



# INVESTOR PRESENTATION

Q3 & 9M FY21



# Thoughts from the management



Commenting on the performance for Q3 & 9M FY21, Mr. Anil Kumar Mittal – Chairman and Managing Director, KRBL Limited said,

“We have delivered a good momentum in volumes, across the domestic segment and key export markets, owing to our core strengths in running a best-in-class business. The performance was marked by expected recovery of HORECA demand in the domestic segment and enhanced consumer pack sales. However, the momentum created was mitigated by dip in exports owing to disrupted access to ports/containers given the ongoing agitation. Our performance during the quarter is underlined by the strength of our brands. India Gate’s superior market position in key customer segments has continued to enhance. The focus during the year had been to further magnify visibility and worldwide reach of our portfolio and through consistent campaigns and outreach programs we have achieved this. Our Net Debt reduced by Rs. 418 crore, with Net Debt to Equity position improving to 0.11x as on Dec 2020. We anticipate this trend to continue, which will further strengthen our balance sheet and cash flows going forward.

Given the initial softness in paddy pricing during the season we have stocked up intelligently, firming up our position adequately for the coming couple of years.

On the operational front, I am happy to share, we are implementing latest technologies at our processing and packaging facilities to further enhance efficiencies, thereby contributing towards our consistency of earnings. The process of adding more products will continue as we believe in providing options that are relevant to the modern consumer and where we can create distinct advantage for ourselves. We believe this along with new product and brand launches in the FMCG sector and the implementation of our strategic growth measures should enable us to report healthy and sustained performance in the domestic and international markets.”



# Vision for growth

## Shift to organized trade

*With a ~45% share of the organized market for Basmati rice, KRBL will account for at least half of the new market created from this shift*

## Growth from multiple platforms

*Core premium Basmati segment to deliver mid-teens growth; regional varieties of premium, fragrant rice and health foods to tap new high-potential segments*

## Profitability comes first

*Acute focus on margins underlines every growth initiative. Brands to be key drivers*

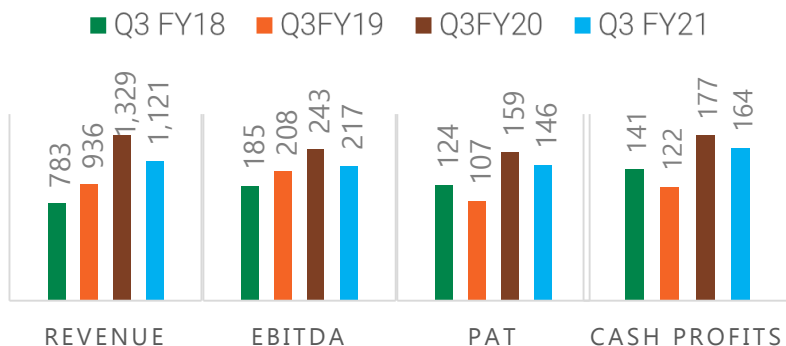
## Well-oiled for expansion

*Robust balance sheet and net worth, low gearing, integrated operations with owned storage and processing infrastructure*



***Performance today surpasses benchmarks set when valuation was at the peak***

## Q3FY18 VS Q3FY21



## FY18 VS 9MFY21

Ratios	FY18	FY19	FY20	9M FY21
Net Debt to Equity Ratio	0.52	0.52	0.14	0.11
Interest Coverage Ratio	10.90	11.85	13.15	36.07
Current Ratio	2.05	2.07	3.01	3.51
Inventory Position (Rs. Cr.)	2,462	3,129	2,852	3,113
Book Value per Share (Rs.)	97	115	132	151
Net worth (Rs. Cr.)	2,279	2,717	3,119	3,546

***Development of several negative perceptions, all un-related to core business have impeded the transmission of stock price gains***

***PERFORMANCE IN LINE, RECOGNITION TO FOLLOW***





**01**

## **Serving the finest Basmati from India**

- A heritage of achievement

**02**

## **Future adaptive business strategy**

- Building an organic growth machine

**03**

## **History of leadership at home**

- Uniquely poised to leverage sector prospects domestically

**04**

## **Championing Basmati abroad**

- Growing ahead by staying ahead of global trends

**05**

## **Benefiting key stakeholders**

- Doing good for investors and customers







## **Serving the finest Basmati from India**

-A heritage of achievement

# Creating benchmarks for success

#1

Largest exporter of  
branded basmati rice  
from India



#1

KRBL possesses world's  
largest rice milling plant  
in Punjab, India spread  
across 200 acres



#1

India Gate, renowned and  
well established selling  
brand in India



#1

KRBL has largest contact  
farming network  
coverage for rice



~15%

Premium that  
KRBL's brands  
fetch in the  
domestic market



~67%

Contribution of  
India Gate brand to  
the branded  
basmati portfolio



~3-5

Days in which direct  
payment made  
against procurement  
to farmers



14

Number of rice brands  
sold under the banner of  
KRBL



195

MT/hr Paddy milling  
capacity across Dhuri,  
Punjab and Gautam Budh  
Nagar, UP



176

MT/hr Rice  
Processing/Packaging  
capacity across Dhuri,  
Punjab and Gautam Budh  
Nagar, UP



144.8

MW  
Energy assets  
across Biomass,  
Wind and Solar



> 1

million MT  
Storage capacity  
across rice and paddy



# Performance highlights

## Q3 FY21 key perspectives (YoY basis)

### Robust YoY growth trends observed during Q3 FY21

Highest ever consumer pack sales in Q3

Sustained improvement in profitability parameters;

- Gross Margin at 30.14%, up 299 bps
- EBITDA Margin at 19.40%, up 108 bps
- PBT Margin at 17.13%, up 126 bps

## 9M FY21 key perspectives

### Demonstrated continued balance sheet strength and astute financial strategy

Net Debt down to Rs. 406 Cr. Cash & Equivalents at Rs. 121 Cr.

Improvement in financial parameters (YoY basis)

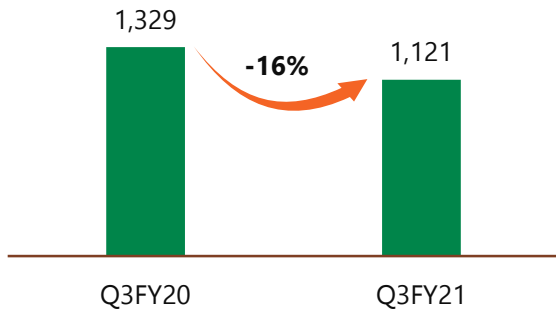
- Improvement in Net Debt to EBITDA ratio ( 0.64 vs 1.26)
- Finance cost sees reduction by 63%
- Current ratio improved by 1.5x
- Interest Coverage ratio improved by 2.6x



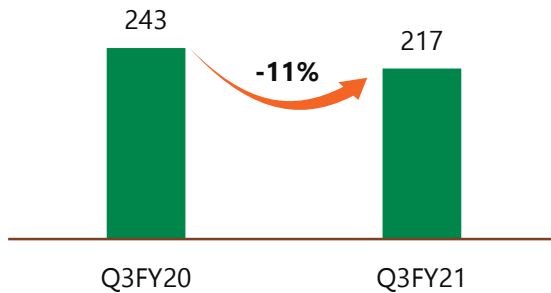


# Quarterly performance

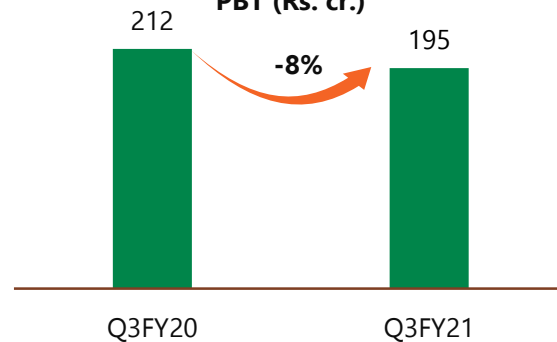
## Revenue from Operations (Rs. cr.)



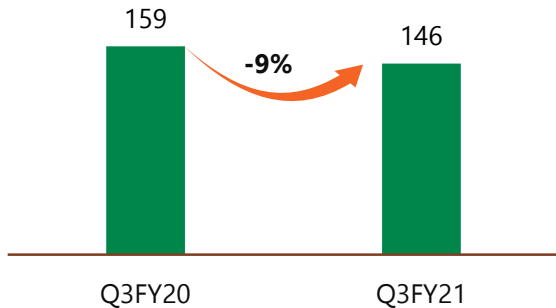
## EBITDA (Rs. cr.)



