

KRBL Ltd.

Investor Presentation
- Q1 FY2024

BASMATI RICE SE

NO COMPROMISE



WORLD'S NO.1* BASMATI RICE



**As per Mordor Intelligence Report on packaged basmati rice, MAT Jun'23*

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+

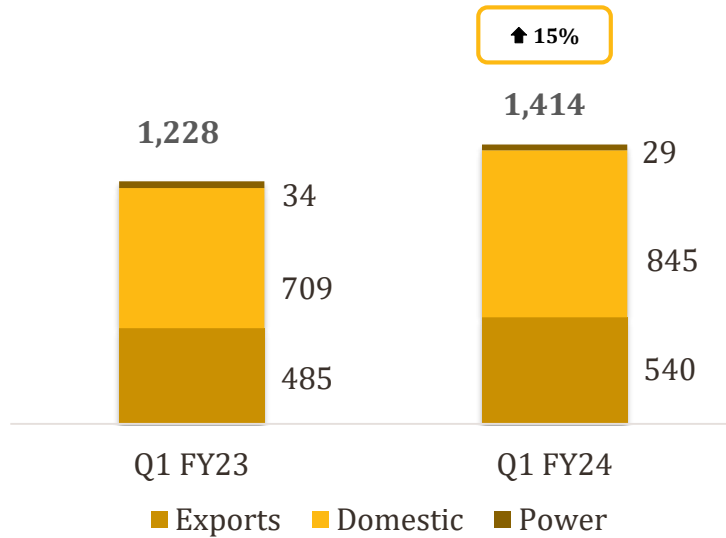
Dealer and Distributors across India



Q1 FY24 Consolidated Performance Highlights

Total Income	Gross Profit	EBITDA	PAT
1,441	415	278	195
930	(930)	4,884	3,278
Cash & Bank balance*	Net Bank Borrowings	Net worth	Total Inventory

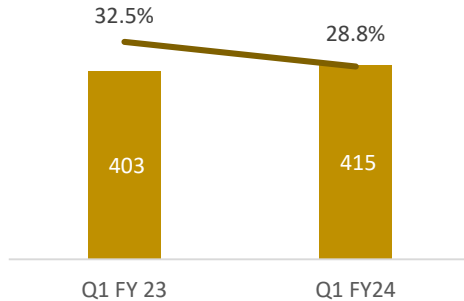
Continuing Momentum in Revenue



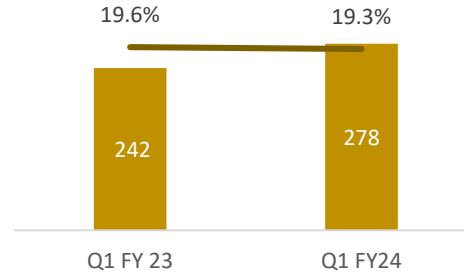
- Overall revenue increased by 15% over Q1 FY23. Domestic and export revenue increased 19% & 11% respectively.

Profitability Metrics for Q1 FY24

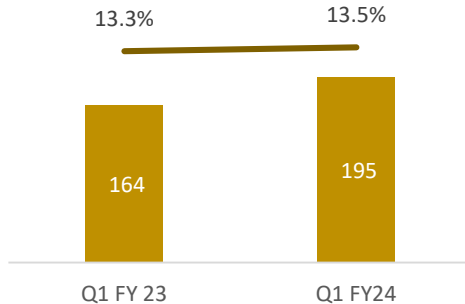
Gross Profit



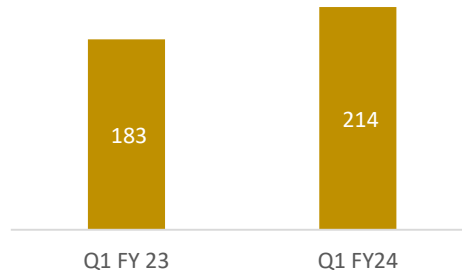
EBITDA



Profit After Tax



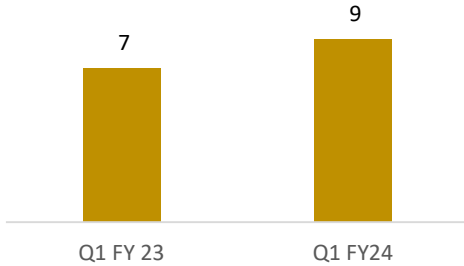
Cash Profit



- In Q1 FY24, basmati realization increased by 2% compared to Q1 FY23.
- Basmati input costs increased by 16% in the same period. Average basmati input cost – though higher on y-o-y basis - is relatively stable vis-à-vis last two quarters.
- Gross Profit margin at 28.8% was lower owing to higher basmati input cost.
- EBITDA margin was at 19.3% and benefited from lower proportionate other expenses (freight and advertisement).
- PAT Margin was at 13.5% and improved due to lower finance cost and tax.

