

Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Export House)

Regd. Office : Meerankot Road, P. O. Central Jail,

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Facsimile : 91-183-2590453, 91-184-2291067

E. Mail : setiarice@yahoo.com, clsetia@rediffmail.com

CIN No. : L51909PB1994PLCO15083

An ISO 22000 : 2005
Certified Co.

09.08.2023

To

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: - 530307

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Symbol: - CLSEL Series: EQ

Dear Sir/Madam,

Sub: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith Investor Presentation.

The aforesaid information is also being hosted on the website of the Company viz., www.clsel.in

Kindly take the above document on record and acknowledge.

Thanking You

Yours Faithfully

For Chaman Lal Setia Exports Limited

(Rajeev Setia)

Joint Managing Director & CFO

Din :- 01125921

ENC: AS ABOVE



Investor Presentation

Q1 FY24

QUEEN OF ALL RICES



◆ **CLSEL at a Glance**

◆ **Management Commentary**

◆ **Financial Highlights**

◆ **Business Highlights**

◆ **Key Strategic Pillars**

◆ **Investment Highlights**

◆ **Management**

◆ **Annexures**

Disclaimer

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, other costs, etc. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

CLSEL at a Glance



Since **1974**
(~50 Years)



300+
Private Label
Brands



Exports to **90+**
Countries



Flagship Brand



Largest
Private Label Exporter



3 star
Export House



44%
Shareholders CAGR
return in last 10 years



80,000 MT
Warehouse
Capacity



660 MT/
Day Processing



440+
Distributors
across Globe



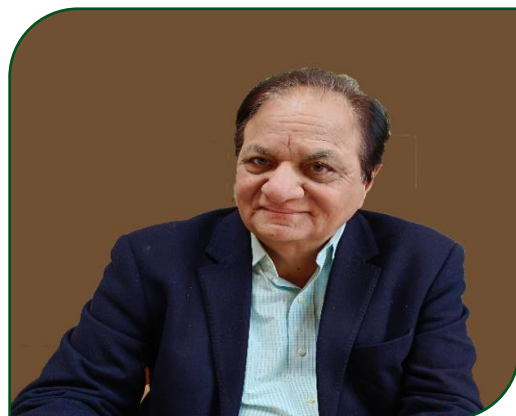
16%
(Last 10 Years
CAGR Sales
Growth)

Journey So Far



Rajeev Setia

Joint MD & CFO

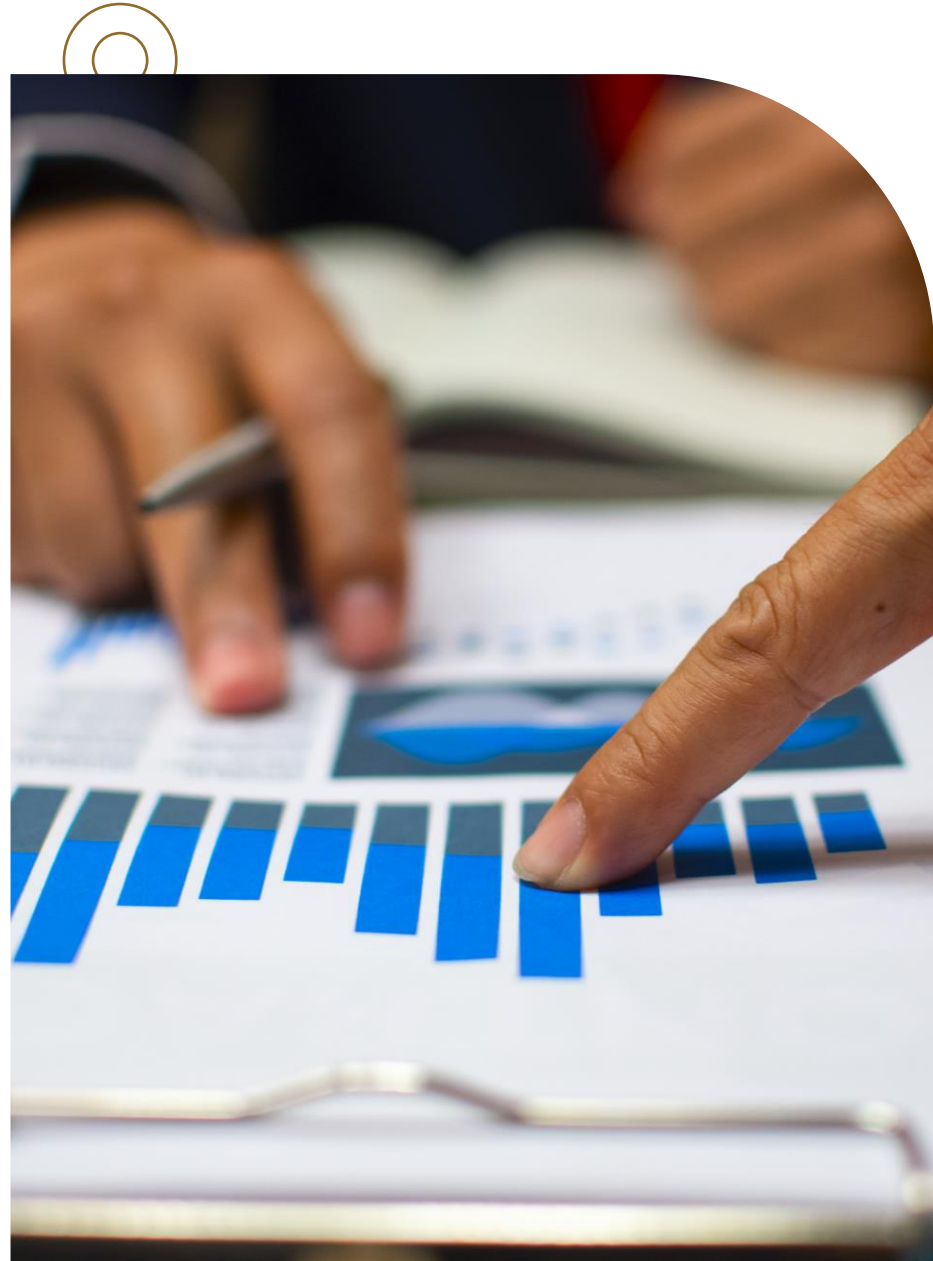


We are delighted to start this year with healthy margins profile. With sustained momentum and focus towards our execution excellence, our EBITDA margin grew by healthy 664 bps YoY to 14.7%, while PAT margin was up by 500 bps YoY to 10.4% in Q1FY24. Our exports volume (ex-China*) declined by 20% YoY in Q1FY24, an impact attributed to weather disruptions occurring at the Gujarat ports in the month of June, due to the Biparjoy cyclone.

Our focus now turns towards our brand and new performers like Rice suitable for diabetes and Brown rice segments to sustain the growth momentum. Rice suitable for Diabetes has contributed 8% to the overall sales in Q1FY24. These products continue to be well received by consumers, providing us with the confidence that these products will fuel the Company's next leg of growth.

Overall, we are encouraged by our start and remain confident about delivering good performance this year. With our robust on-ground execution capabilities, strong customer relations, and increasing distribution reach, we believe we are well-positioned to achieve sustainable growth in the medium to long term.

