

# KRBL Ltd.

Investor Presentation  
- Q3 FY2024

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BASMATI RICE SE

**NO COMPROMISE**



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



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

# Market Leadership Highlights

Leadership as India's top exporter of branded basmati rice with a significant global footprint in 90 countries



#1

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



#1

Unparalleled processing capacity with the largest rice milling plant in Punjab



#1

#1

KRBL has largest contact farming network coverage for rice



Underpinned by a strong financial position with substantial internal accruals and minimal debt reliance



800+

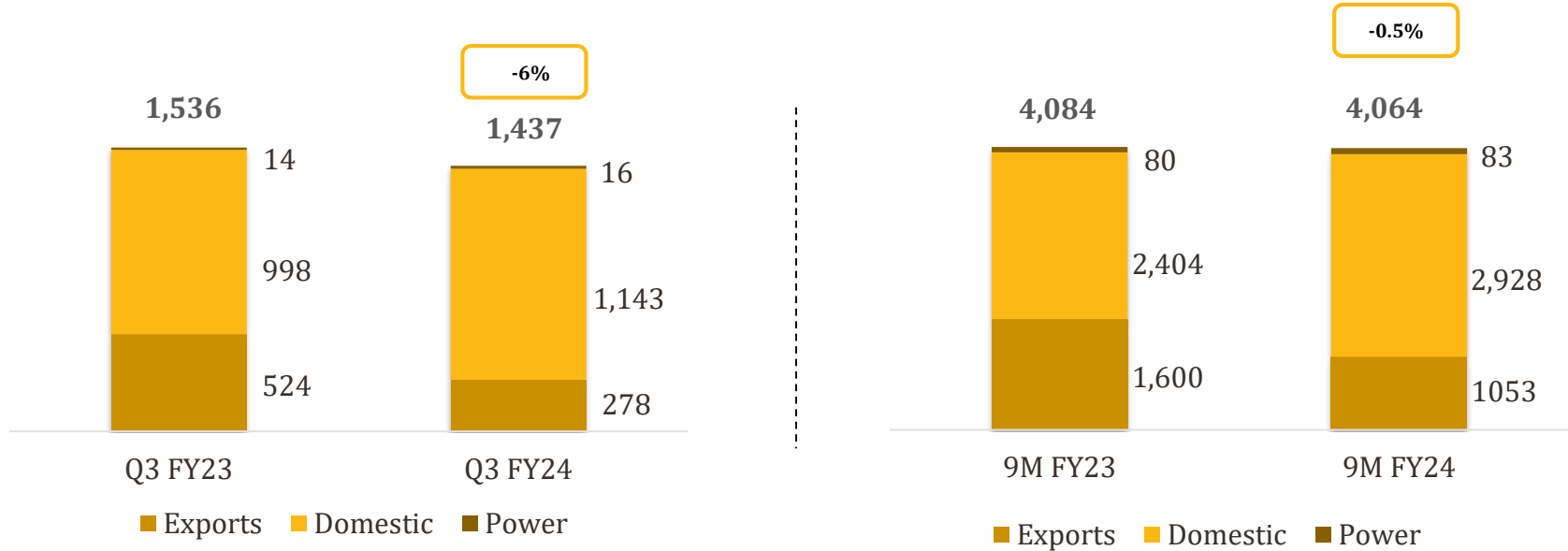
Robust domestic network supported by over 800 distributors



# Q3 FY24 Consolidated Performance Highlights

<b>Total Income</b>	<b>Gross Profit</b>	<b>EBITDA</b>	<b>PAT</b>
<b>1,465</b>	<b>363</b>	<b>206</b>	<b>134</b>
<b>51</b>	<b>901</b>	<b>4,743</b>	<b>4,868</b>
<b>Cash &amp; Bank balance*</b>	<b>Net Bank Borrowings</b>	<b>Net worth</b>	<b>Total Inventory</b>