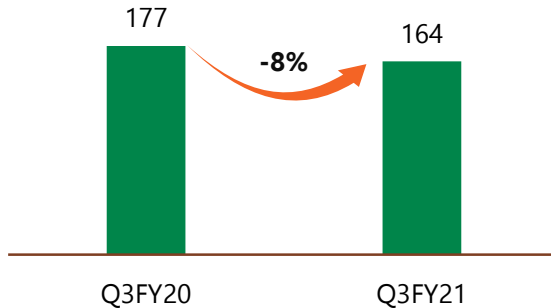
## PBT (Rs. cr.)



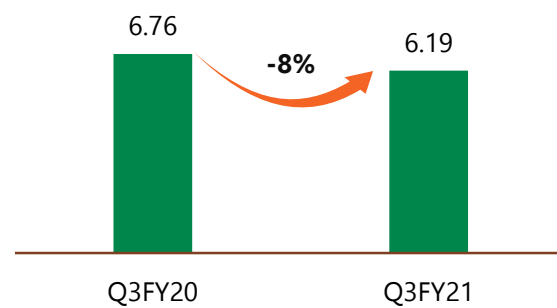
## PAT (Rs. cr.)



## Cash Profit (Rs. cr.)



## EPS (in Rs.)



Details on standalone financials

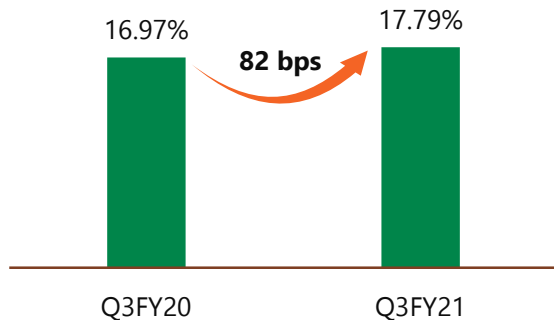


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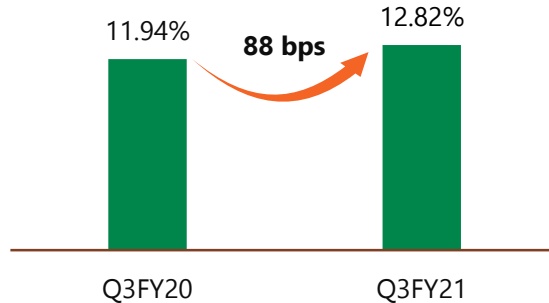


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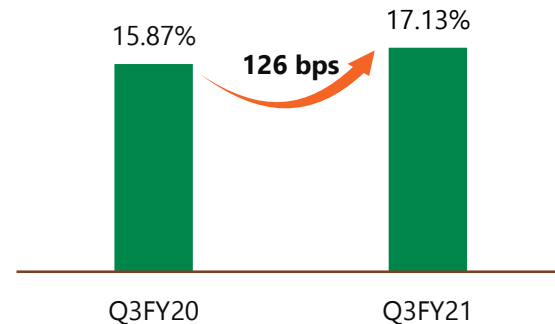
## Operating Profit Margin (%)



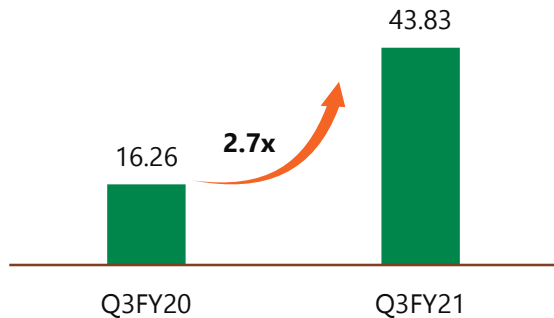
## Net Profit Margin (%)



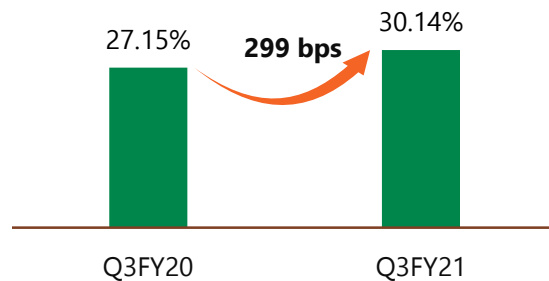
## PBT Margin (%)



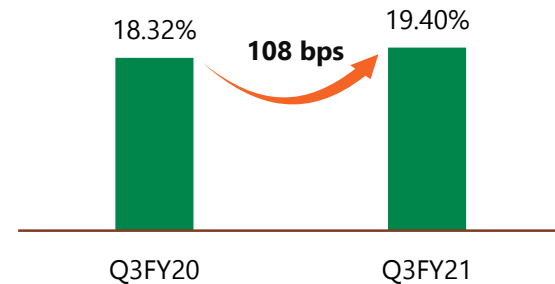
## Interest Coverage Ratio



## Gross Profit Margin (%)



## EBIDTA Margin (%)



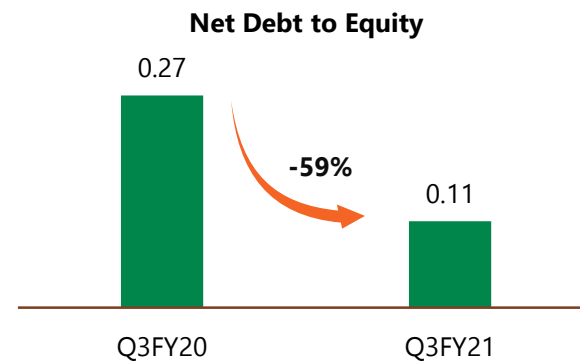
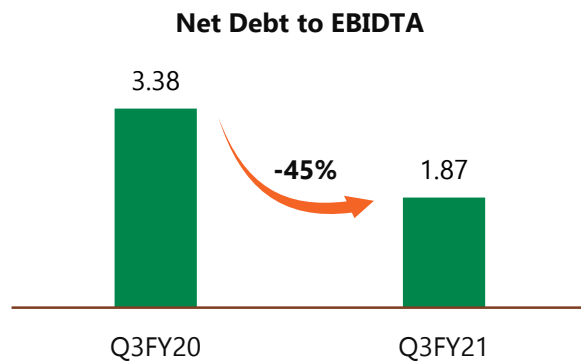
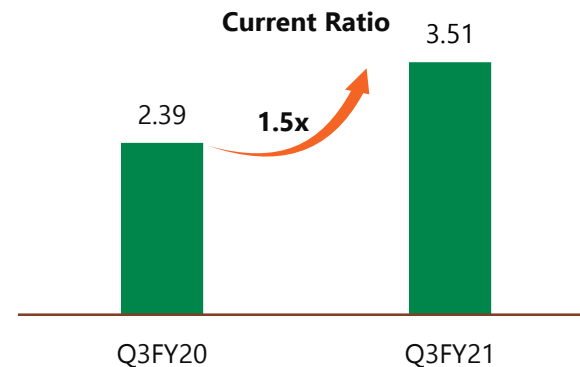
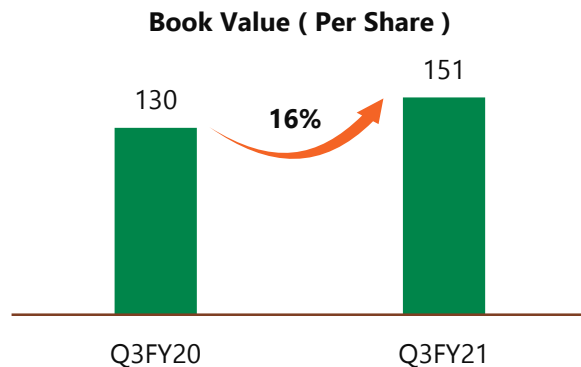
Details on standalone financials



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# Quarterly performance



Details on standalone financials

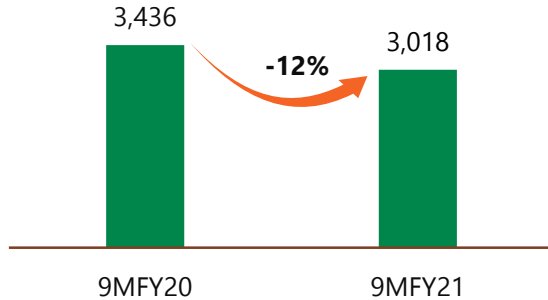


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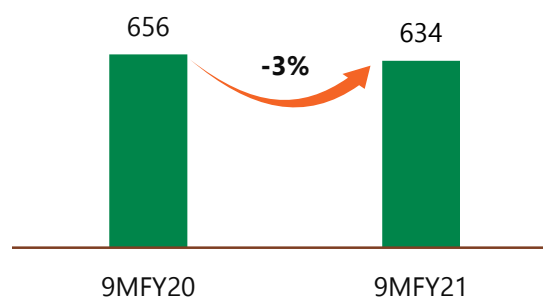


