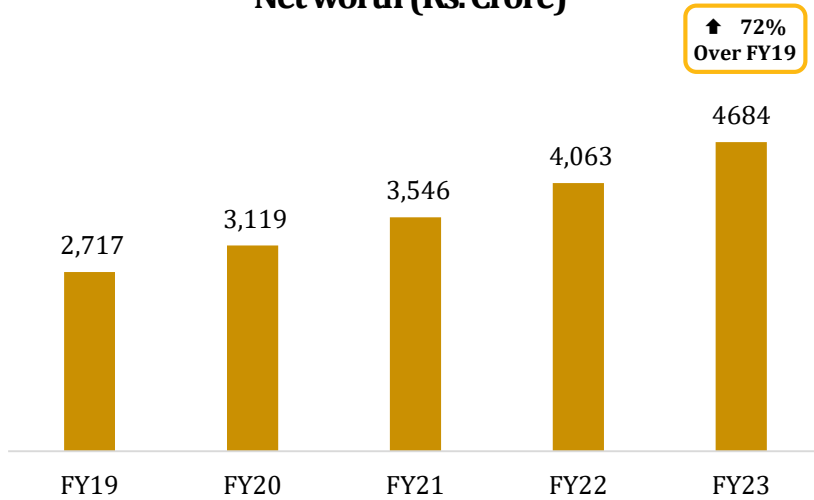


Net Bank Borrowings

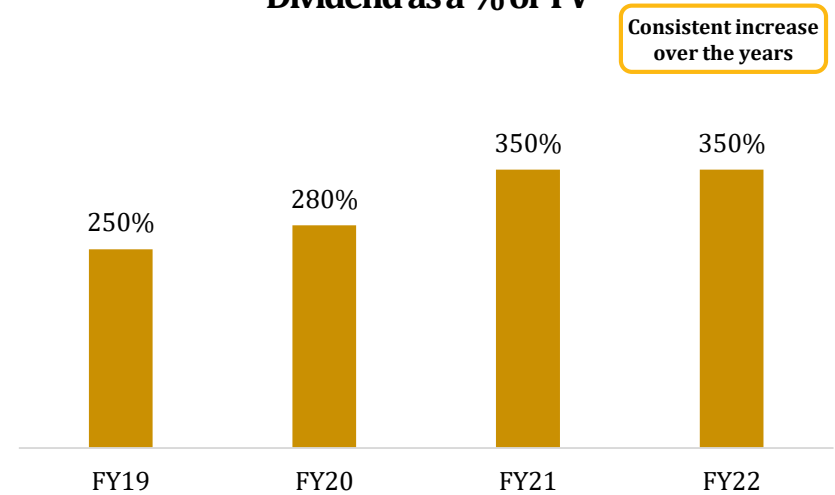


Shareholder value creation

Net worth (Rs. Crore)



Dividend as a % of FV



All figures are based on standalone financials

India Business



WORLD'S NO.1* BASMATI RICE

**As per Mordor Intelligence Report on packaged basmati rice, MAT Jun'22*

**BASMATI RICE SE
NO COMPROMISE**



Continuing market leadership

932

Revenue* in Rs. Crore for Q4 FY23

Trend in Domestic Business

38%

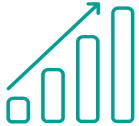
Revenue growth Y-o-Y

- Revenue driven by 18% growth in volume and 22% growth in realization.
- Bulk pack sales continue to be strong after rationalization of GST in Q2 FY2023.

**Excludes Energy*

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

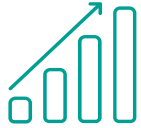
3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS



India Gate penetration reaches new heights

On the back of impactful media campaigns and improved distribution

Huge headroom for increasing **Branded** Basmati's penetration

	PENETRATION (%)*	GROWTH
	MAT MAR' 23	'23 VS. '22
UNBRANDED	29.2	-5.3%
BRANDED	19.5	2.4%
INDIA GATE	9.6	11.5%

KRBL consuming Households cross 1 Cr milestone!