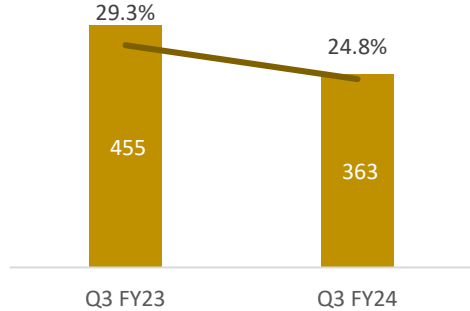
# Revenue Performance Overview



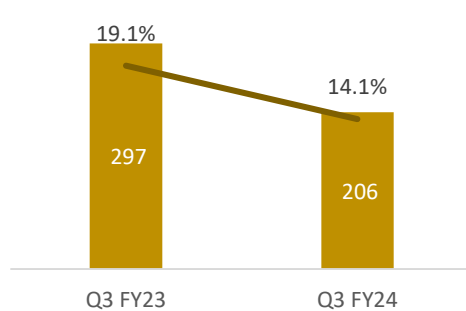
- Domestic Revenue grew by 14% and 22% in Q3 FY24 and 9M FY24 on y-o-y basis. Robust growth seen in both consumer pack and bulk pack segment.
- Export revenue declined by 47% and 34% in Q3 FY24 and 9M FY24 mainly due to lower bulk and branded sales in some key markets.
- Overall revenue remained flat in 9M FY24 despite a decline in export revenue, highlighting strengthening domestic market base while navigating international market volatilities.

# Profitability Metrics for Q3 FY24

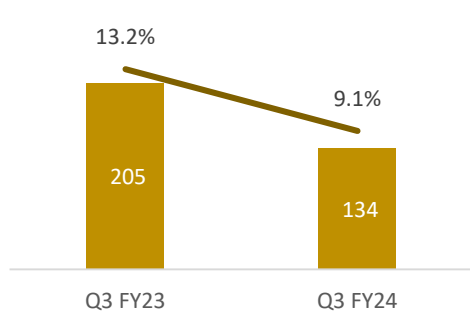
## Gross Profit



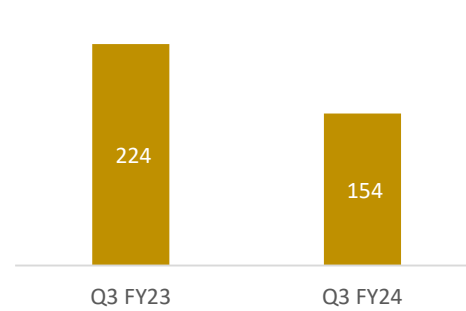
## EBITDA



## Profit After Tax



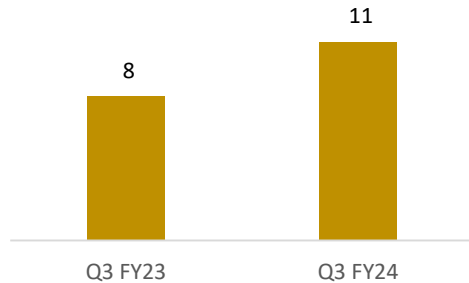
## Cash Profit



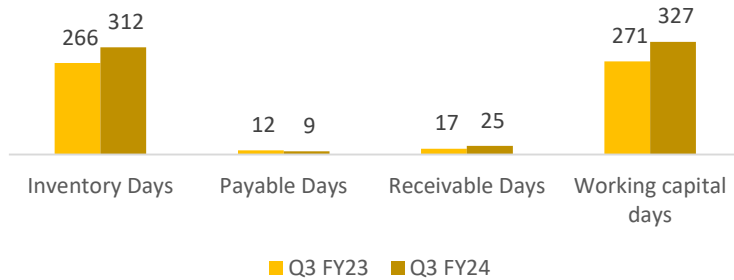
- Reduction in gross margin primarily attributed to the increased cost of basmati rice input, which outpaced the rise in average basmati realization prices (5% y-o-y).
- EBITDA margin was lower at 14.1% mainly due to the combined impact of higher basmati input costs and additional provision, albeit mitigated by some benefits from lower freight on sales.
- The PAT margin has followed the EBITDA trend, falling from 13.2% in Q3 FY23 to 9.1% in Q3 FY24.