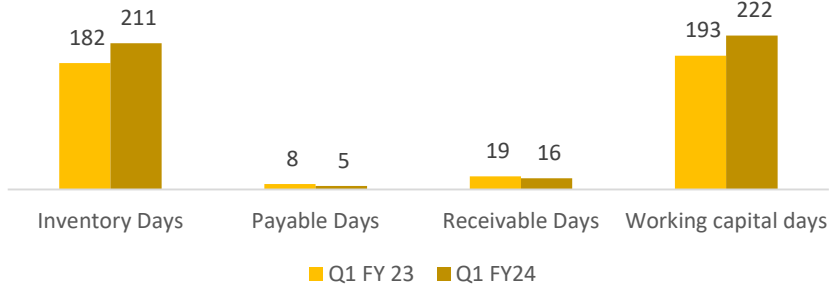
Superior Balance Sheet Matrix

Current Ratio (%)

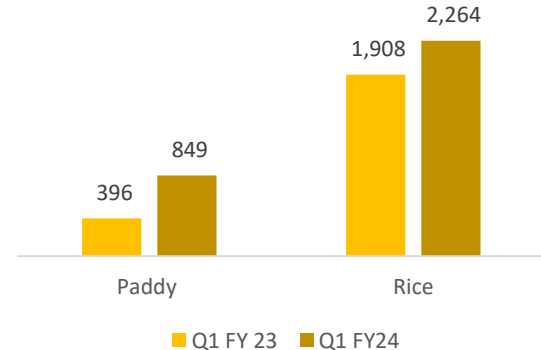


- Total inventory as of 30th June, 2023, is at Rs 3,278 Cr, compared to Rs 2,461 Cr as of 30th June, 2022.
- Overall liquidity position remains strong.

Working Capital Days

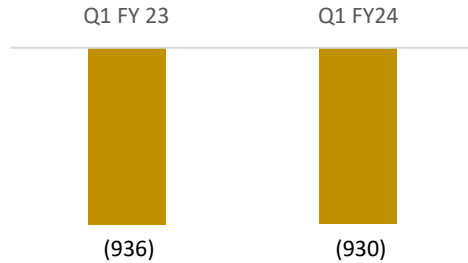


Inventory Position (Rs. Crore)

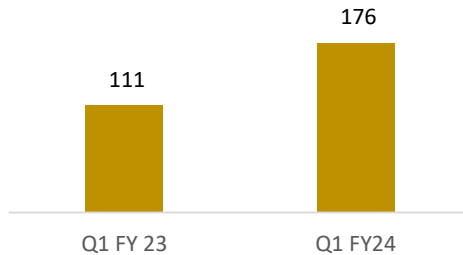


Superior Balance Sheet Matrix

Net Bank Borrowing (Rs. Crore)



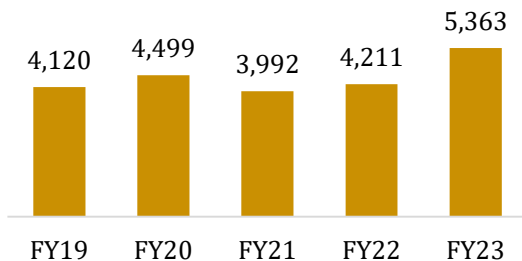
Interest Coverage Ratio



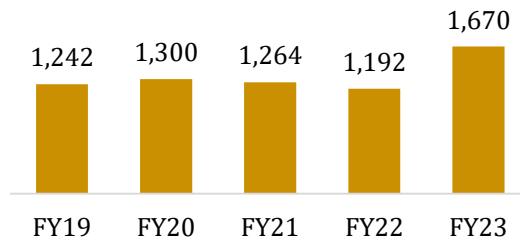
- Financial strength reflected in Strong Credit Rating: **Long Term Rating:** [ICRA] AA(Stable), upgraded on Feb 28, 2023.
- Short Term Rating: [ICRA] A1+; CARE A1+
- Internal accruals further strengthened balance sheet position and debt protection metrics.