10,477,804 Households (MAT MAR'23)**

***Source : Kantar Household Panel (MAT Mar'23) – All India Urban*

*Source : Kantar Household Panel (MAT Mar'23) – 11 Major Markets (Urban)
Overall Basmati Rice Numbers : 'Branded Basmati + Unbranded Basmati' penetration is higher than Basmati penetration since this includes dual usage households also



'Regionalization' lens to the campaigns brings impact

STRATEGIC PILLAR 1



HINDI-SPEAKING MARKETS



'Basmati Rice Se No Compromise'

WEST BENGAL



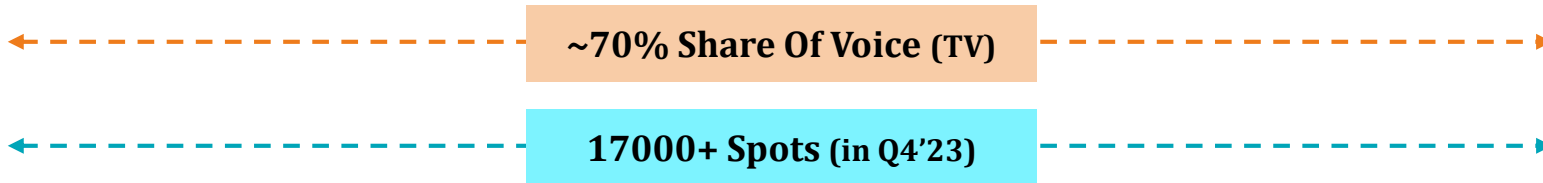
Home Minister

MAHARASHTRA



Brand Power

Preferred by 9 out of 10 women in Mah.



60+ Integrations and Sponsorships on TV





Impactful Media & Digital presence

MASTERCHEF INDIA Season 7



Special partners for
MasterChef India - Season 7

'Drive switch from loose to packaged'
message seamlessly blended into the content

Product display | Active Integrations |
Regular TVC spots | Relevant audience

HIGH IMPACT INTEGRATIONS



Bigg Boss
Hindi
'Basmati Rice
Se No
Compromise'



Message built into the storyline of Top GEC
programs -> Reaching relevant audience

BUILDING REGIONAL RELEVANCY



Bigg Boss Marathi
'9 out of 10 women in
Maharashtra recommend
India Gate'

Active In-Content Integrations in top
regional programs - Daily Soaps,
Cookery Shows and Game Shows

CATALYZING DIGITAL EVOLUTION

#CLASSICRISHTA



World's First Interactive Diwali Campaign

EK MUTTHI CHAAWAL



Social Movement Campaign
against Food Waste

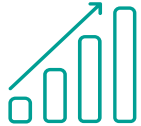
NFT LEGACY GALLERY



Durga Puja 'Chaal Chitr' Campaign

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS

Densifying distribution reach

STRATEGIC PILLAR 2

Increasing Penetration through improved availability

MARKET REPRESENTATION

40% increase in number of distributors

Having market representation in **ALL 50k+ Pop. Towns** in North & West & **ALL 1 Lac+ Pop Towns** in East & South

MARKET COVERAGE

50%+ increase in Feet On Street with focus on direct retailing and improved assortment availability

SECONDARY COVERAGE

Increase by **400 bps** to **35%**

AVAILABILITY ACROSS RETAIL OUTLETS

3,31,520

NUMERIC DISTRIBUTION (%)*

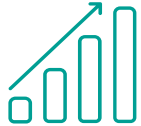
TT	Q4 FY23	
KRBL	45.7%	-280 bps VS. Q4 FY22

*Numeric Distribution = (No. of outlets in which KRBL packaged Basmati Rice is available) / (No of outlets in which Packaged Basmati) is available).

Source: As per Nielsen's JFM'23 RMS data

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS

Augmenting portfolio across segments

STRATEGIC PILLAR 3

PORTFOLIO INTERVENTIONS

Successfully introduced offerings at attractive price points | Bridged the price gap in the portfolio

INDIA GATE DAILY PREMIUM
INDIA GATE EVERYDAY
UNITY PULAV



REGIONAL RICE

Positive response to Aged Regional Rice offerings from the house of India Gate –
SURTI KOLAM, JEERA RICE and **SONA MASOORI**



HEALTH PORTFOLIO

KRBL further **strengthens its health portfolio**, by launching a **Diabetic Friendly Rice**