# Superior Balance Sheet Matrix

## Current Ratio (%)

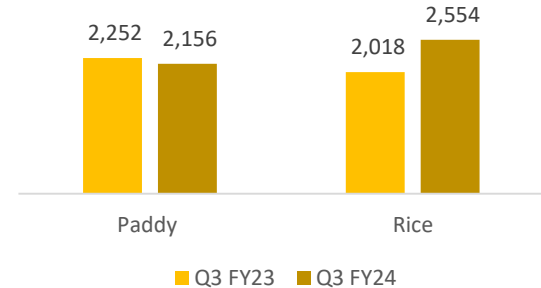


## Working Capital Days



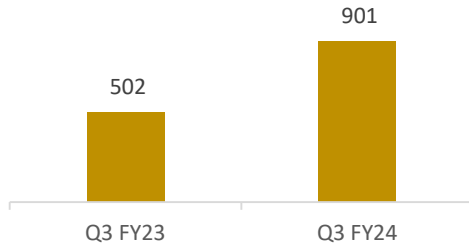
- Total inventory as of 31<sup>st</sup> Dec., 2023, is at Rs 4,868 Cr, (primarily comprising 4.7 lakh MT basmati paddy and 3.8 lakh MT basmati rice) as compared to Rs 4,435 Cr as of 31<sup>st</sup> Dec., 2022 (primarily comprising 5.5 lakh MT basmati paddy and 3.3 lakh MT basmati rice). The rise in inventory days is primarily on account of higher per MT paddy and rice costs.
- Overall liquidity position remains strong.

## Inventory Position (Rs. Crore)

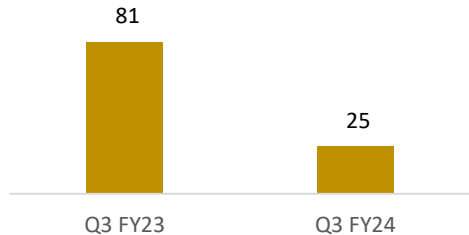


# Superior Balance Sheet Matrix

## Net Bank Borrowing (Rs. Crore)



## Interest Coverage Ratio



- Higher Net Bank Borrowing primarily on account of higher closing inventory.
- Strong credit ratings from ICRA (AA(Stable)) and [ICRA] A1+; and CARE (A1+) reflect the confidence in KRBL's financial discipline and stability.

# 9M FY24 Highlights

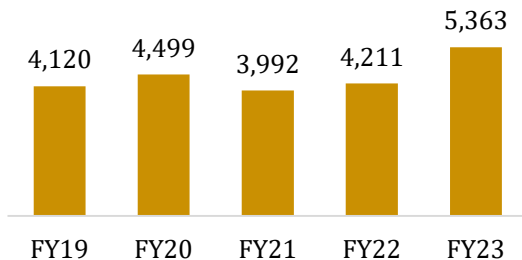
Particulars	9M FY24	9M FY23	YOY Growth
Revenue From Operations	4,064	4,084	-0.5%
Total Income	4,152	4,133	0.5%
Gross Profit	1139	1320	-13.7%
<i>Gross Profit Margin</i>	27.4%	31.9%	
EBITDA	712	844	-15.7%
<i>EBITDA Margin</i>	17.1%	20.4%	
Profit after tax	482	583	-17.3%
<i>PAT Margin</i>	11.6%	14.1%	
Cash Profit	541	639	-15.3%

- Revenue from operations has seen a marginal decline of 0.5% YOY, indicating stability in the company's operations despite export challenges.
- Other income is higher in 9M FY24 due to MTM gains on investments and foreign exchange gains.
- Gross Margin reduction is attributed to increased basmati input costs and lower exports.
- EBITDA and PAT followed the trend in Gross Margin, partially benefiting from lower freight on sales.