Financial trends over the years

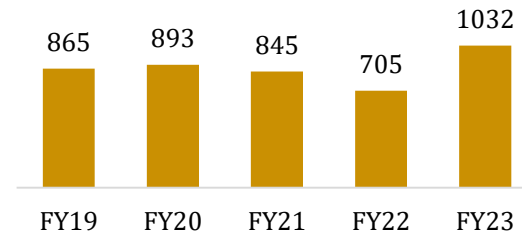
Revenue



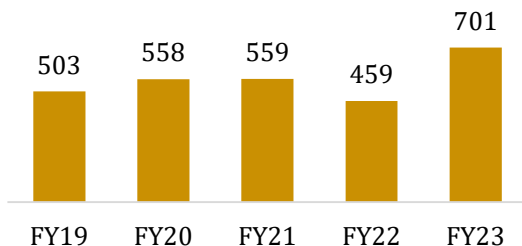
Gross Profit



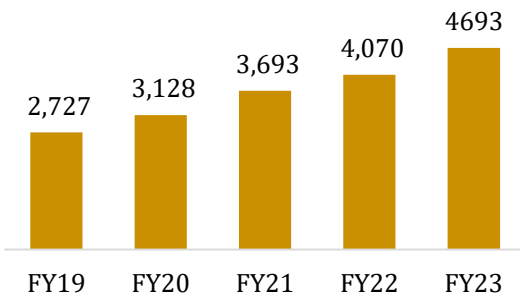
EBITDA*



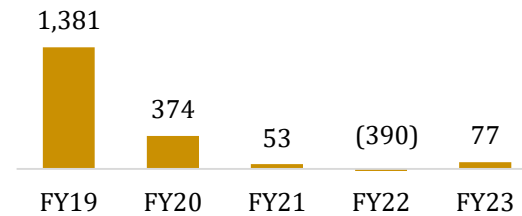
PAT



Net Worth

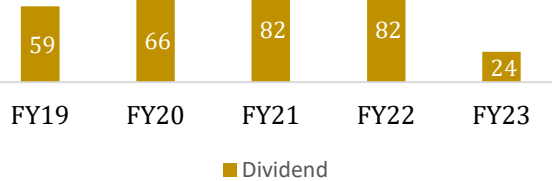


Net Bank Borrowings



Shareholder Distribution

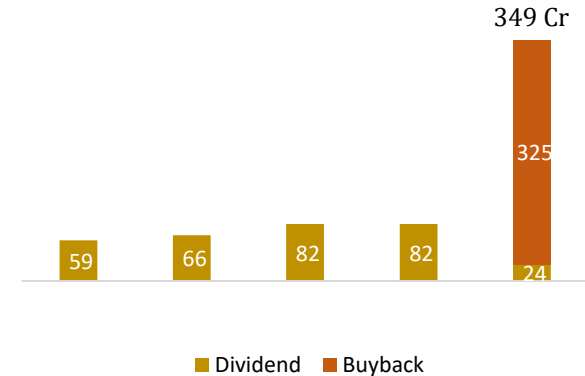
Dividend



Buyback



Dividend + Buyback



**Total Dividend + Buyback in period FY19 to Q1 FY24
(including proposed dividend and announced buyback)**

Rs. 638 Cr

- All figures in Rs. crore and are based on consolidated financials
- Buyback size excludes any expenses, fees or tax.
- Dividend amount excludes Dividend Distribution Tax..
- FY23 dividend is subject to shareholder approval.

India Business



 **WORLD'S NO.1* BASMATI RICE**

**As per Mordor Intelligence Report on packaged basmati rice, MAT Jun'23*

**BASMATI RICE SE
NO COMPROMISE**


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

Continuing Market Leadership

845

Revenue* in Rs. Crore for Q1 FY24

Trend in Domestic Business

19%

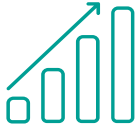
Revenue growth Y-o-Y

- Revenue driven by 14% growth in basmati volume and 5% growth in basmati realization over Q1 FY23.

**Excludes Energy*

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

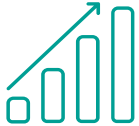
3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS

STRATEGIC PILLARS | DOMESTIC

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AUGMENTING
PORTFOLIO ACROSS SEGMENTS

India Gate penetration reaches new heights

On the back of impactful media campaigns and improved distribution

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

Huge headroom for increasing Branded Basmati's penetration

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' in Focus

South Markets get activated with regional campaigns, with the objective of Category Expansion

SOUTH MARKETS – TN, KARNATAKA

'Make Traditions Taste Great with India Gate Basmati Rice'

Film 1 - Good Choice!