# Nine-months performance

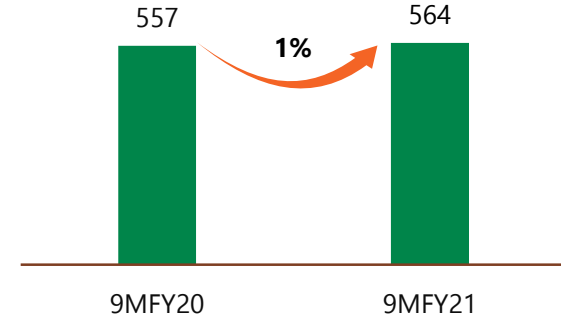
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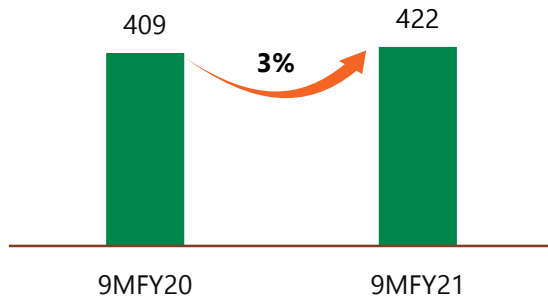
## EBITDA (Rs. cr.)



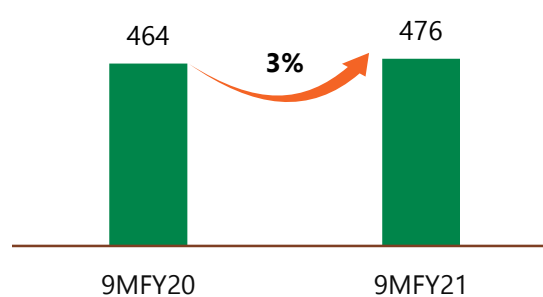
## PBT (Rs. cr.)



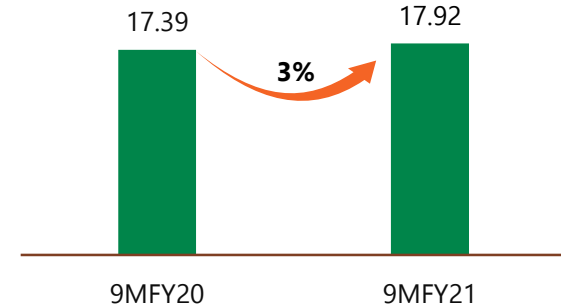
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## Cash Profit (Rs. cr.)



## EPS (in Rs.)



Details on standalone financials

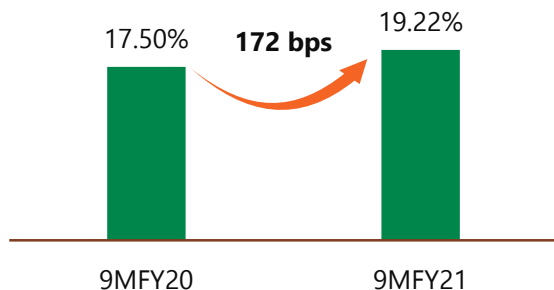


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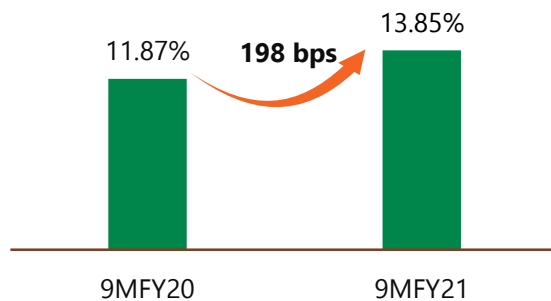


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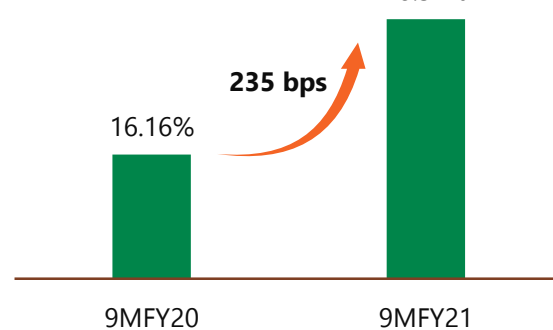
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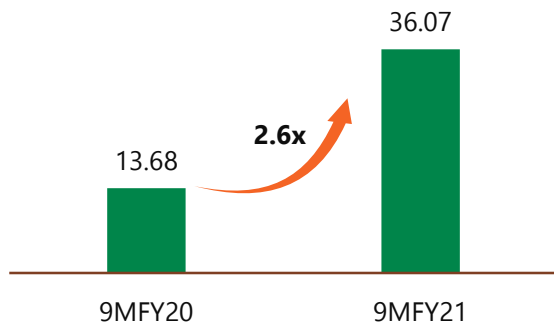
## Net Profit Margin (%)



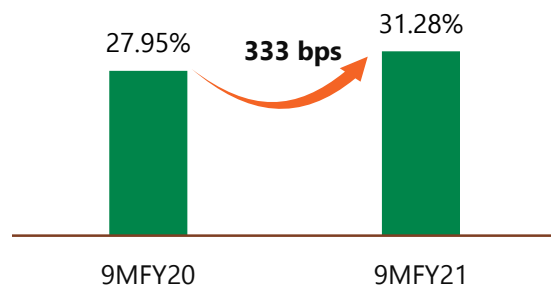
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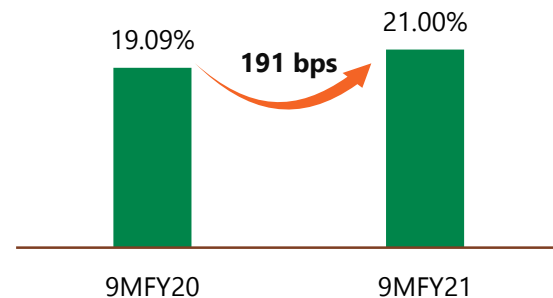
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## Gross Profit Margin (%)



## EBIDTA Margin (%)



Details on standalone financials

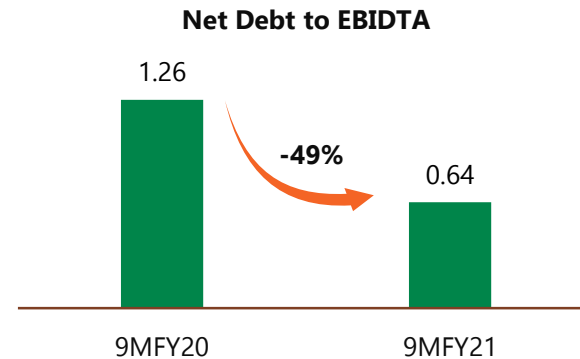
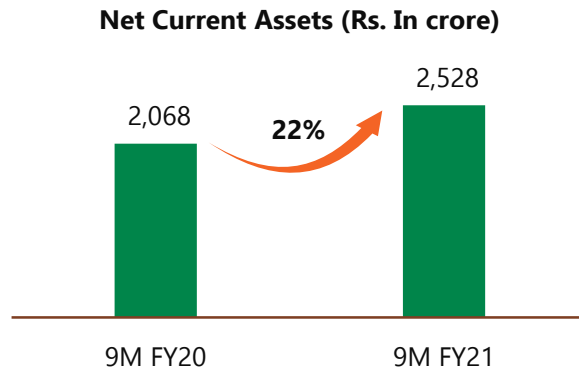
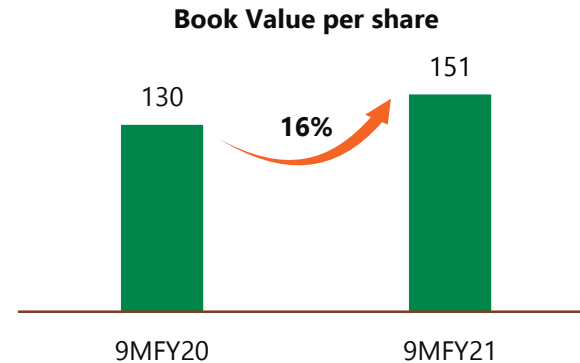
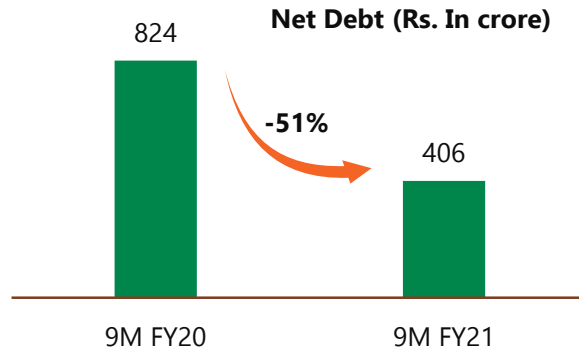