*Excluding Non-basmati rice of 31,745 MT which was exported to China in Q1FY23

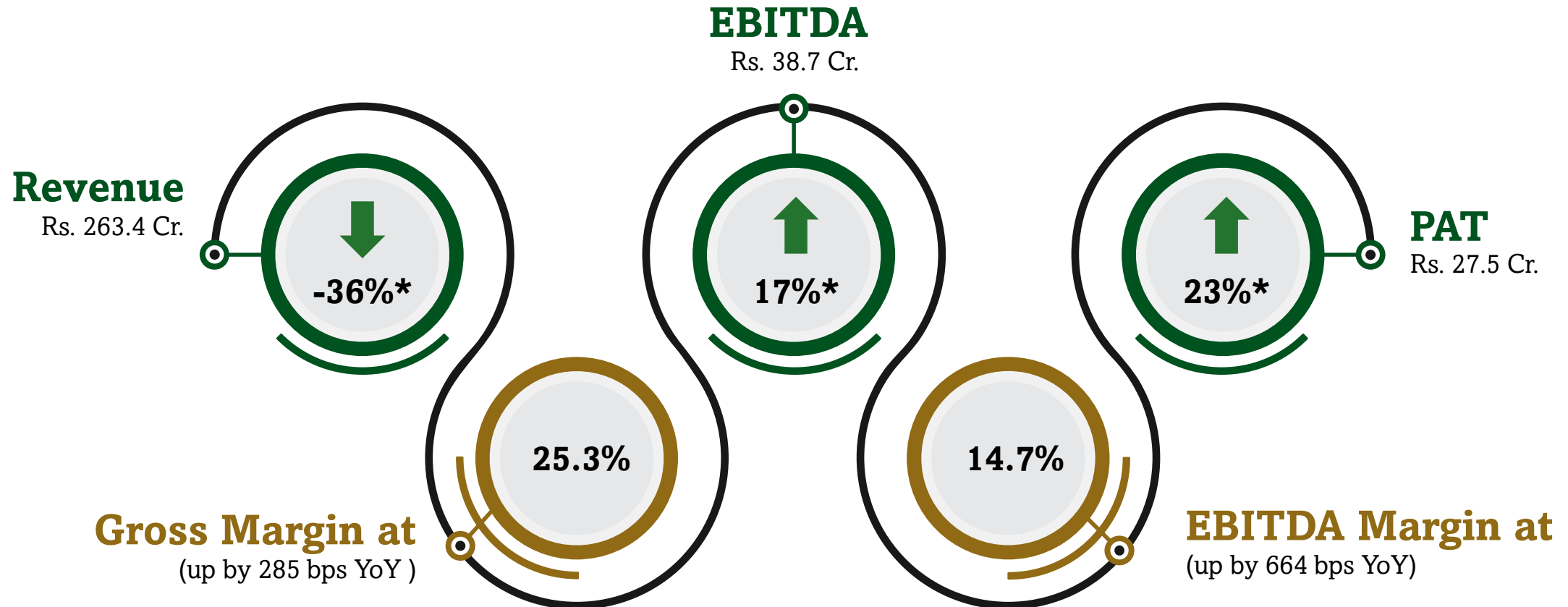


Financial Highlights

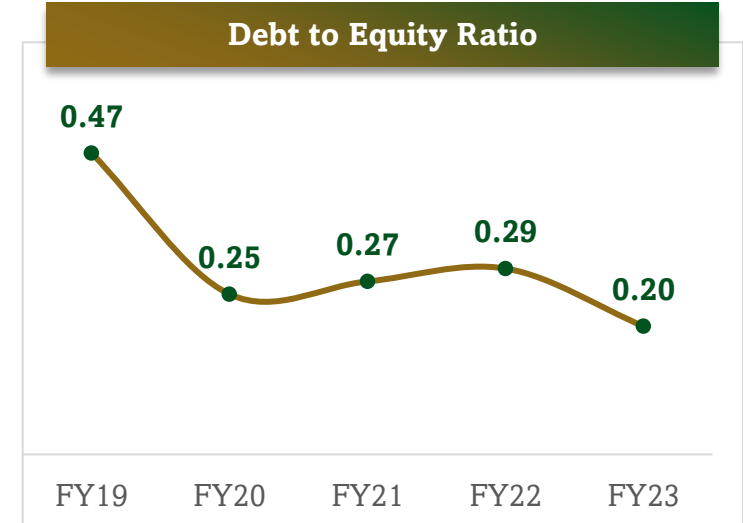
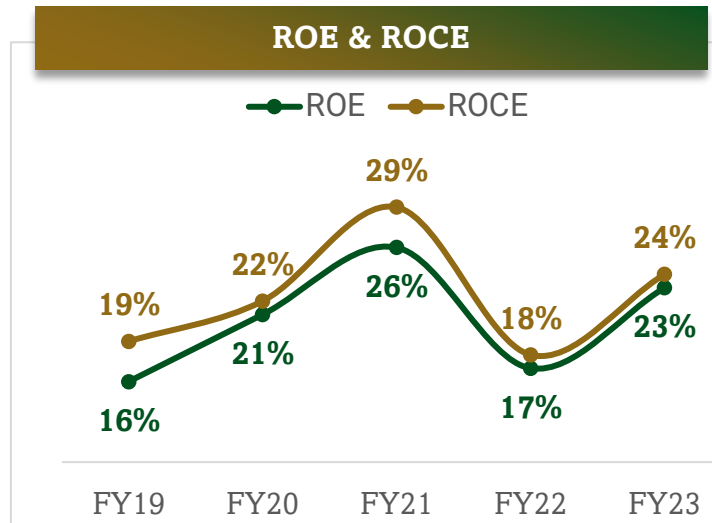
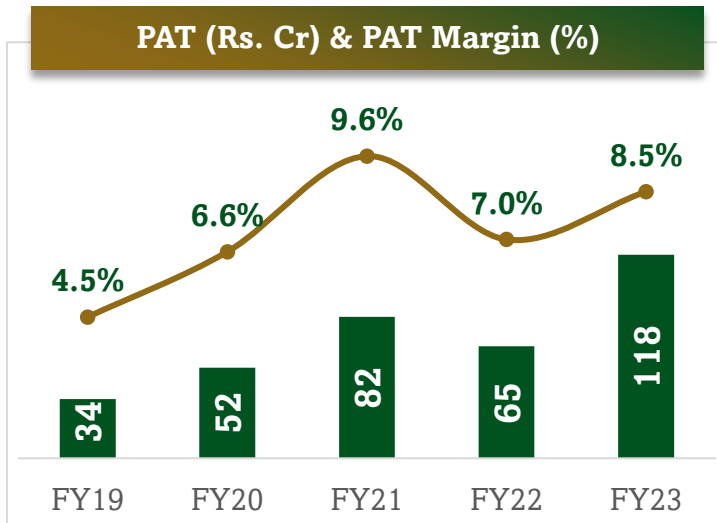
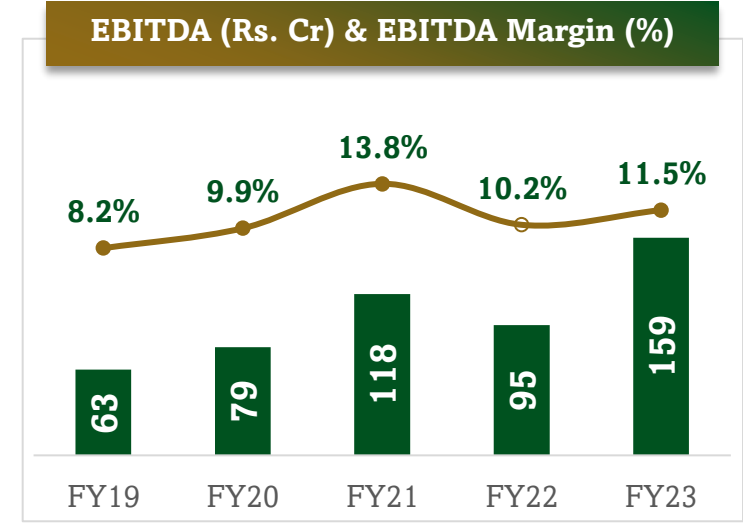
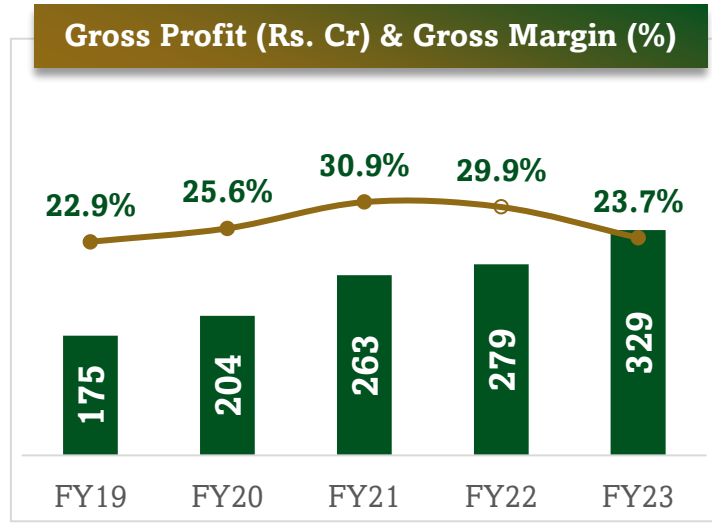
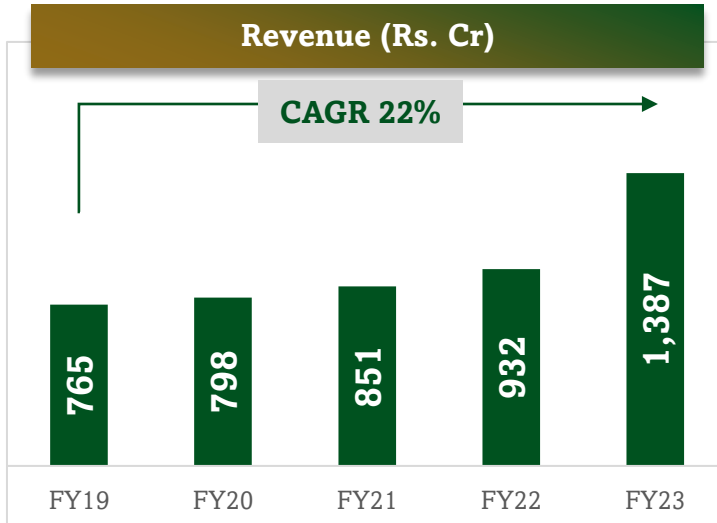