[Coconut Rice](#)

Film 2 - 10 out of 10!



[Mint Rice](#)

'Regionalization' continues to build impact

Phase II of HSM, WB and Maharashtra regional campaigns continues to drive Business objectives

HINDI-SPEAKING MARKETS

'Basmati Rice Se No Compromise'

MAIN FILMS



[Sasumaa](#), [Couple](#), [Hostel](#)

Continued Journey on TV & Digital

Phase II started in Jun'23, till Aug '23, supported with POSM, Digital Promotion and on-ground activations

SHORTIES



Dum Biryani



Rajma Chawal



Khyali Pulav



Kadhi Chawal

Contextual Digital films targeted towards Basmati Consuming audience

WEST BENGAL

Home Minister



Continued **Digital** Campaign driving consumer behavior changes

MAHARASHTRA

Brand Power

Preferred by 9 out of 10 women in Mah.



9 out of 10 women in Maharashtra recommend India Gate

Continued Journey on TV & Digital

Started from Jun'23, spread till end of Jul'23 on TV | Till Sep '23 on Digital

Impactful **Media Collaborations & Brand Accolades**

STRATEGIC PILLAR 1

BUILDING REGIONAL RELEVANCY

BIG BOSS MALYALAM *Kerala*



IGBR EID CELEBRATION



IGBR COOKING CHALLENGE

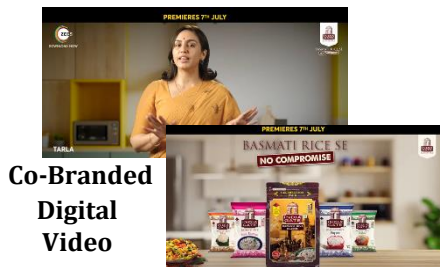
Product display | Active Integrations |
Regular TVC spots | Relevant audience

INDIA GATE X 'TARLA'

Biopic of India's first home-chef,
Tarla Dalal, starring **Huma Qureshi**



Recipe Video in Tarla's style



Co-Branded Digital Video

Campaign Promotions on Digital
platforms

NO. 1 TRUSTED BRAND OF INDIA

India Gate has been listed as
'No. 1 Trusted Brand of India'
in the category of Packaged Rice,



**As per the 'The Brand Trust Report, India Study 2023' published by a Research firm - TRA*



New FSSAI Basmati regulations to safeguard consumer interest

STRATEGIC PILLAR 1



The new regulations are intended to **protect the integrity** of the **Basmati grain**, **The Pride of India**



Now any 'Basmati' **product cannot have more than 15%** non-basmati blend



With ~65% of the category being sold 'loose', there remains the **possibility of adulteration across the value chain**



Hence, the **consumer** needs to be **made aware** of the new regulations to **empower them** to **make the right choice!**



KRBL partners with FSSAI's 'Eat Right India' initiative

Educating and Creating Awareness amongst consumers to make the right choice

BASMATI RICE

NO COMPROMISE

A PUBLIC INTEREST INITIATIVE



**Eat Right
India**
सही भोजन. बेहतर जीवन.



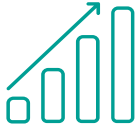
**CONCLAVES
& SEMINARS**

**CONSUMER AWARENESS
CAMPAIGNS**

**TRADE EDUCATION
PROGRAMMES**

STRATEGIC PILLARS | DOMESTIC

1.



INCREASING
BRANDED BASMATI
PENETRATION

2.



DENSIFYING
DISTRIBUTION REACH

3.



AUGMENTING
PORTFOLIO ACROSS SEGMENTS

Densifying distribution reach

Increasing Penetration through improved availability

MARKET REPRESENTATION

28% 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

45%+ increase in Feet On Street with focus on direct retailing and improved assortment availability

SECONDARY COVERAGE

Increase by **650 bps** to **40%**

RETAIL OUTLET PRESENCE

3,38,035 **+6,515 Outlets** (All channels)
VS. Q4 FY23

NUMERIC DISTRIBUTION (%)*

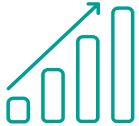
TT	Q1 FY24	
KRBL	48.0%	+230 bps VS. Q4 FY23

*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 Q1 FY24 RMS data

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Well on track to achieve 5% of Domestic Revenue through Regional Rice

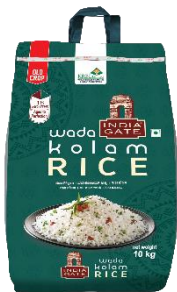
STRATEGIC PILLAR 3

REGIONAL RICE

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



Launch of
WADA KOLAM



Q1 FY24 at **3.6%**
of Domestic Revenue*

GT

Focus on Portfolio
in **South India** &
Scaling up of **Distribution**

MT+ E-com

Strengthening Portfolio
listings on



* 3.6% represents domestic branded regional rice sales as % of total domestic revenue (Excluding energy).