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# Nine-months performance



*Details on standalone financials*

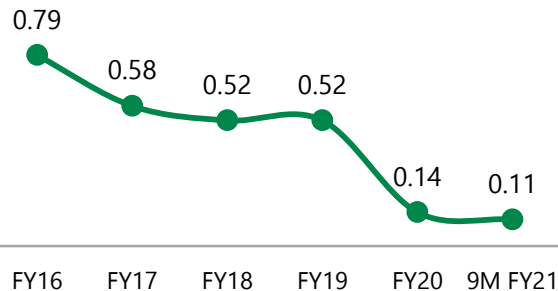


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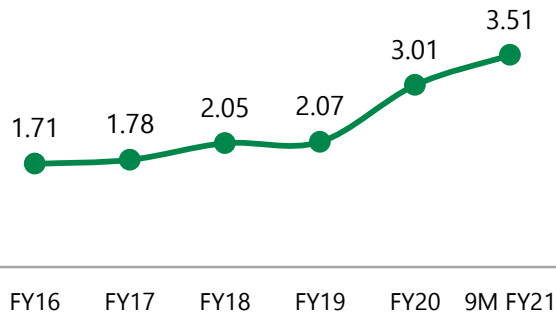


# Best-in-class financial management

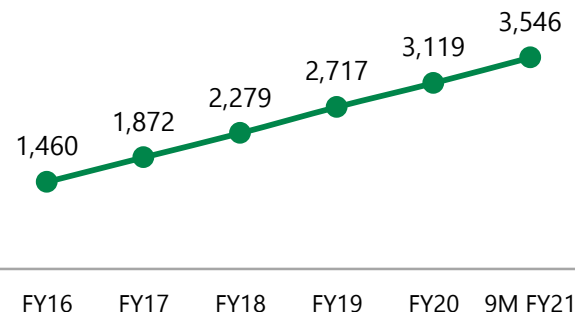
### Net Debt/Equity Ratio



### Current Ratio



### Net worth (Rs. cr.)



*Details on standalone financials*



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# Experienced independent Board directorship profile



**Vinod  
Ahuja**

Mr. Ahuja is a B.Sc. Engg. (Mech.) Hons from Punjab Engineering College, Chandigarh. An integral part of the overall functioning of the company, he not only adds significant direction to the agro arm of the company, but also provides direction to the agri services division.



**Shyam  
Arora**

Mr. Arora pursued his education in UK and did his M. Tech in Electronic Instrumentation and Controls from Loughborough University of Technology.



**Ashwani  
Dua**

Mr. Dua graduated from Delhi University and has seventeen years of experience in the Rice business. With his wealth of knowledge, Mr. Dua adds immense value to the company.



**Devendra  
Kumar  
Agarwal**

Mr. Agarwal has vast experience of over 35 years in the area of financial management, management consultancy, business advisory, corporate taxation, auditing etc. Currently, he is a practicing Chartered Accountant.



**Alok  
Sabharwal**

Mr. Sabharwal is an Innovative Chartered Engineer with 45+ year of Professional experience in the field of High-Technology, Multi Unit Business Operations.



**Priyanka  
Sardana**

Ms. Sardana is a renowned lawyer and practicing since 28 years. She holds PG Diploma in IPR & Human Rights Law & also did M.Phil. She has a vast domestic & international experience of civil, criminal & service matters.



# 130-year old legacy, led by a committed management



**Anil Kumar Mittal**

Chairman and Managing Director

Visionary of the company.  
Strategic direction to all  
aspects of business



**Arun Kumar Gupta**

Joint Managing Director

Expert on Basmati paddy  
supply chain management &  
paddy milling technology



**Anoop Kumar Gupta**

Joint Managing Director

Oversees strategy and financial  
operations



**Priyanka Mittal**

Whole Time Director

International sales &  
marketing of branded business



**Rakesh Mehrotra**

Chief Financial Officer

Over 35 years of experience in  
finance

## Next Generation of Leaders



**Ashish Mittal**

Has immense domain knowledge and 15  
fruitful years of business experience. His  
valuable skills and expertise has brought a  
lot of change in the field of factory  
operations and technology



**Kunal Gupta**

Has a passion for rice and milling. He has  
continued the family tradition by undertaking  
an integrated approach to optimize  
operations and utilization of production  
plants within KRBL Ltd.



**Akshay Gupta**

Has unparalleled experience in procurement,  
shipping logistics and sales. He is responsible  
for developing new markets for the company  
for both Basmati and Non-Basmati rice  
products.



**Ayush Gupta**

Has experience in the field of retail and  
distribution. He has an inherent passion to  
understand consumer behavior and their  
decision making.