Q1FY24 Financial Highlights

Strong Margins Profile with 14.7% EBITDA Margin & 10.4% PAT Margin

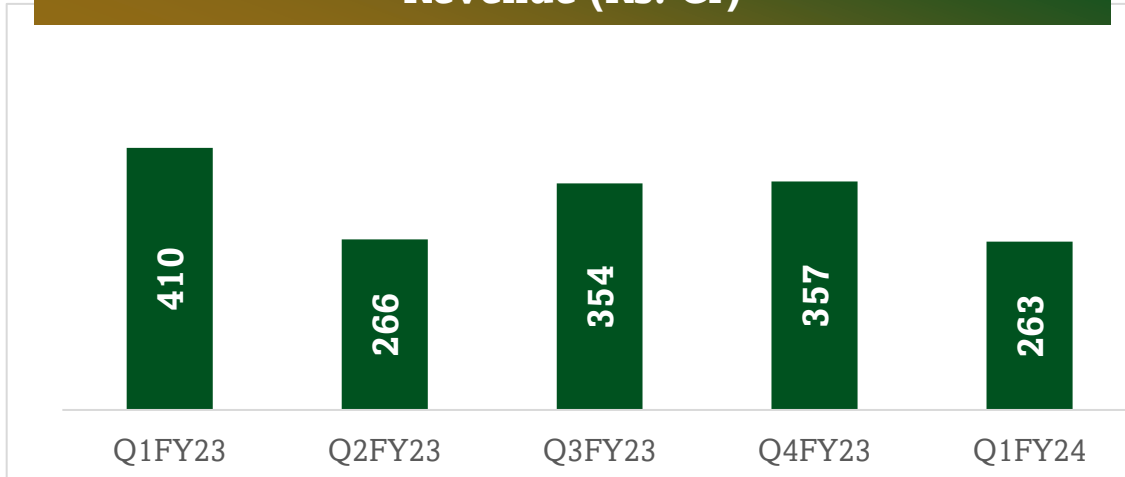


Financial Performance: Annual Trend

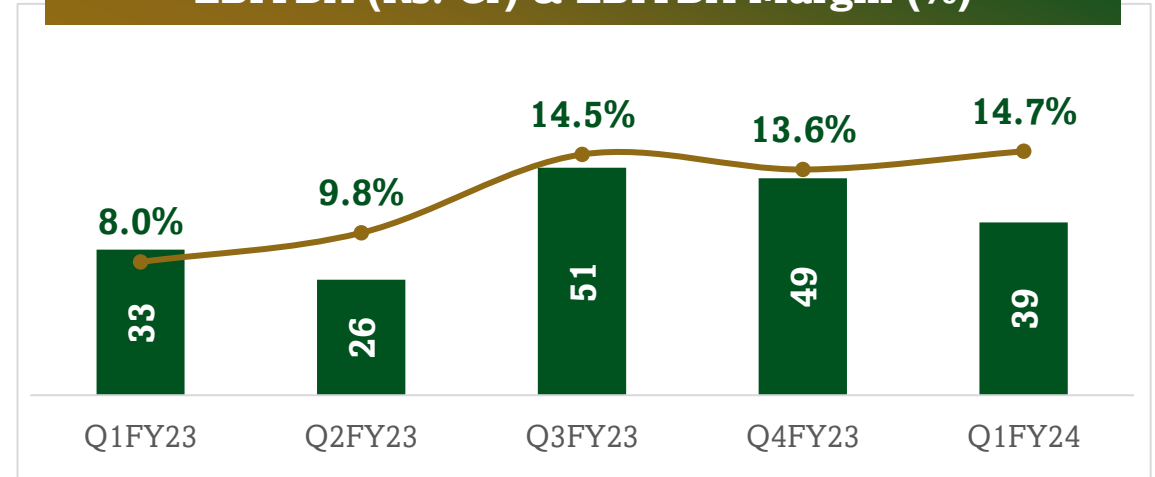


Financial Performance: Quarterly Trend

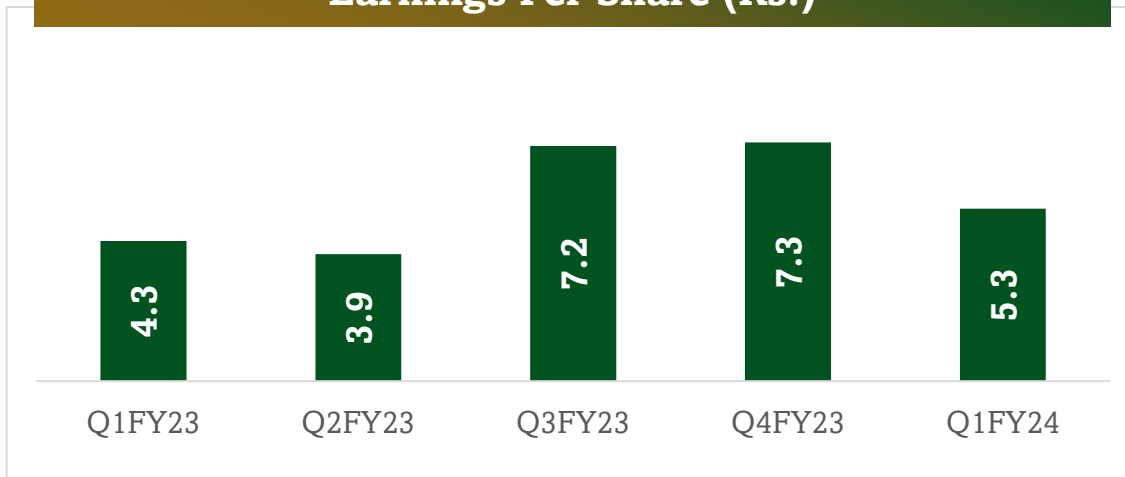
Revenue (Rs. Cr)



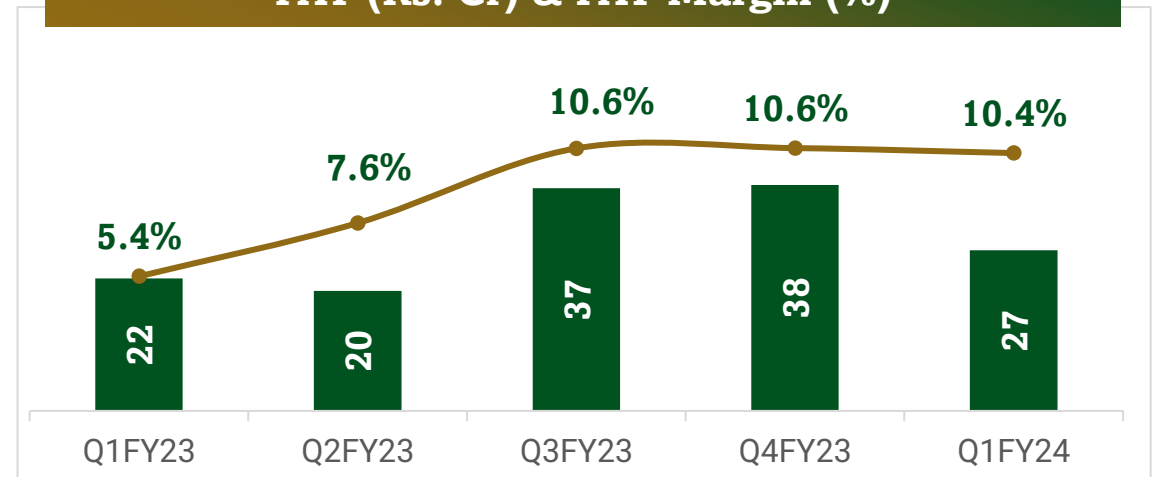
EBITDA (Rs. Cr) & EBITDA Margin (%)



Earnings Per Share (Rs.)