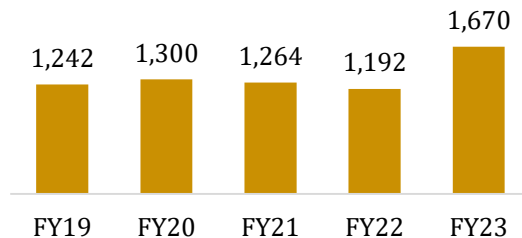


# Resilient financial trajectory

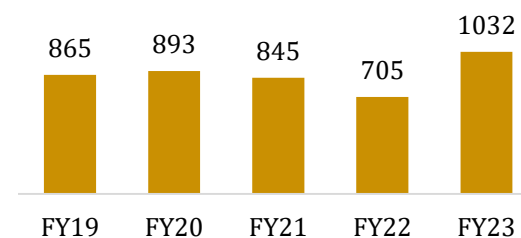
## Revenue



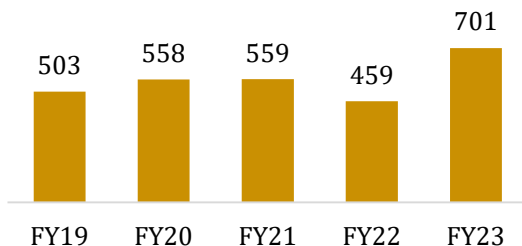
## Gross Profit



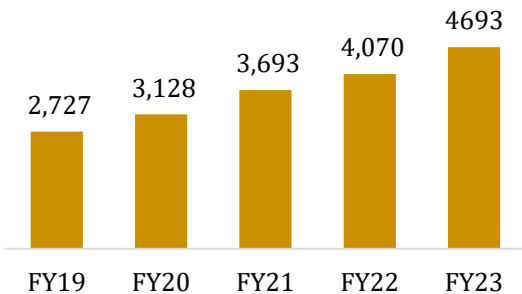
## EBITDA\*



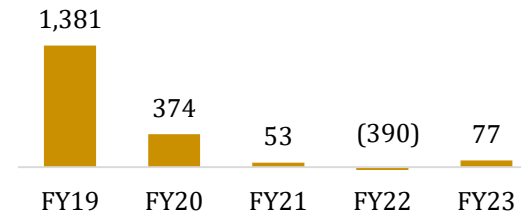
## PAT



## Net Worth



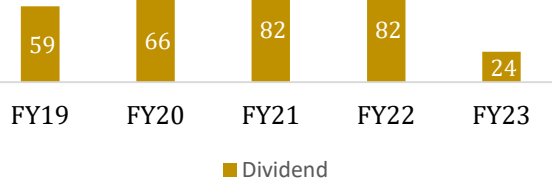
## Net Bank Borrowings



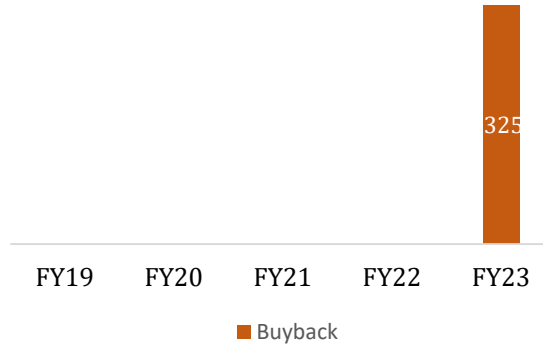
*Focused on long-term financial stability and growth*