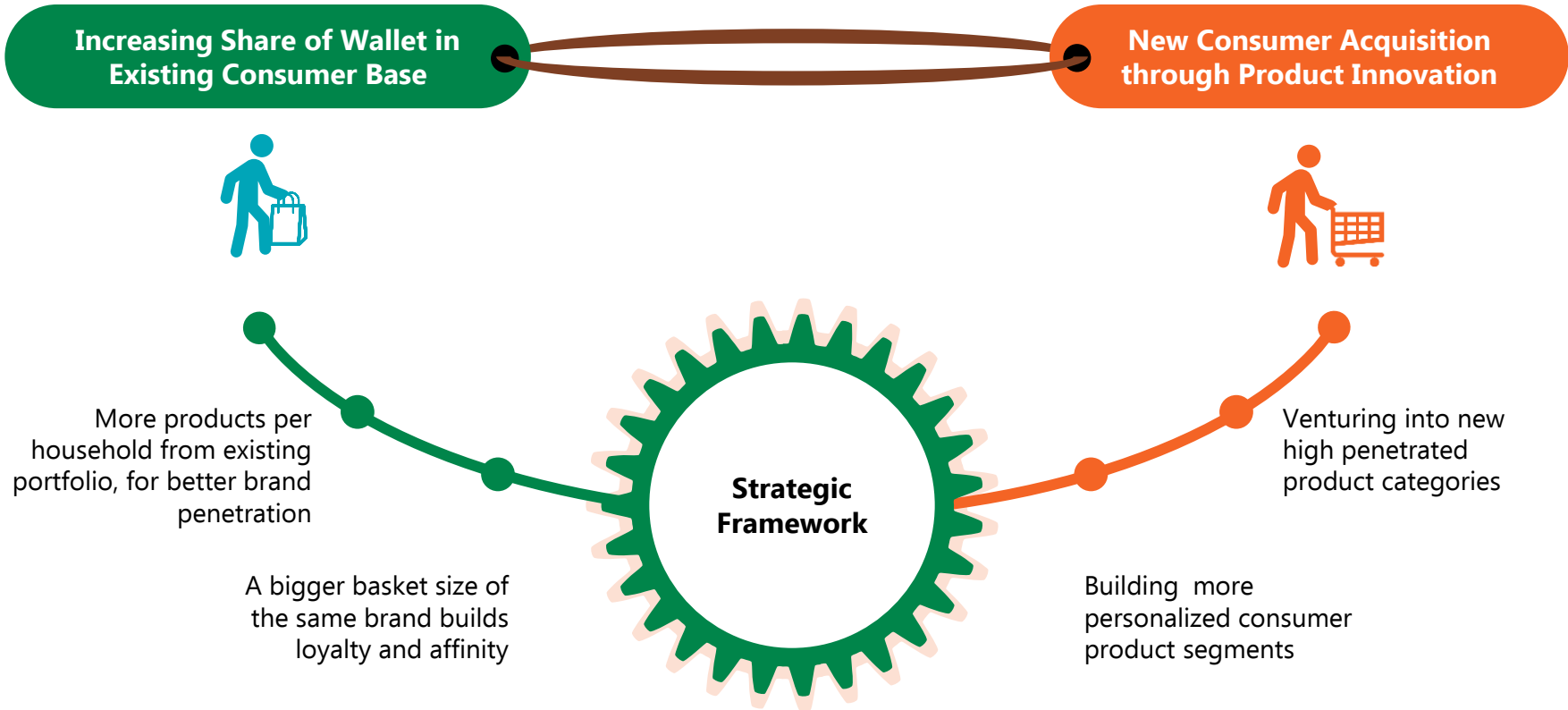


## Future Adaptive Business Strategy-

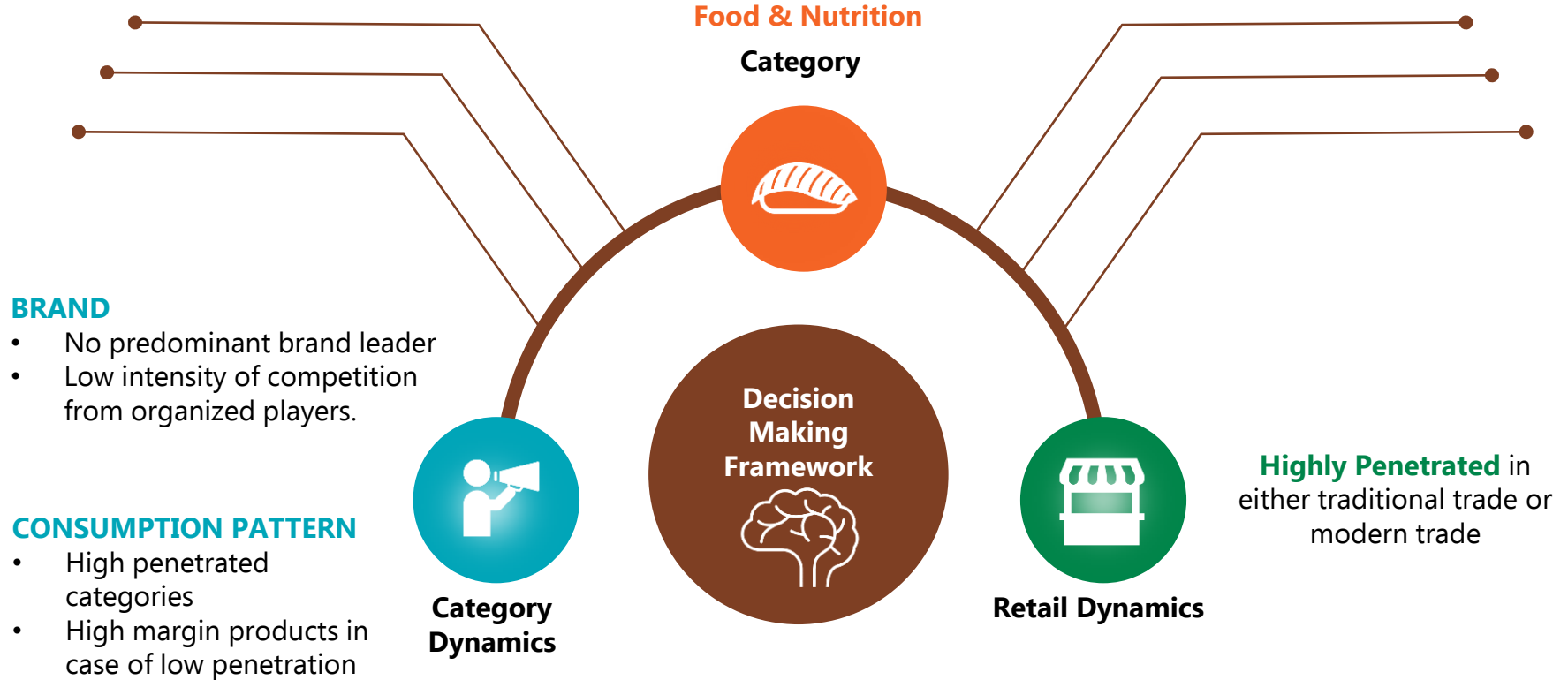
Building an organic growth  
machine



# Building an organic growth machine



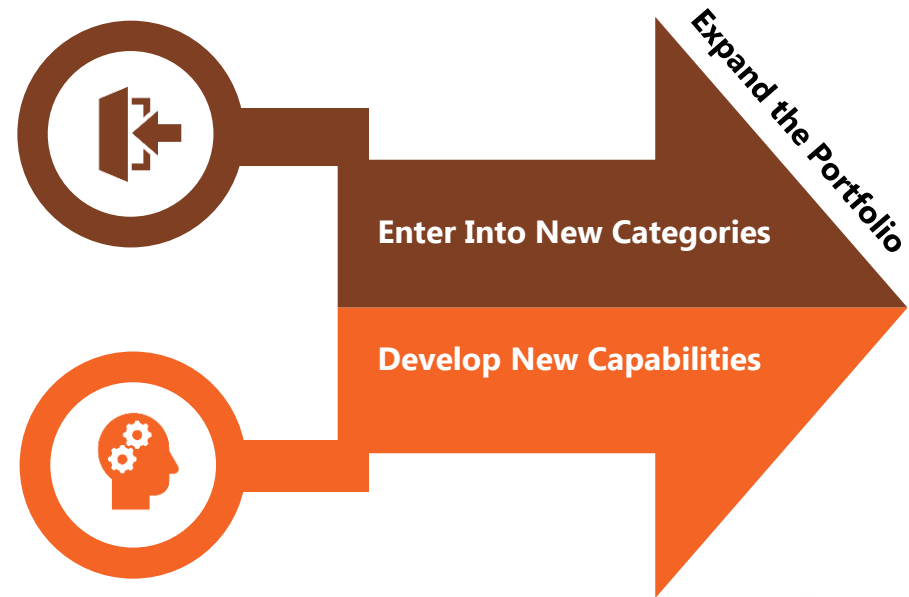
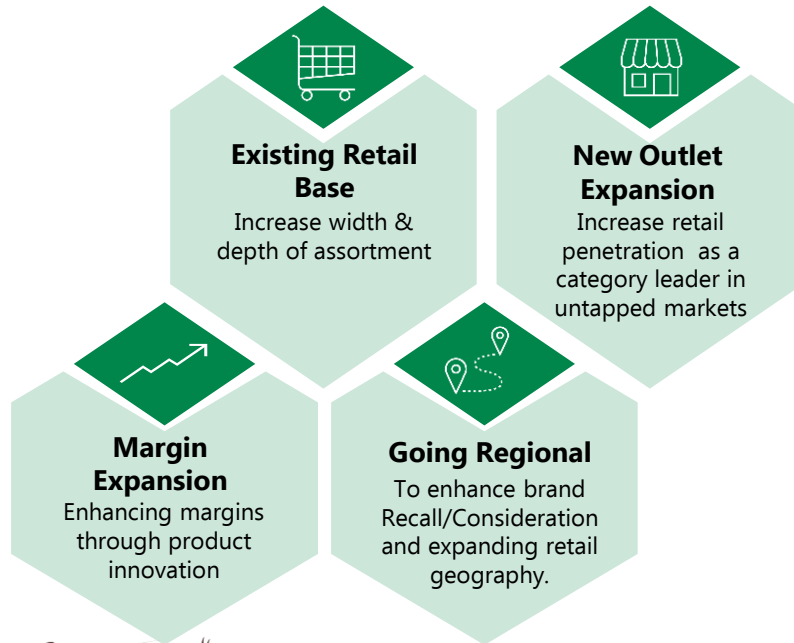
# Building an organic growth machine