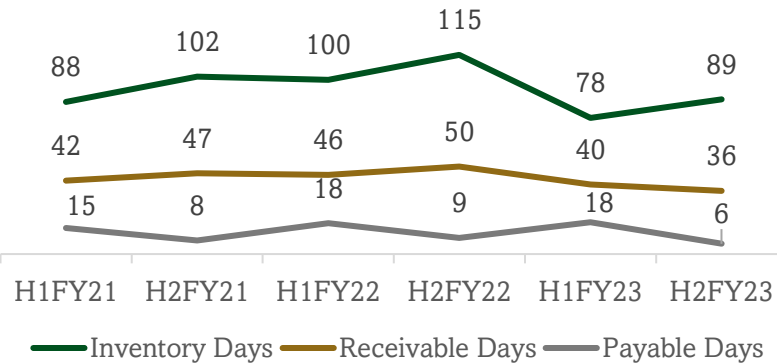


PAT (Rs. Cr) & PAT Margin (%)



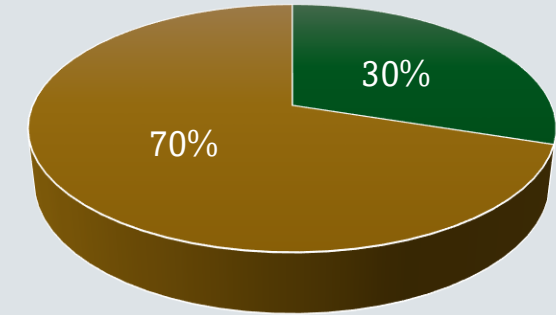
Superior cash conversion cycle

Working Capital Cycle



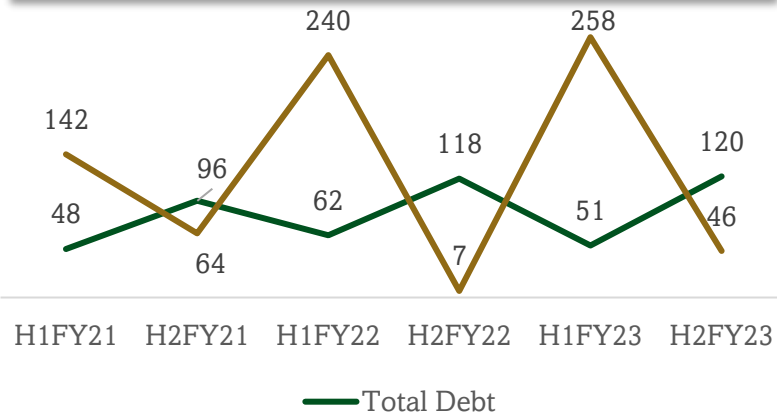
Procurement of Paddy starts in Q3-Q4; this results in an increase in inventory from Q3-Q4

Inventory days and receivable days remained moderate at 89 days and 36 days for FY2023



Almost 30% of the finished rice is through the rice milling process (i.e., paddy to finished rice) with the balance ~70% through procurement of semi-finished rice and conversion to finished rice (majorly requiring Sortex). Thus, the overall processing cycle remains short, and the company remains relatively asset light. Further, the inventory days also remains moderate as the company does not engage into inventory ageing and therefore possess lower inventory risk.

Total Debt and Cash (Rs. Crore)



Asset Light model with lower inventory risk

Company has Cash on books of Rs. 46 Cr. as on March 31, 2023

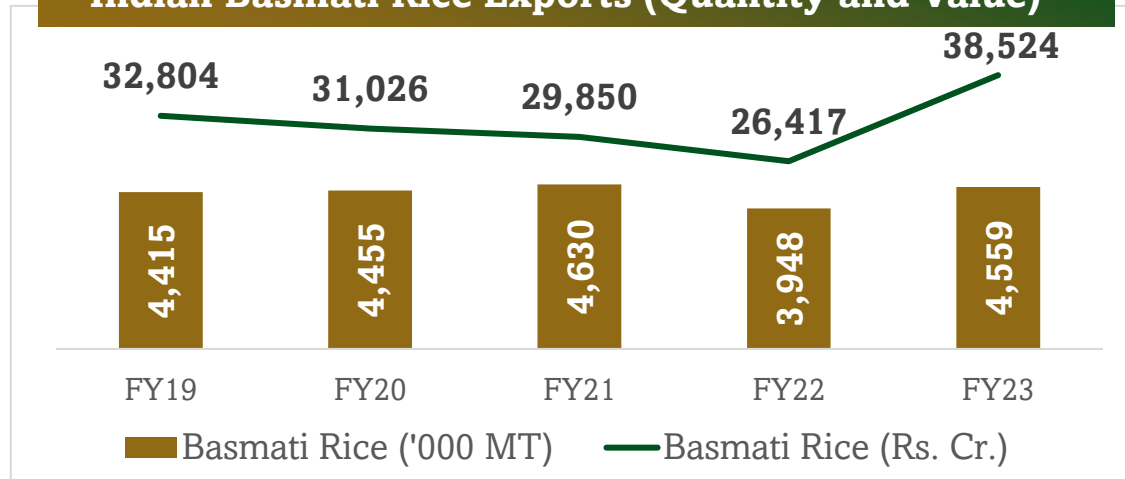


Industry Highlights



Indian Basmati rice industry

Indian Basmati Rice Exports (Quantity and Value)*

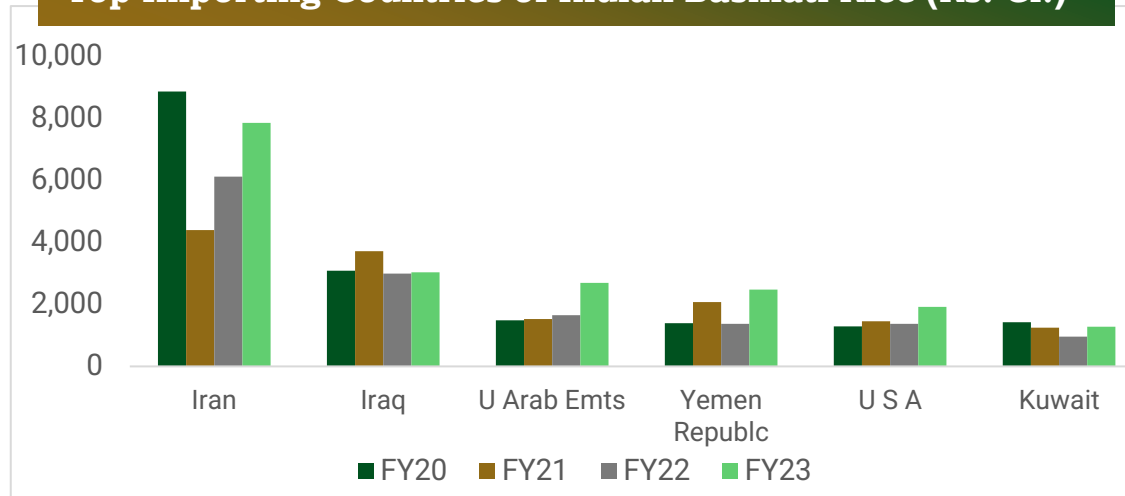


Basmati rice is majorly produced in India, with balance quantity from Pakistan. Indian Basmati rice has got Geographic Indication (GI) recognition.

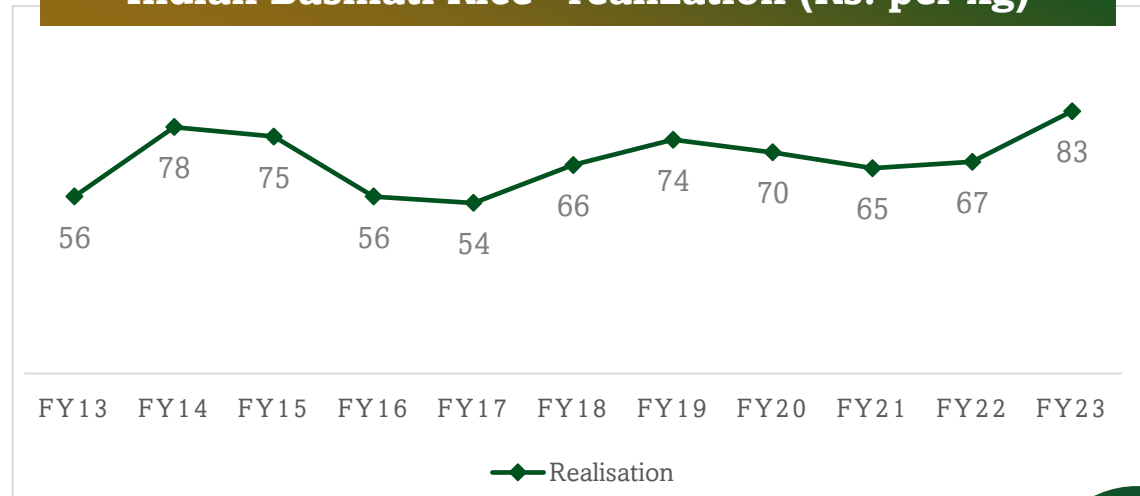
India has strong dominance in the export of basmati rice (160+ countries) especially to the Middle East. Basmati Rice exports have witnessed a CAGR growth of 7.1% in last 10 fiscals with its export standing at Rs. 38,524 Cr* as on FY23.