Digital-First Campaign for India Gate Sugar Watchers

Awareness campaign targeted to Diabetics, Pre-Diabetics and Health Conscious individuals

STRATEGIC PILLAR 3



HEALTH PORTFOLIO

Successful launch for
INDIA GATE SUGAR WATCHERS
Low GI Rice,

further strengthening KRBL's health
portfolio



DIGITAL – FIRST CAMPAIGN

Top Metros



Main Film
[Film 1](#)

'Give it a Go, its GI is low'



Office
[Film 2](#)



Son-in-Law
[Film 3](#)

*Focused Communication crafted as
per different consumer Cohorts*

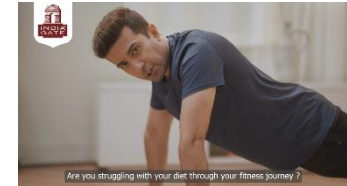
LIFESTYLE VIDEOS



Eat across meals



Stay Fit



Stay Active

Positive Response from the consumers & Trade for 'India Gate Sugar Watchers'

MODERN TRADE



E-COMMERCE



GENERAL TRADE

TN & Karnataka



Maintaining leadership stance

ALL INDIA

VOLUME SHARE (Q1 FY24)*

	Q1 FY24	Q1 FY23
Traditional Trade	32.4%	+90 bps ↑
Modern Trade	41.9%	+510 bps ↑



WORLD'S NO.1* BASMATI RICE

*As per Mordor Intelligence Report on packaged basmati rice, MAT Jun '23

* Source: As per Nielsen's Q1 FY24 RMS data

India Brand Portfolio



Export Business



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**BASMATI RICE SE
NO COMPROMISE**



Leadership beyond India

540

Revenue in Rs. Crore for Q1 FY24

Trend in Export Business

11%

Revenue growth Y-o-Y

- 11% y-o-y revenue growth in Q1 FY24, driven by basmati volume gains.

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

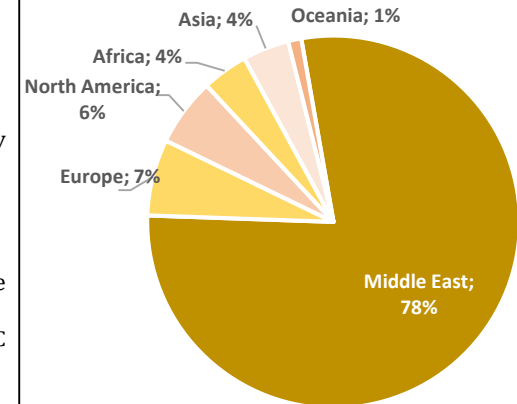
- Excellent quality standards have spurred increase in the demand for Indian basmati rice amongst locals
- Supported by consistent supply, 52% of total rice consumption is Basmati Rice (As per AC Nielsen)



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. (~45% higher realization among other Indian exporters).
- 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 with KRBL having 18% market share among Indian exporters.
- Nur Jahan is #1 Indian Basmati rice brand in South Africa with KRBL having 39% market share among Indian exporters.
- India Gate is the most preferred brand in Northern African market with KRBL having 16% market share among Indian exporters.

Export Strategy



Exports Brand Portfolio



Expansion Update

Gujarat Plant

Rice to rice plant.

- ❑ *Commercial production commenced on **June 12, 2023**.*
- ❑ *Total rice processing capacity- **30 MT per Hour**.*
- ❑ *Plant aimed at **both export and domestic consumers**.*
- ❑ *Located near Kandla Port- enables **quicker farm to port time** for exports.*
- ❑ *Enables **efficient procurement of rice grown in western states**.*

Karnataka Plant

Paddy to rice and rice to rice plant.

Status: Civil work started in June 2023.

Madhya Pradesh Plant

Paddy to rice and rice to rice plant.

Status: Land registered in August '2023.

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.



Investor Relations Desk



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Thank You



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