# Building an organic growth machine

## Key Strategies

### Accelerate Category Leadership



# Building an organic growth machine

## A Glance into the Future

### Margin Expansion



### Going Regional



### New Product Categories

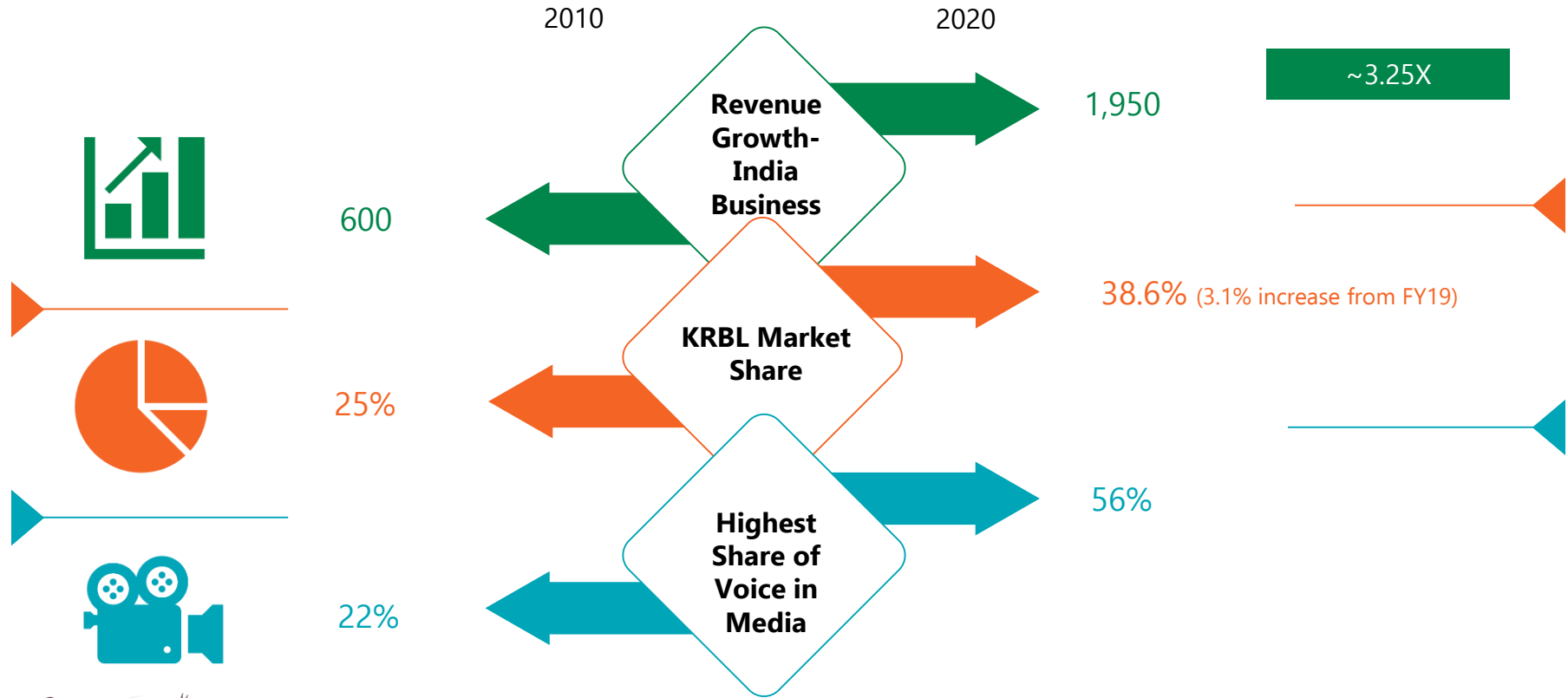


## History of leadership at home

- Uniquely poised to leverage sector prospects domestically

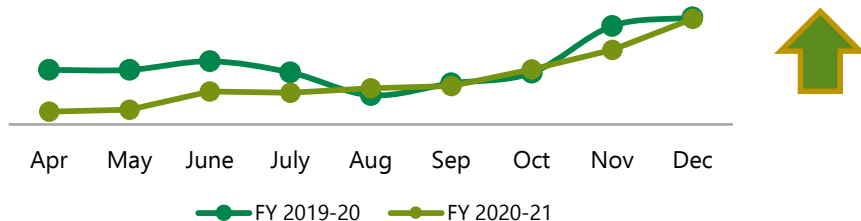


# A decade of market dominance



# Segment wise performance – 9M FY21

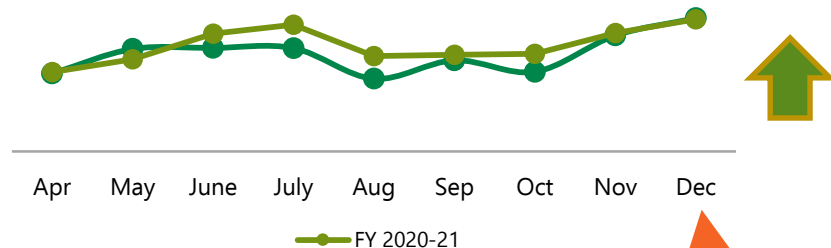
## Bulk Pack Performance YoY



Bulk pack sales have stabilized and are back to Pre-Covid Levels.

With festive and marriage season kicking in and markets opening up, Bulk Pack sales are further slated to grow in Q4

## Consumer Pack Performance YoY



Highest Ever  
Consumer Pack  
Sales in Q3

While Consumer pack segment showed persistence within the lockdown period, Q3 has delivered a the highest ever volume sales in any Quarter so far.

The growth is led by organised retail and is further slated to push Consumer pack sales in double digits for the rest of the year.



# KRBL's leadership presence across segments in the domestic market

## TRADITIONAL TRADE



8%

Increment in Retail Outlets in H1



483

Largest Distributors/Dealers Network



50%

Volume Growth in GT QoQ



Active Kiranas have come to the highest they have been in this year



Direct coverage of KRBL has bounced back by 100% to beat pre covid levels

## ORGANISED TRADE (MT + E Comm)



28%

Contribution of overall Consumer Pack Sales



61%

Volume Growth in MT+Ecom QoQ



37%

India Gate market share in modern trade



The fastest growing channel in the year. E comm is set to clock highest ever numbers in the current FY.



Modern trade nos. are coming back to pre-covid levels

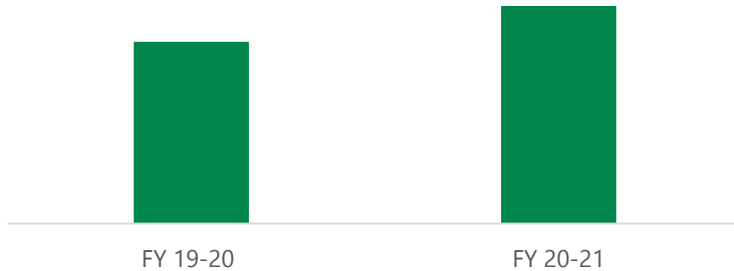


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# ADVANTAGE KRBL – Vibrant trends during pandemic

Growth of Health Portfolio YoY



**Growing awareness of immunity boosting products gave a boost to the health range in FY 2020**



**The health portfolio saw over 20% growth till Q3**

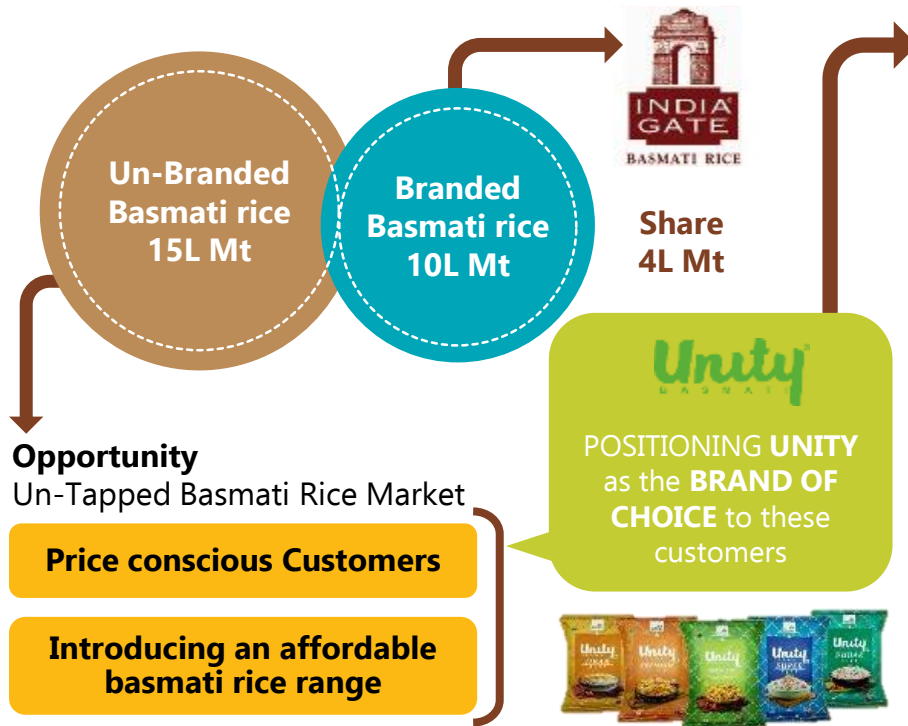


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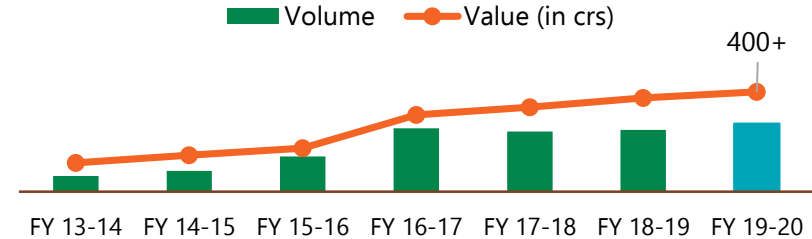