Introduction of higher yielding and shorter duration varieties has supported strong growth in Basmati production in the last two decades. New variety is increasingly adopted by farmers due to shorter growth cycle, lower irrigation requirements and higher yields compared to other traditional varieties.

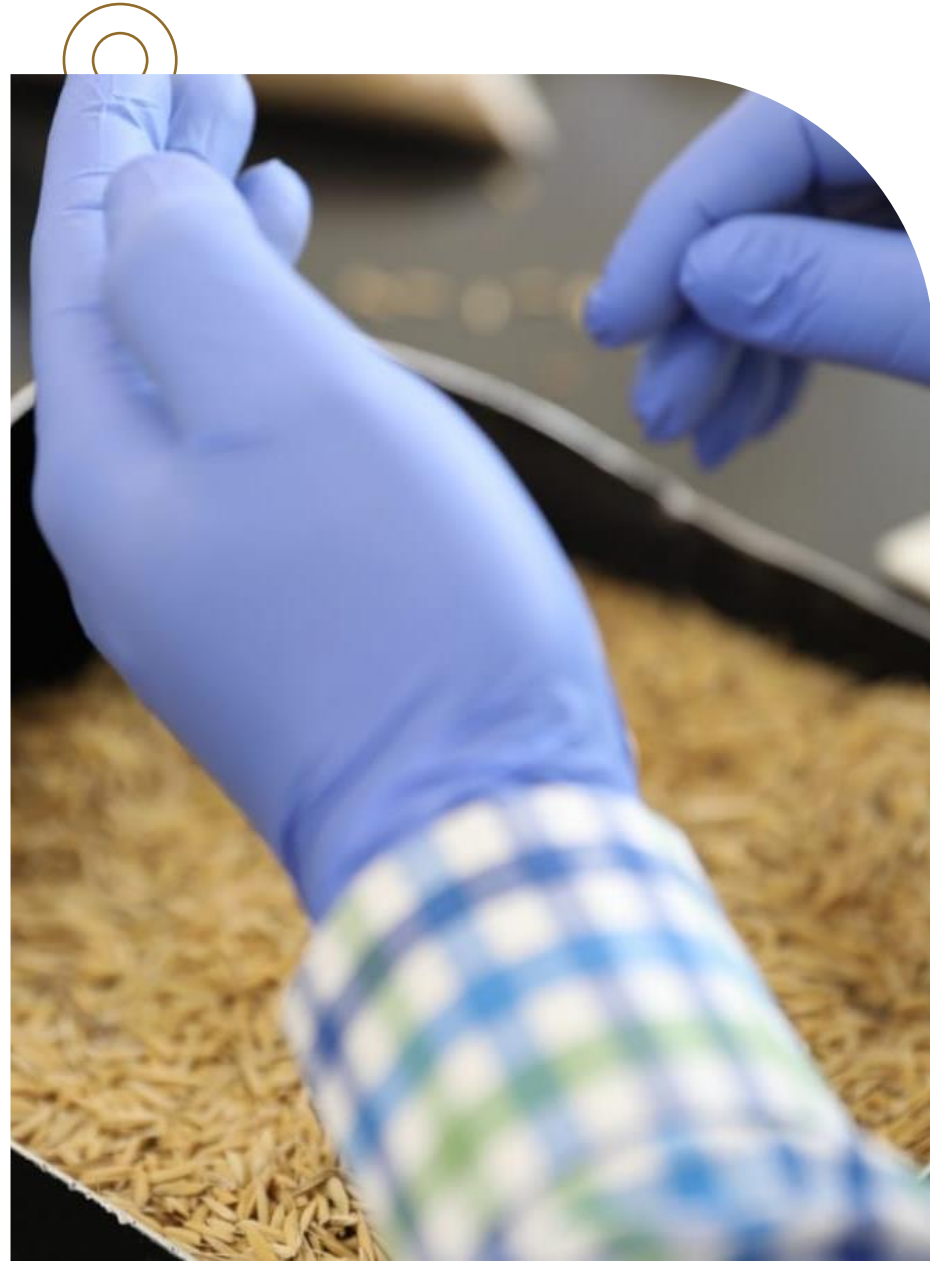
Top Importing Countries of Indian Basmati Rice (Rs. Cr.)*



Indian Basmati Rice* realization (Rs. per kg)



*Source: APEDA



Company Highlights



Key Highlights

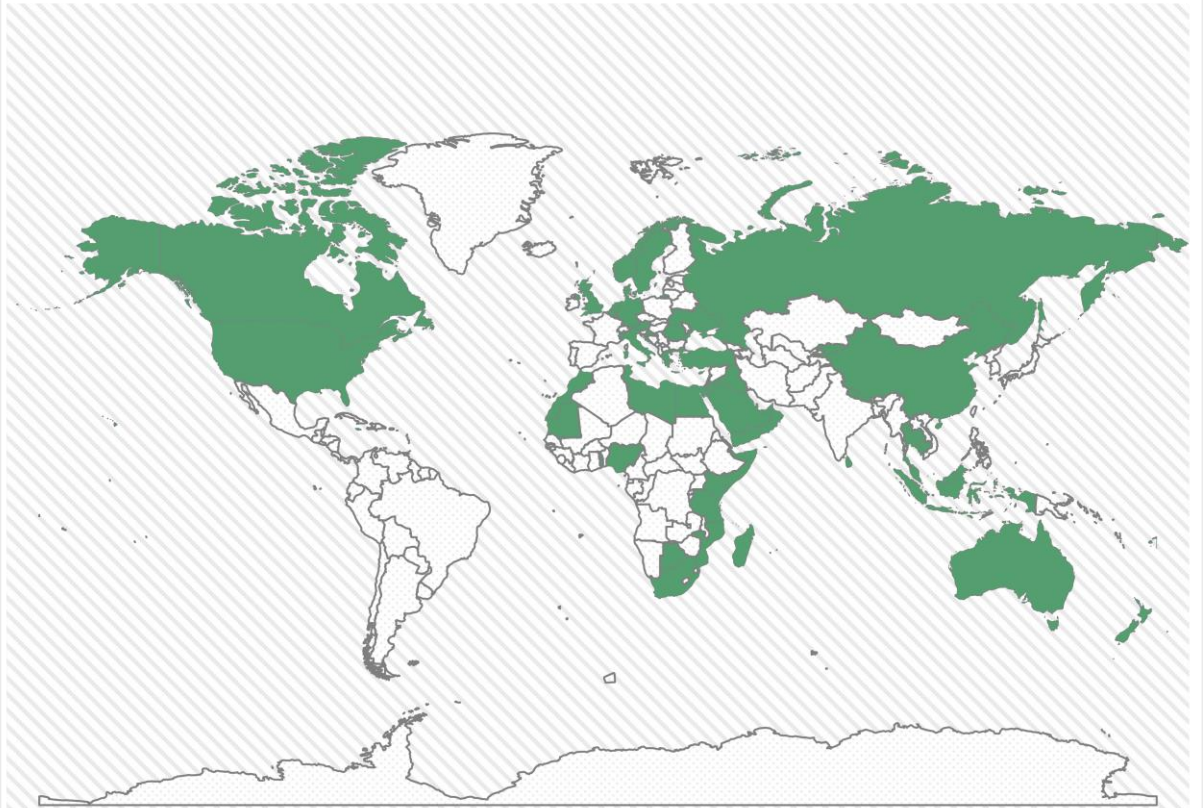
- ❑ For Q1FY24, the export volume declined by 30% QoQ and export sales declined by 25% QoQ to Rs. 234.8 Cr. due to weather disruption in Gujarat
- ❑ Average export realization grew by 6% on a QoQ basis
- ❑ Freight expenses have reduced significantly during the year, supporting margin improvement
- ❑ Our flagship brand 'Maharani' contributed ~17% to the overall revenues in Q1FY24
- ❑ Value-added Product, Rice suitable for Diabetes grew significantly in the current quarter
- ❑ Middle East/Africa has contributed 50% to the overall revenues in Q1FY24
- ❑ The company has considerably increased its presence in Yemen, Israel, Mauritius, Egypt & Canada
- ❑ The company has entered new countries in the Central Asian region during FY23
- ❑ Domestic business contributed 11% of total revenue