INDIA GATE SUGAR WATCHERS



EXPANSION UPDATE

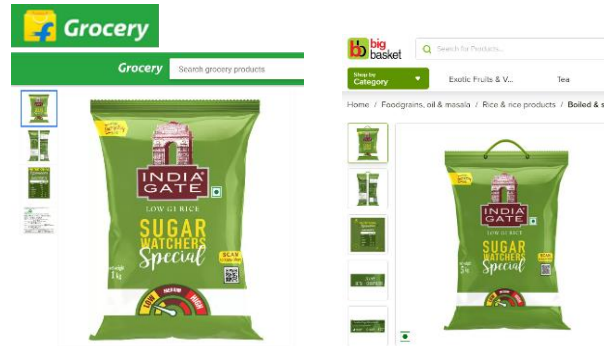
- **Gujarat-** Work in progress at final stage. Expected to go live by June,2023.
- **Karnataka-** Land acquisition complete, civil work in June'23.
- **Madhya Pradesh-** Land identified and token money paid.

Launch of Diabetic-friendly 'India Gate Sugar Watchers' Low GI Rice

MODERN TRADE



E-COMMERCE



GENERAL TRADE

TN & Karnataka



Maintaining its leadership stance

ALL INDIA

VOLUME SHARE (Q4 FY23)*

	Q4 FY23	Q3 FY22	Q4 FY22
Traditional Trade	32.5%	+10 bps ↑	-20 bps ↓
Modern Trade	58.0%	+1810 bps ↑	+300 bps ↑



WORLD'S
NO. 1
BASMATI RICE

*AS PER SECONDARY MARKET RESEARCH REPORT, MAY JUNE 2022

* Source: As per Nielsen's Q4'23 RMS data

India Brand Portfolio



Export Business



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**BASMATI RICE SE
NO COMPROMISE**


KRBL Limited
WORLD'S LARGEST RICE MILLERS
& BASMATI RICE EXPORTERS

Leadership beyond India

331

Revenue in Rs. Crore for Q4 FY23

Trend in Export Business

18%

Revenue growth Y-o-Y

- Growth led by 19% increase in basmati realization.
- Total value of goods dispatched during the year but revenue yet to be recognized pending receipt of payment at the end of the quarter was at Rs 441 cr as against Rs 216 cr in the corresponding quarter – significant portion of this revenue is expected to be recognized in Q1FY2024.

Exports Brand Portfolio



Positive trends for Rice export from India

Global markets offer exciting opportunities for KRBL to drive growth



Production

- High yielding varieties of rice have led to surplus production in the country
- Adoption of technology in farming have helped spur growth in produce
- Focus on quality has led to increased demand for Basmati globally



Export Leader

- India is the #1 exporter of rice and has a 65% share of the global basmati market
- Globally, India accounts for ~85% of basmati exports which is expected to rise



Indian Presence Globally

- Increasing demand for the PUSA basmati variety in the US which was commercialized by KRBL
- Large Indian diaspora abroad to drive rice as both a staple and a restaurant grade item



Demand from Middle East

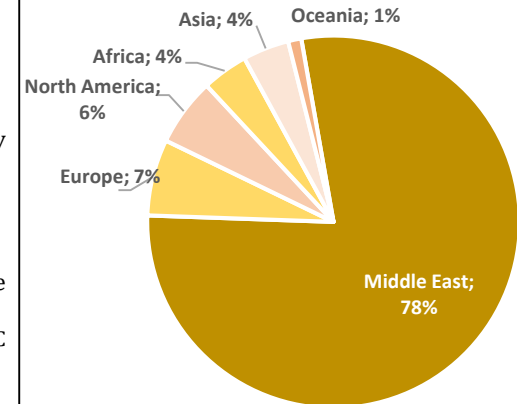
- Excellent quality standards have spurred increase in the demand for Indian basmati rice amongst locals
- Supported by consistent supply, 52% of total rice consumption is Basmati Rice (As per AC Nielsen)



Shift to Healthier Option

- ~\$10 million of rice exported out of India under private label is Brown Rice
- UK accounts majorly for the import of brown rice with shift to healthier alternatives

Basmati rice exports from India for FY23 - Volume - (%)