# Indian Basmati Rice Market - A key perspective

## Indian Basmati Rice Market- 25L Mt



## Unity YoY Growth



Banking on strong quality standards and popularity, Unity is now a 400Cr + Brand in KRBL Portfolio

Unity consumer pack range, launched in Jan'20, is showing impressive growth QoQ



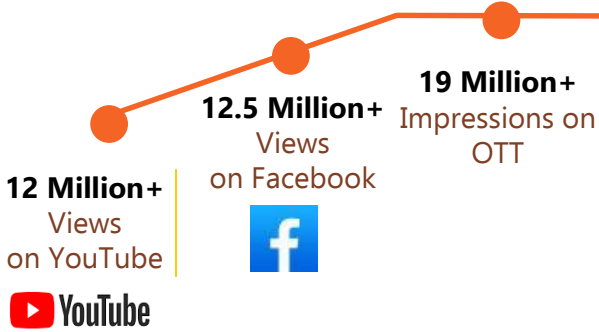


# Project Disha – Incorporating the future of operational excellence



# Massive Media Campaign During Festive Season

## #TyohaarKiTaiyyari



### Most seen MULTIMEDIA CAMPAIGN

During festival period in the category



**90% of TV & Digital audience** reached through campaign



More than 14,000 Spots on TV

More than 42 Million Views on Digital



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# Influencer Campaign on Diwali with Top Celebrities

## #TyohaarKiTaiyyari



Farah Khan

**3,50,000+  
Views**

Divyanka Tripathi

**15,00,000 +  
Views**



**3,35,000 +  
Views**

Shweta Tiwari

**4,50,000+  
Views**

Divya Khosla



**More Than 26.5 Million Views on Celebrity Handles and Reposts**



# Giving back to society- KRBL cares - #TyohaarKiTaiyyari



**5 Lakh+**

Sweet Boxes  
Distributed to  
Under Privileged



**400+**

Caterers who  
were jobless  
benefitted by the  
activity



**5 lakh+**

Needy People  
Served



**Campaign**

Exclusive  
campaign with  
Celebrity Chef  
Vikas Khanna



**Social**

Massive online,  
offline and Media  
Coverage



**#**

Top trending  
hashtag on Social  
media channels



**10 lakh+**

Worth of PR  
value generated



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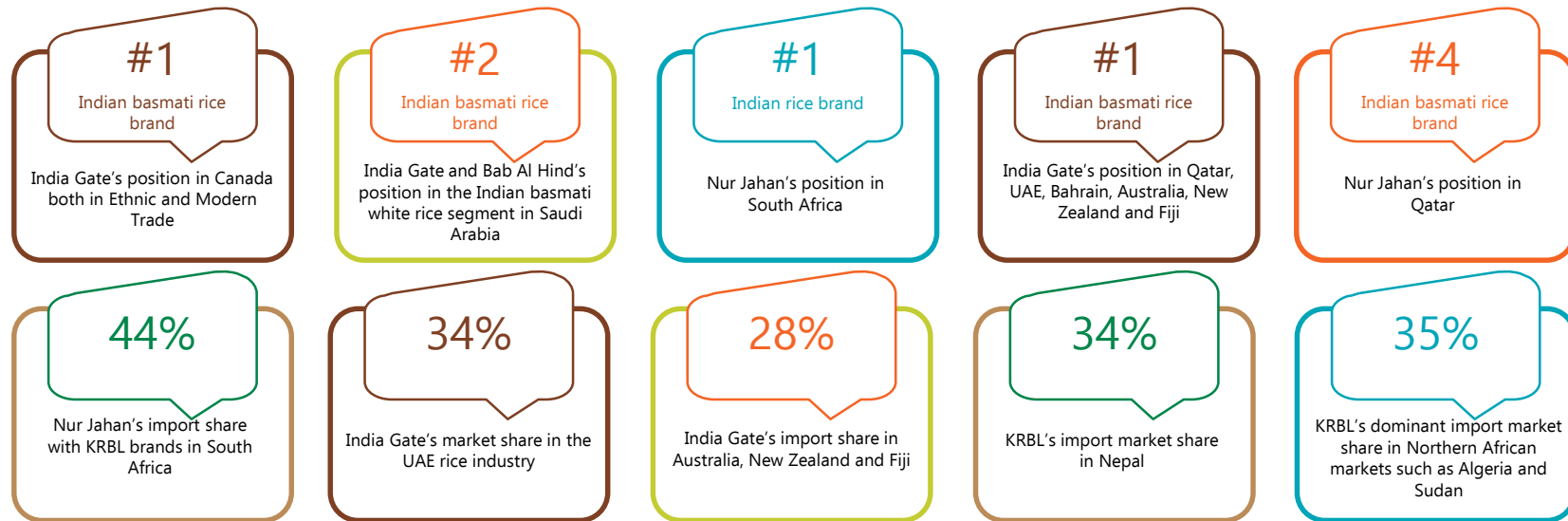


# Championing Basmati abroad

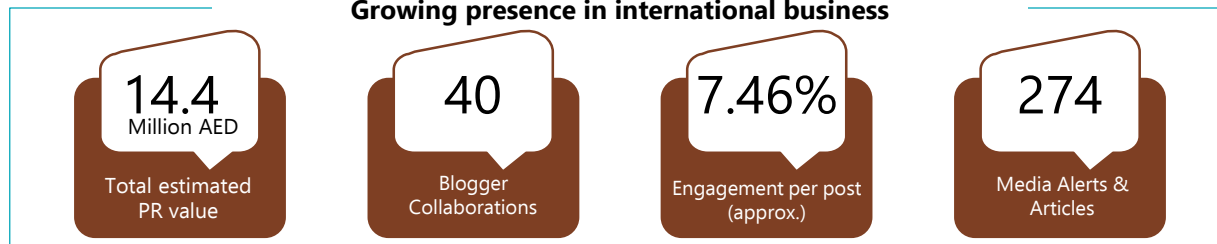
-Growing ahead by staying  
ahead of global trends



# Realities that define KRBL's export business



## Growing presence in international business



As at March 31,2020



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# Key brand line up in international business



## International Health Brands



India Ki Puraani Adat  
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# Creating visibility for Basmati overseas -Brand Outreach



**Collaborated with health experts** to augment brand value. Associated with reputed clinical dietician, Dr. Dana Al Hamwi, as India Gate's local nutritionist. Her tips on adopting healthy eating habit, utilising India Gate's products were published in various press releases, newspaper articles, social webinars and social media posts. It helped promote the amazing attributes of India Gate's products and propel our popularity. She also participated in interviews at GulFood 2020, as a part of the KRBL team.



Expanded our audience reach to grow our business sustainably. Associated with Dubai Ladies Club to widen our audience base. Organised several webinars and talk shows with the members of the club on healthy eating habits and helped showcase KRBL's healthy food segment.



Bolstered media relations by regularly participating in major food and beverage trade exhibition in the Gulf region such as GulFood 2020. KRBL made its 12th appearance in GulFood in FY20, the largest and longest-running food and beverage show of the world.

As per March 31,2020



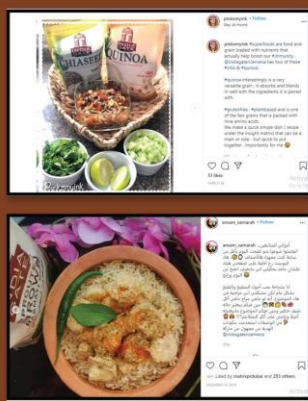
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# Creating visibility for Basmati overseas -Media Initiatives



Reinforced leadership team's image by actively engaging in industry stories through comment and opinion pieces. Arranged interviews with our Director Ms. Priyanka Mittal in prominent publications, on radio stations, and TV channels (such as Dubai Eye Business Breakfast, Dubai One TV, Authority Magazine, Entrepreneur ME, CEO ME, and Pro Chef ME).



Strategic engagement with bloggers to effectively engage with a wider consumer demography in the Gulf region. It helped ennoble India Gate's product range while delivering strong and persuasive messages on healthy eating habits.



Focused on securing key editorial coverage to engage closely with consumers and customers. Embarked on producing creative media alerts, like sharing tips and recipes, designed based on occasions and features relevant to the local media.