CLSEL: Company Snapshot

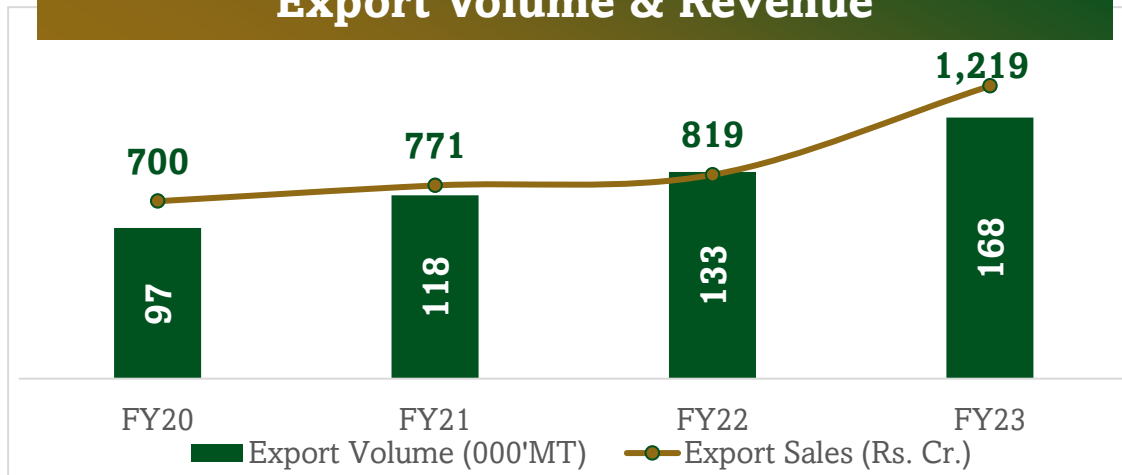
- **Key player** in Basmati rice industry
- Exports to more than **90 countries**, contribute ~88% to revenues for fiscal year 2023; increased presence in Yemen, Israel, Mauritius, Egypt and Canada
- Our flagship brand “Maharani” is exported to **38 countries**, contributing ~17% to the revenues in Q1FY24
- **Rice suitable for Diabetes** is gaining traction, contributing 8% to the overall revenues in Q1FY24
- Top 5 countries contributed **56%** of the export revenue in Q1FY24

**Exports in
90+ Countries**

**Maharani to
38 Countries**



Export Volume & Revenue



India's leading private label rice exporter

Over 4 decades of experience in rice export business



Exports to 90+ countries



Exporting since 1982; Established clientele providing repeat business



Flagship brand 'Maharani' has presence in 35+ countries



Entire exports is insured through ECGC cover



Recognized as a 3 Star Export house

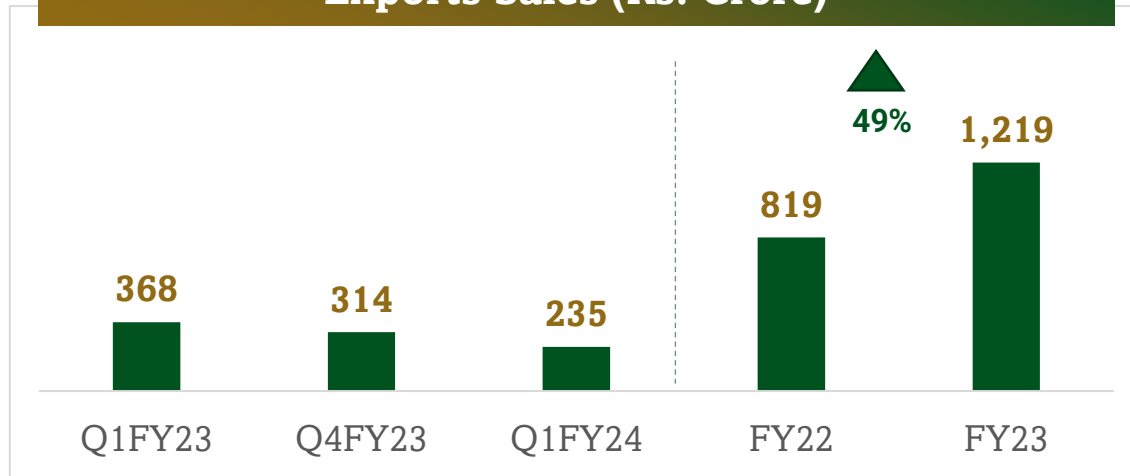


440+ distributors with average relationship of ~15 years

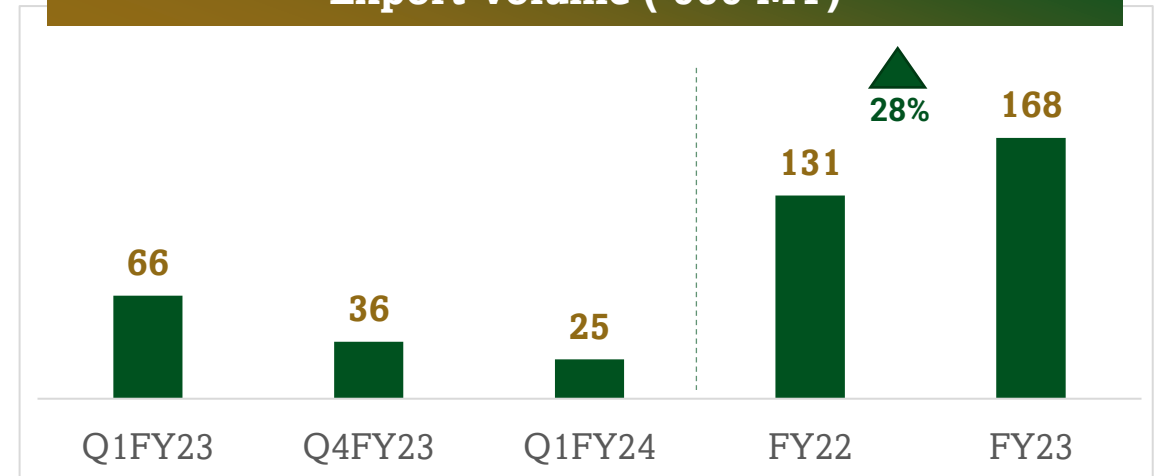


Exports contributed 89% of total revenue

Exports Sales (Rs. Crore)



Export Volume ('000 MT)





Strategic Pillars



Our sustainable business model



Procurement

- Established procurement network across all mandis in basmati growing areas.
- Strong relationship with commission agents
- Stringent quality control measures
- Majority of the procurement is on cash basis in order to avail cash discount

Processing

- State-of-the-art processing facilities in Karnal, Haryana and Gandhidham, Gujarat
- Fully insulated factories with latest technology like aerodynamics technology
- Over the years, the company has carried out innovations leading to higher productivity and efficiency in the manufacturing process leading to savings in water and energy consumption

Quality check

- Stringent quality control systems to ensure superior quality
- All facilities are certified by internationally acclaimed third-party certification and accreditation bodies

Distribution

- Exporting to over 90 countries presently though 440+ distributors all over the world.
- Established relationship of over two decades with major customers

Packaging & Warehousing

- Facility has packaging capacity ranging from 0.5 Kg to 1 MT
- 80,000 MT warehouse capacity in Karnal. New capacity in Gandhidham near Mundra port-Gujarat; facilitating speedy exports

Facilities in proximity to paddy procurement regions

Karnal facility is nested favorably near the paddy growing areas, providing access to superior raw materials. Further, Gandhidham facility is near to Mundra port, facilitating better export connectivity

State of the art processing facility in Karnal, Haryana using latest aerodynamics and Sortex technology. 1 MW captive solar roof top power plant.

Karnal is the hub for agricultural research institutes and the company has tie-ups with many agricultural scientists apart from in-house R&D

Silos Capacity
18,750 MT

12 Sortex
660 MT/day

9 Dryers
270 MT/day

Packing plants
9

Warehousing
80,000 MT

Our infrastructure

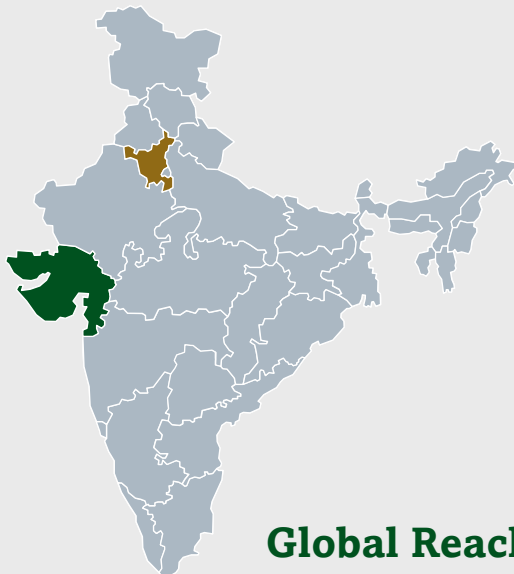


Integrated manufacturing operations

Our manufacturing process



100% of products manufactured locally

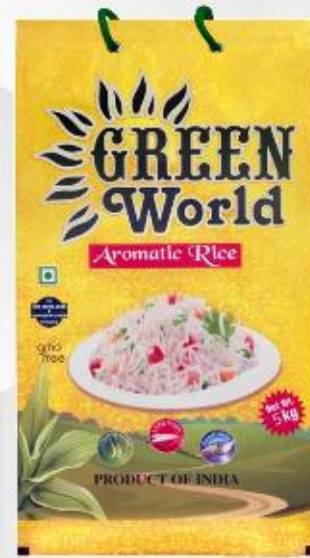


Karnal
Sales – 93%
Manufacturing, processing and packaging
Gandhidham
Sales – 7%
Processing and packaging