# Shareholder Distribution

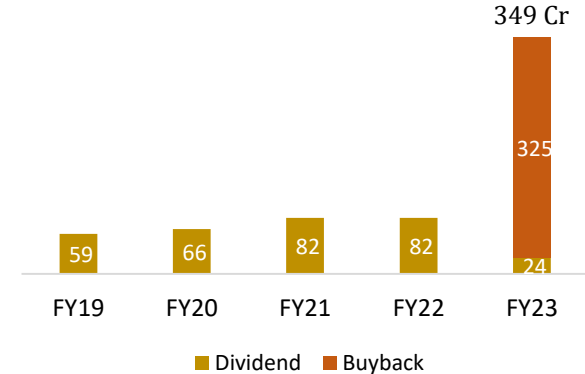
## Dividend



## Buyback



## Dividend + Buyback



KRBL's strong commitment to shareholder returns – consistent dividend payouts and a buyback in FY24, culminating in a total distribution of Rs. 638 crore from FY19 to Q2 FY24

- 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.

# 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

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**1143**

Revenue\* in Rs. Crore for Q3 FY24

## Trend in Domestic Business

**14%**

Revenue growth Y-o-Y

- Growth primarily fueled by a significant increase in branded basmati sales, alongside an impressive 158% surge in non-basmati sales.
- Robust volume growth in both consumer and bulk pack segments.

*\*Excludes Energy*

# Domestic Business Scales New Heights



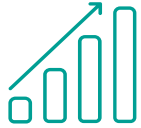
Crossed  
Rs. 1000 cr.  
Revenue

in Q3 FY24

35.9%  
Highest ever Market  
Share (%) in  
Traditional Trade!

# STRATEGIC PILLARS | DOMESTIC

1.



**INCREASING**  
**BRANDED BASMATI**  
**PENETRATION**

2.



**DENSIFYING**  
**DISTRIBUTION REACH**

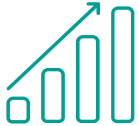
3.



**AUGMENTING**  
**PORTFOLIO ACROSS SEGMENTS**

# STRATEGIC PILLARS | DOMESTIC

1.



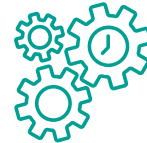
**INCREASING**  
**BRANDED BASMATI**  
**PENETRATION**

2.



**DENSIFYING**  
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**AUGMENTING**  
**PORTFOLIO ACROSS SEGMENTS**

# Widespread presence in Indian households

STRATEGIC PILLAR 1



## HOUSEHOLD PENETRATION | ALL INDIA URBAN

KWP | (MAT Sept'23)

INDIA GATE PEN.

**10%**

*11% Growth over Sep'22*

NO. OF HOUSEHOLDS\*\*

**1 CRORE 10L+**

*11,060,038 Households*

## ..and market share leadership across Traditional & Modern trade

## KRBL – MARKET SHARE (%) | Q3 FY24

Nielsen RMS | Q3 FY24

TT

**35.9%**

*+350 bps vs. Q3 FY23*

MT

**40.9%**

*+100 bps vs. Q3 FY23*

Dec'23 Exit with the **highest ever monthly MS (%) of 37.3%!**



\*Source: As per Nielsen's OND'23 RMS data

\*Source : Kantar Household Panel (MAT Sept'23) – 11 Major Markets (Urban) | \*\*All India - Urban Households



# Continued & relevant Media presence & extensions

## BASMATI RICE

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### TV & DIGITAL

Continued Journey of Pankaj Tripathi Campaign on TV & Digital, with a new film in the mix



**HOSTEL "MAA KA PYAAR"**  
**HSM**  
~4000 GRPs | 26,000+ spots | 22+ wks  
68 Mn Impressions | ~1L+ Engagement

### POSM ACTIVATION

#### PAYTM SOUNDBOX

An on-ground extension, with Point of Sale Targeting across 3900 stores in Delhi NCR

2.2 Mn. Unique Reach | 3900 Stores



### RADIO

#### RJ RAUNAC 'BAUAA'

Collaboration with Red FM RJ Raunac aka 'Bauaa' to create a series of Brand interactions in his unique style