Source: APEDA

Overall international market position

Middle East

- KRBL has leadership position in terms of market share in most GCC countries
- India Gate is #1 Indian Basmati rice brand in Qatar, UAE & Kuwait
- India Gate is the only premium Indian Rice brand in GCC
- Nur Jahan is the 2nd most popular brand in the region and preferred brand among price conscious consumers

Europe

- Europe is a growing market for KRBL
- KRBL's growing portfolio of the health food segment to propel growth in the region
- Development of new crop will help in complying pesticide norms and will grow KRBL's presence in the region

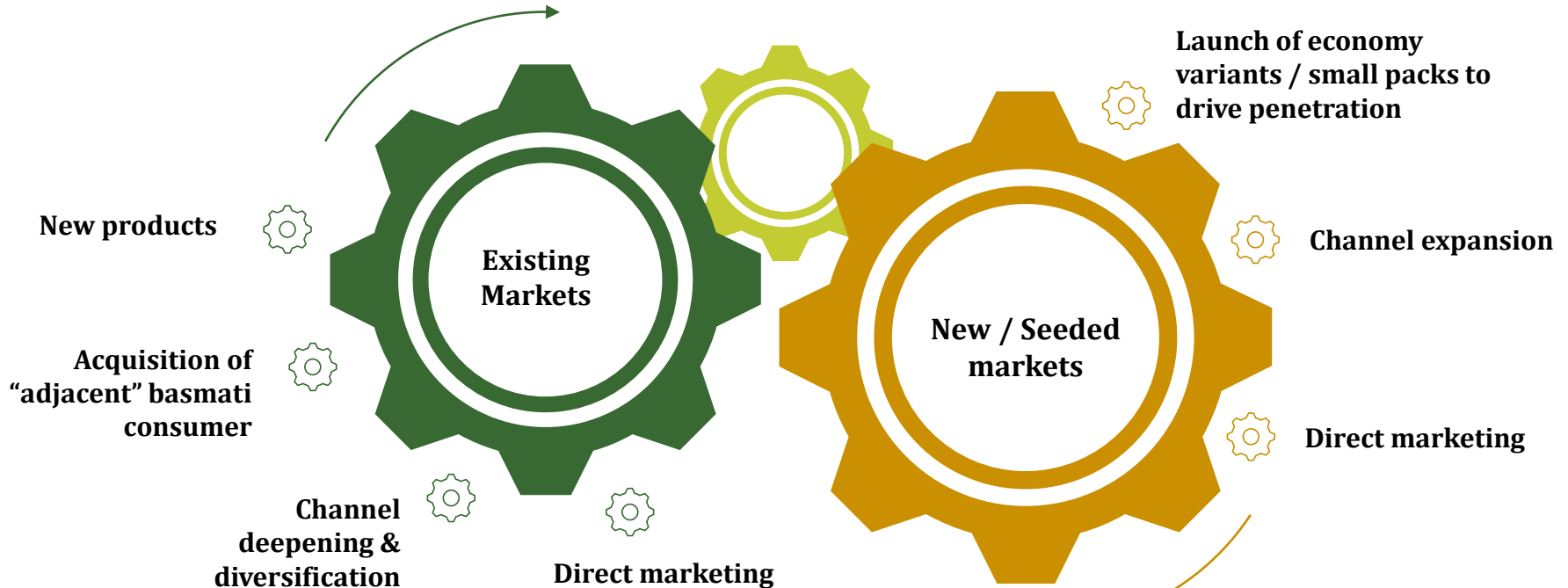
Americas

- KRBL consistently earns substantial premium on realizations.
- India Gate is #1 Indian Basmati rice brand in Canada both in Ethnic and Modern Trade
- Present in the dominant channels of trade
- Popular brand among diaspora, rising local popularity

RoW

- KRBL has leadership position in Australasia for last 15 years
- India Gate is #1 Indian Basmati rice brand in Australia, New Zealand and Fiji
- Nur Jahan is #1 Indian Basmati rice brand in South Africa
- India Gate is the most preferred brand in Northern African market

Export Strategy



- Penetration to locals with Arabic TVC in mainstream channels
- Targeting geo-location customers through social media
- Increasing focus on India Gate HORECA line up to target HORECA customers

Contact Us

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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Thank You



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