Strengthen brand credibility by reaffirming India Gate's commitment to support different social causes. India Gate donated 1,000 Kg of rice towards UAE's 10Million meals initiative, an initiative to help those affected by COVID-19. Coinciding with the holy Ramadan month, the donation is likely to feed more than 13,000 people

As per March 31,2020



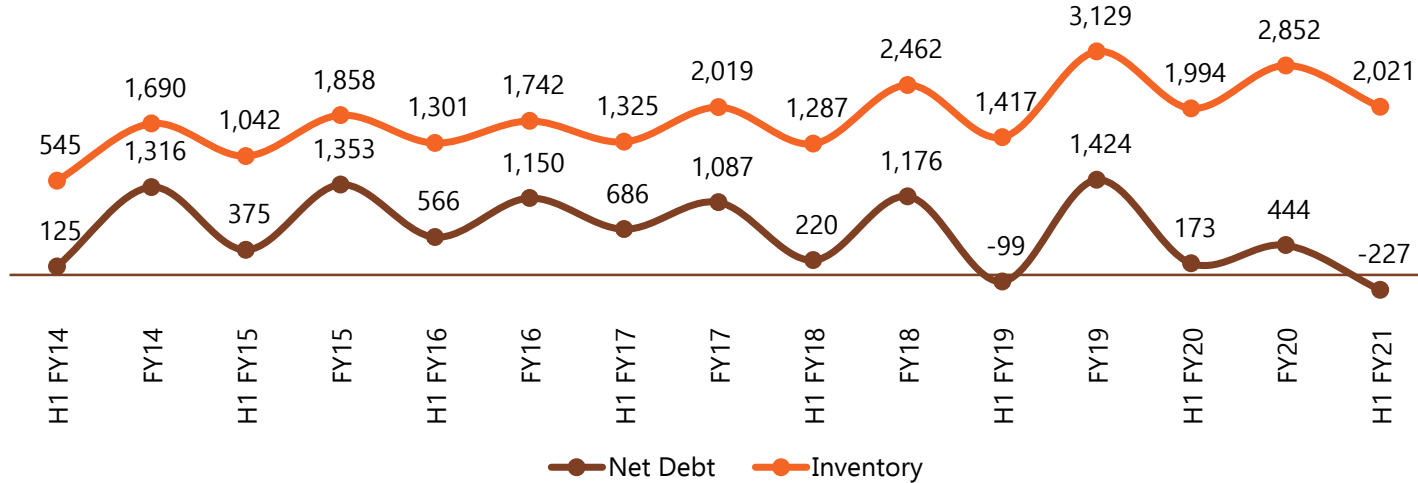
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# Aiming for sustainable zero debt status alongside inventory led growth

(in INR Cr.)



**\*Net Debt excludes Financial Lease Liabilities**  
**\*As on Sep'18, KRBL is at zero debt with cash surplus.**

Net Debt is at Rs. 406 crore in Dec 2020

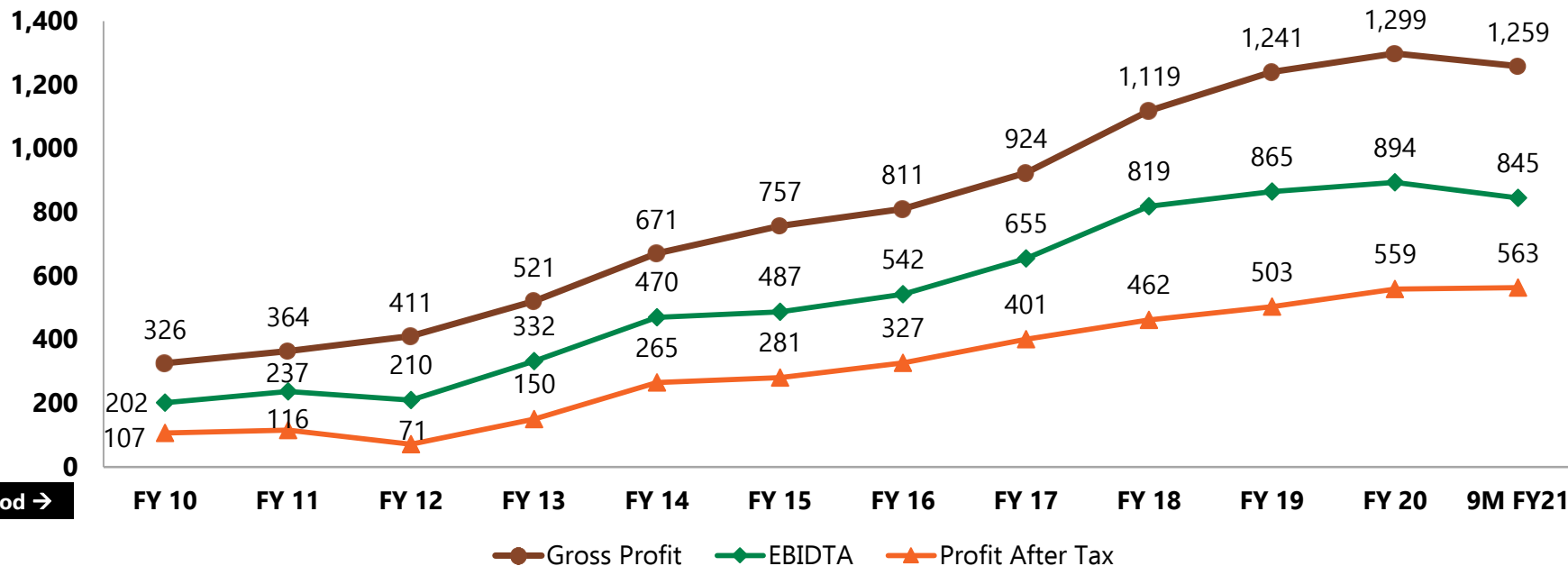
- The above data indicates the growing financial strength of KRBL as it continues to reduce its dependency on external funds for building its inventory.
- Most of the debt for the Company is in the form of working capital, which starts rising with the commencement of procurement of paddy in H2 every year and becomes insignificantly low by end of H1 of the next financial year.
- This is a cyclical phenomenon which results in **zero/negative net debt at the end of H1 every year** for the company. The company is able to maintain this cycle in spite of increasing procurements at the back of the rising demand environment.
- Focus on delivering **consistent free cash flows** while enhancing business pie



# Driving profitability upwards consistently since a decade

(in INR Cr.)

## Robust growth in profitability parameters



\*Annualised  
Note: Based on standalone financials



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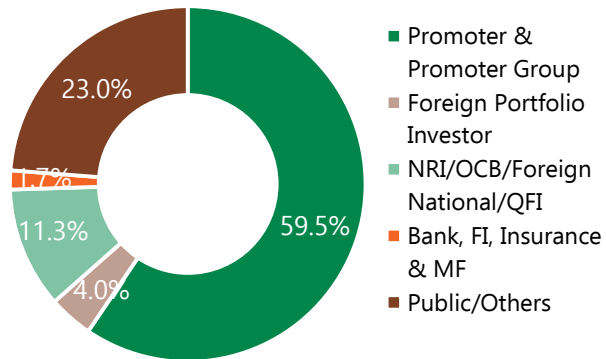
## Benefiting key stakeholders

- Doing good for investors and customers

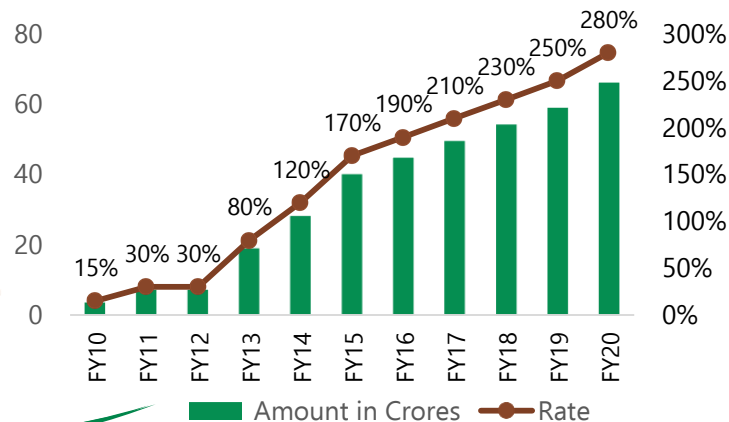


# Establishing strong ties, while boosting shareholders value

## Shareholding Pattern (Dec 2020)



## Dividend paid by KRBL Limited since FY10



### Key Shareholders

Vanguard  
Kuwait Investment Authority  
Nippon India Small Cap Fund  
Premier Investment Fund

### Stock Data as on 31<sup>st</sup> December 2020

BSE/ NSE/ Bloomberg Ticker: KRBL/ KRBL/ KRB:IN  
Market Capitalisation (Rs. in cr.): ~5762  
No. of shares outstanding (Rs. in cr.): 23.54  
52-week High/ Low (Rs.): 314.70/ 97.75



# Thank You

## 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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