5 Collaborations  
2.3Mn+ Impressions  
1L+ Engagement

### ASSOCIATIONS

### MASTERCHEF INDIA (HINDI)

#### SPECIAL PARTNER



60Mn+ Impressions

Active integrations across episodes, inc. Diwali Special



# Driving 'Experience' through Modern Trade

## 'FARM TO FORK' VR EXPERIENCE



Creating a 'Farm to Fork' VR experience at Reliance outlets, showcasing our largest Rice Milling facility at Dhuri



## 'LOOSE TO PACKAGED' → 'UNITY' BINS

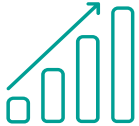


Driving consideration for Unity Biryani & Pulav, by placing them in a similar format to how Loose Basmati is placed and purchased in a modern trade scenario



# STRATEGIC PILLARS | DOMESTIC

1.



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# Densifying distribution reach

Improving availability, with the strongest Outlet presence in the category

## RETAIL PRESENCE | Q3 FY24

All Channels (TT+MT)

**3,85,970**

**+52,665 Outlets**  
(vs. Q3 FY23)

## NUMERIC DISTRIBUTION | DEC'23

Traditional Trade

**56.2%**

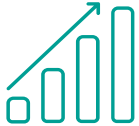
**+1190 bps**  
(vs. Dec'22)



\*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 OND'23 RMS data

# STRATEGIC PILLARS | DOMESTIC

1.



**INCREASING**  
**BRANDED BASMATI**  
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2.



**DENSIFYING**  
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3.



**AUGMENTING**  
**PORTFOLIO ACROSS SEGMENTS**

# Green shoots for the Regional Rice portfolio

## REGIONAL RICE

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



Regional Rice is now at a considerable **5.62%** of the overall KRBL Domestic Revenue, successfully surpassing the planned target of 5% by the end of FY23-24...

Q3 FY24

**6.95%**

YTD FY24

**5.62%**

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

## Introducing Range of Biryani Masalas...



## The Classic Biryani Experience

..... SLOWLY SIMMERED FOR AN AUTHENTIC TASTE .....

**3 REGIONAL VARIANTS**

**2 SKUs - 120G & 70G**

**3 EASY STEPS | 30 MINS**

# ...and crafting an experiential journey for the end consumer

## STRATEGIC PILLAR 3

### FROM THE PRODUCT...

#### QR NECK TAG



#### LANDING PAGE



#### PRODUCT VIDEOS



#### COOK WITH US VIDEOS



### ...TO THE SHOP FLOOR



#### SAMPLING





# India Brand Portfolio



# Export Business



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

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# Leadership beyond India

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**278**

Revenue in Rs. Crore for Q3 FY24

## Trend in Export Business

**-47%**

Revenue growth Y-o-Y

- Export revenue declined by 47% in Q3 FY24 mainly due to lower bulk and branded sales in some key markets.

# 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

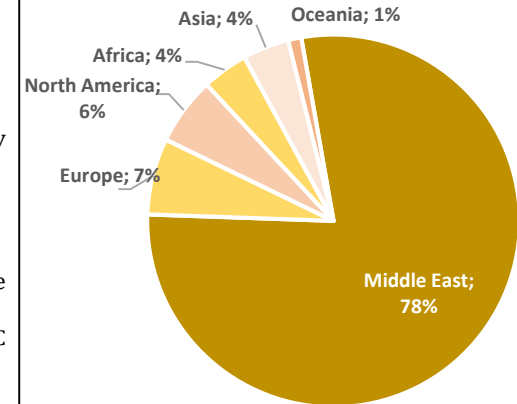
- Excellent quality standards have spurred increase in the demand for Indian basmati rice amongst locals
- Supported by consistent supply, 52% of total rice consumption is Basmati Rice (As per AC Nielsen)



### 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 2<sup>nd</sup> 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



# Contact Us

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## 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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