Global Reach – Local Production

<p>US FDA</p>	<p>ISO 22000:2018</p>	<p>Organic products standards</p>	<p>BRC [British Retails Consortium]</p>	<p>USDA</p>
<p>Halal India</p>	<p>FSSAI License</p>	<p>APEDA certified</p>	<p>Kosher</p>	<p>HACCP</p>

Wide Product Portfolio



Marketing Campaigns

Gulfood Dubai 2023



Indusfood 2023



Agro Pack Iraq Erbil 2022



WorldFood Istanbul-2022

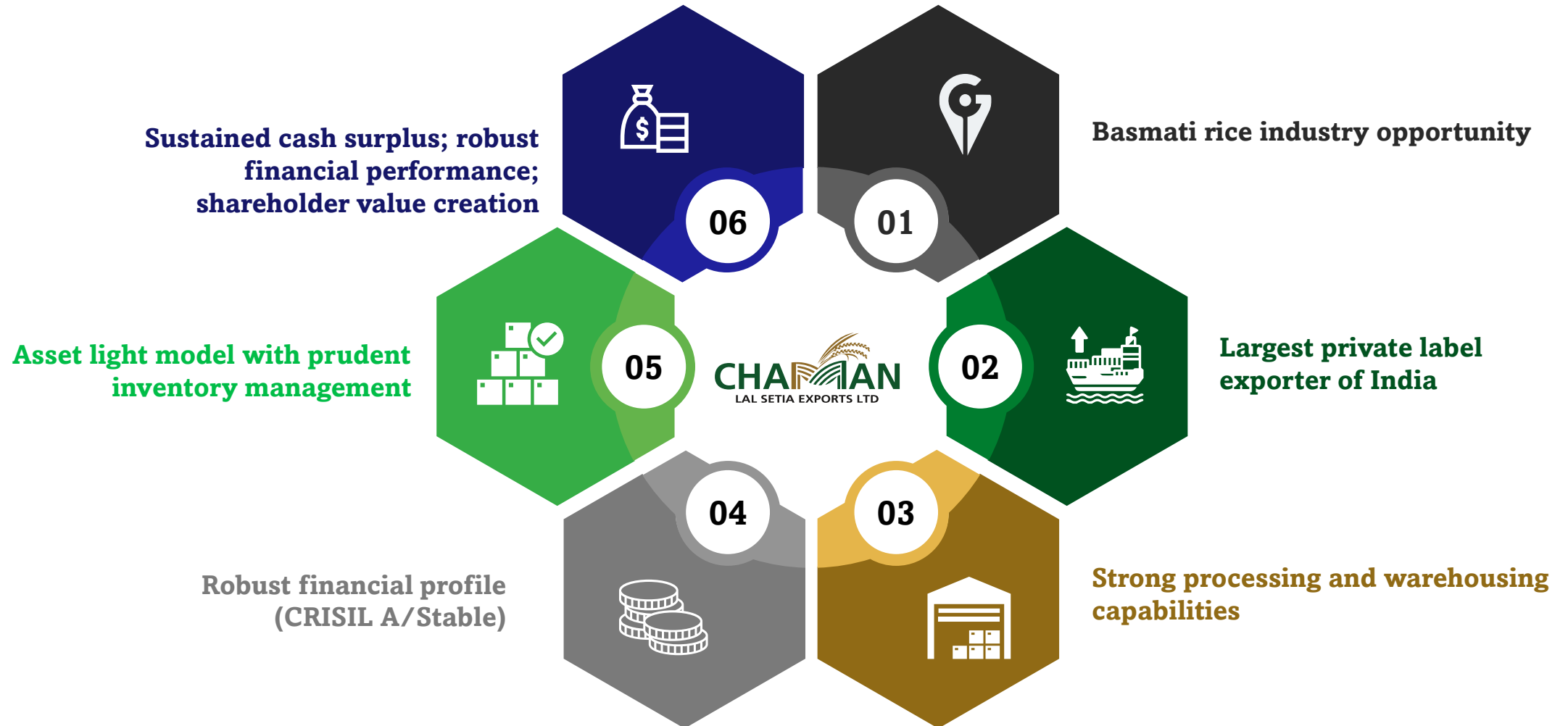




Investment Rationale



Key highlights





Quality Assurance

At Chaman Lal Setia Exports Limited, paramount importance is given to maintaining consistent quality. Our unwavering commitment to excellence drives us to invest in cutting-edge Research and Development (R&D) initiatives. Through continuous innovation and meticulous adherence to stringent quality control measures, we ensure that our Basmati rice consistently meets the highest standards in the industry.



Market diversification

To proactively manage risk and capitalize on opportunities, our company is diligently engaged in exploring new markets and strategically diversifying its customer base. By adopting a forward-thinking approach, we aim to strengthen our position in the market and drive sustained growth.



Operational efficiency

Elevating operational efficiency remains a strategic priority for our organization. We are steadfastly committed to optimizing our processes through seamless streamlining and the integration of cutting-edge technological advancements. By continually seeking improvements, we strive to enhance productivity and deliver exceptional value to our stakeholders.

Sustained improvement in credit rating

Credit Rating: CRISIL A/Stable

- This rating reflects adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

FY2023*	FY2022	FY2021
CRISIL A/Stable	CRISIL A-/Positive	CRISIL A-/Stable

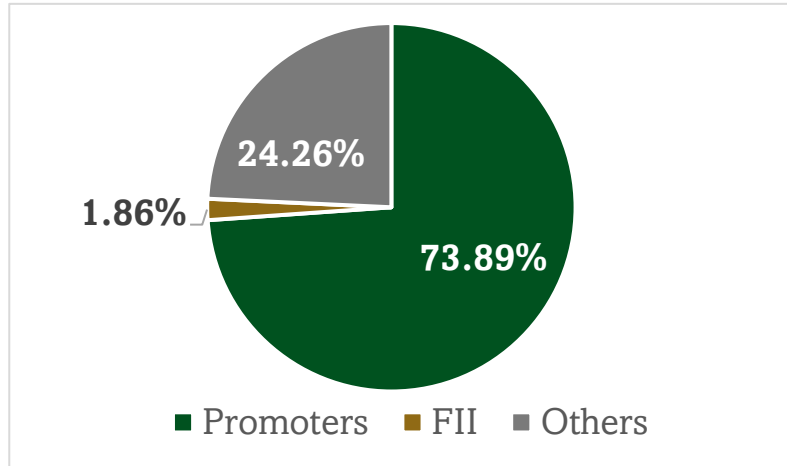
Dun & Bradstreet Rating

- D&B rating of “4A3” with outlook “Positive”
- D&B Indicative Risk Rating of ‘4A’ implies that the company has a tangible net worth between Rs. 200 Cr. and Rs. 480 Cr.

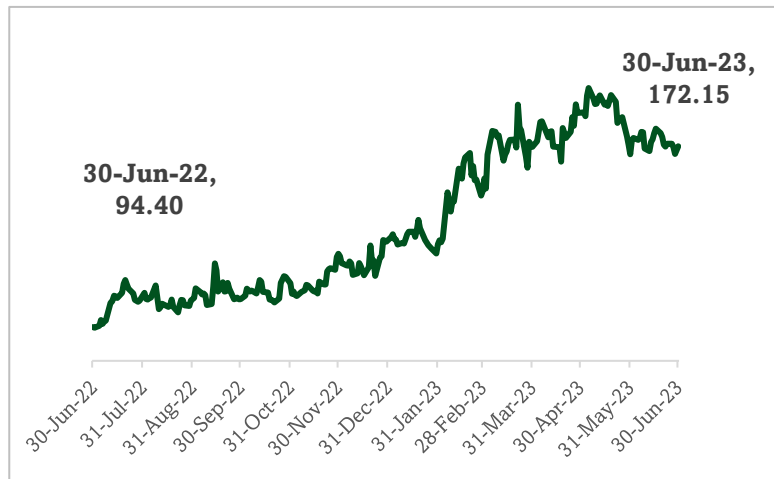


Shareholder value creation

Shareholding Pattern as of June 30, 2023*



1-Year Stock Price Movement*



Shareholder Information as on June 30, 2023

530307
BSE Ticker

CLSEL
NSE Symbol

Food Processing
Industry

891
Market Cap (Rs. Cr.)

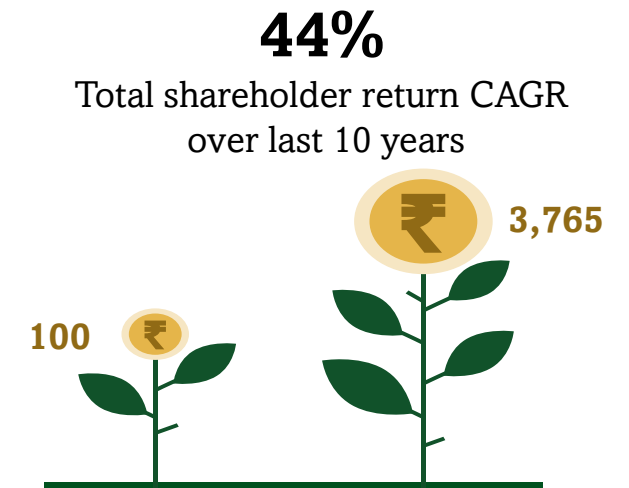
26.11
% Free-float

5.17
Shares Outstanding (Cr.)

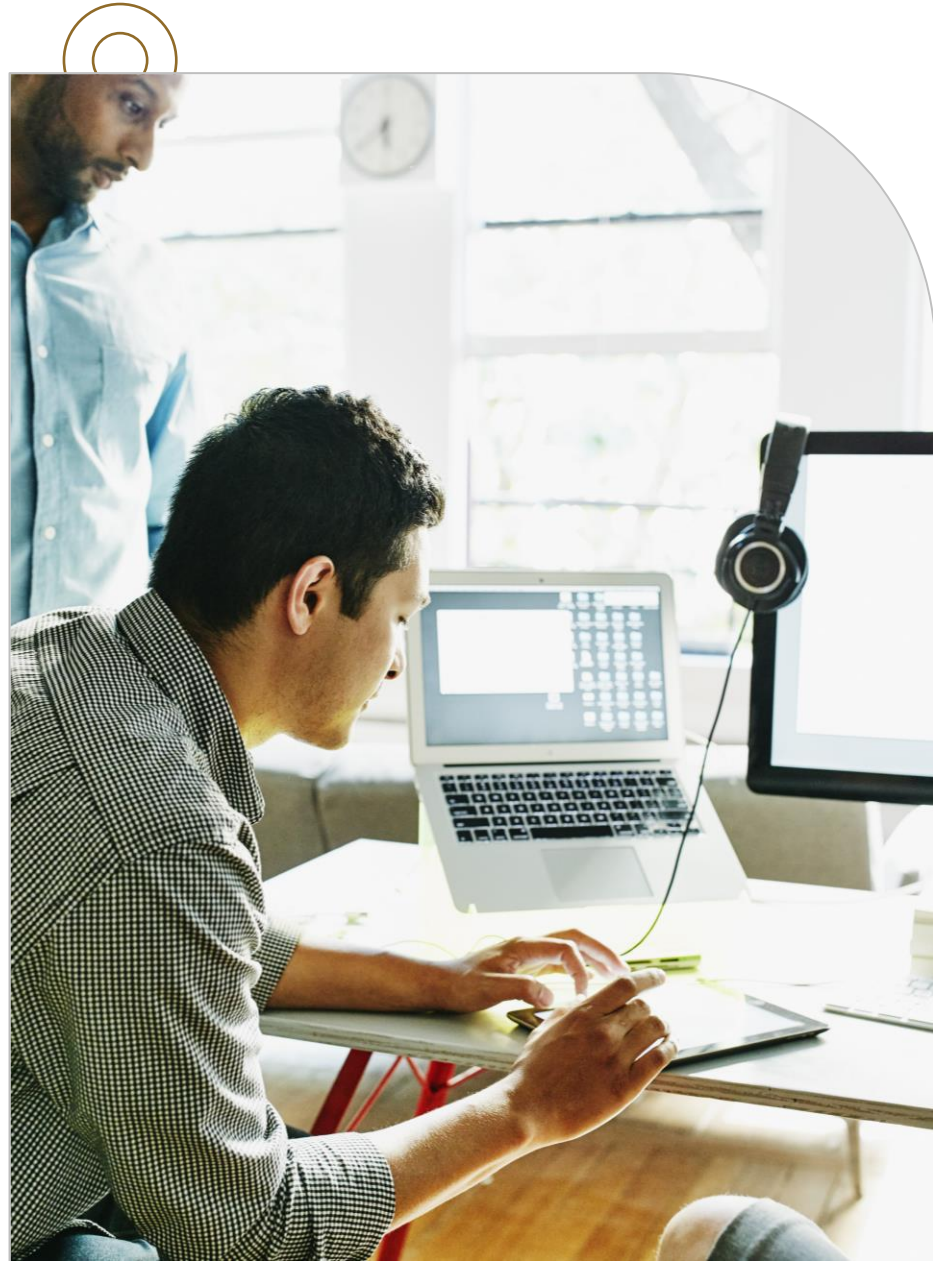
82%
1-Year Stock Price Return

49%
3-Year Stock Price CAGR

#397 of 500
Fortune India The Next 500 companies of 2023



Rs. **100** invested in Chaman Lal Setia Exports Limited on June 28, 2013, was worth Rs. **3,765** as on June 30, 2023.



Experienced Management



Key management team



Mr. Vijay Setia
Chairman &
Managing Director

Former All India Rice Exporters
Association President



Mr. Rajeev Setia
Joint Managing Director
& CFO



Mr. Ankit Setia
Executive Director



Mr. Sankesh Setia
Executive Director



Mrs. Shweta Setia
Executive Director



Annexures



Financial Summary – Profit and Loss Statement

Year Ended			Profit and Loss Statement (Rs. Cr.)	Quarter Ended		
FY23	FY22	Growth YoY %		Q1 FY24	Q4 FY23	Q1 FY23
1,387.3	932.5	49%	Revenue from operations	263.4	357.2	409.8
11.5	3.9	197%	Other Income	1.4	6.8	0.1
1,398.8	936.4	49%	Total Income	264.8	363.9	409.9
158.9	95.2	67%	EBITDA	38.7	48.5	32.9
5.9	5.3	12%	Depreciation and amortization expenses	1.5	2.3	1.2
153.0	90.0	70%	EBIT	37.2	46.2	31.7
7.3	6.8	7%	Finance costs	1.8	2.8	1.2
157.2	87.0	81%	Profit before tax	36.8	50.2	30.6
39.5	22.1	79%	Tax Expenses	9.3	12.4	8.3
117.7	65.0	81%	PAT	27.5	37.7	22.3
22.8	12.6	81%	EPS	5.3	7.3	4.3

Financial Summary – Balance Sheet

Equity and Liabilities	Mar-23	Mar-22
Equity Share capital	10.3	10.3
Other Equity	598.1	399.2
Total Equity	608.5	409.6
Non-current liabilities		
Financial Liabilities		
a) Borrowings	49.5	55.7
b) Deferred Tax Liabilities (Net)	1.5	1.5
Total non-current liabilities	51.1	57.2
Current liabilities		
Financial Liabilities		
a) Borrowings	71.0	62.1
b) Trade payables	8.6	26.7
c) Other current liabilities	17.1	15.5
d) Short-term Provisions	61.8	50.0
Total current liabilities	158.5	154.3
Total Liabilities	209.5	211.4
Total Equity and Liabilities	818.0	621.0

Assets	Mar-23	Mar-22
Non-current assets		
a) Property, plant and equipment	132.8	52.3
b) Capital work in progress	8.8	6.2
c) Other Intangible assets	0.1	0.1
d) Other non-current assets	0.3	0.3
Total Non-Current assets	141.9	59.0
Current assets		
Inventories	414.4	329.5
Financial Assets		
a) Investments	0.1	0.2
b) Trade receivables	153.9	173.4
c) Cash and cash equivalents	30.1	1.1
d) Other bank balances	15.3	5.3
e) Loans	0.6	0.9
Other current assets	61.5	51.6
Total current assets	676.0	562.0
Total Assets	818.0	621.0



Thank you

Registered Office :

Meerankot Road, P. O. Central Jail, Ajnala

Road,

Amritsar – 143002 India

CIN No.: L51909PB1994PLC015083

Investor Contact:

Ms. Kanika Nevtia

Company Secretary

Mobile: +91 9998680150

Email: ir.chamanlalsetia@clsel.in