

# **Agro Tech Foods Limited**

24<sup>th</sup> January 2024

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**Codes:** BSE Scrip code 500215, Co. code 1311  
NSE Symbol ATFL, Series EQ-Rolling Settlement

Dear Sirs,

## **Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Further to our earlier letter dated 15<sup>th</sup> January, 2024 regarding hosting of an analyst call on the unaudited financial results for Q3 and nine months ended December 31, 2023 on Wednesday, 24<sup>th</sup> January, 2024, we are enclosing a copy of the presentation proposed to be shared to analysts and investors at the said Call. The presentation would also be placed on the website of the Company.

You are requested to take this on record.

Thanking you,

Yours faithfully  
For Agro Tech Foods Limited

JYOTI  
CHAWLA

Digitally signed by  
JYOTI CHAWLA  
Date: 2024.01.24  
13:02:58 +05'30'

Jyoti Chawla  
Company Secretary and Compliance Officer  
Encl. a/a.

ATFL an affiliate of



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CIN: L15142TG1986PLC006957

# **Agro Tech Foods Limited**

**Q3, FY'24 Update**

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**January 24<sup>th</sup>, 2024**

## Company Strategic Vision

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**The Best Performing  
Most Respected  
Foods Company in  
India**

# Quarter 3 FY'24 – Key Performance Highlights

## Slow Growth in Foods – Lower Pricing in Staples

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- Foods Growth Rate starts to inch up but Spreads and RTC continue to be a drag. Update on actions taken and results to be shared.
- Current Growth driven by Semi Urban/Rural (Super Distributor Network) with growth of 11% (Volume 13%) as compared to 1% (Volume 3 %) in Urban (Redistribution Stockist Network) – reflects drag in RTC & Spreads.
- YTD GC and GM are up by Rs. 18 crore and Rs. 9 crore respectively. However, for Q3 figures are lower than PY (Rs. 3 crore & Rs 6 crore respectively) reflecting phasing of pricing.
- A&P largely at PY levels.
- YTD SG&A largely in line with PY other than Salaries, Travel & Freight.
- Q3 PBT and PAT are at Rs. 3.4 crore and Rs. 2.5 crore respectively.
- YTD PBT and PAT are at Rs. 12.1 crore and Rs. 8.9 crore respectively.

# Performance Highlights by Category



1. *Ready to Cook*  
(Rs. 18,000 crore)



2. *Ready to Eat - Western*  
(Rs. 28,500 crore)



3. *Spreads*  
(Rs. 3400 crore)



4. *Breakfast Cereals*  
(Rs. 3500 crore)



5. *Chocolate Confectionery*  
(Rs.13,600 crore)



6. *Staples*  
(N.A.)

\* Category Sizes in Brackets – At Retail Price

# Ready to Cook

RTC	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Volume	+4%	+1%	+4%	+3%
Value	+4%	-4%	+0%	+0%

- YTD Volume Growth of 5% in Instant Popcorn partly offset by flat Microwave Popcorn/Lower adjacencies.
- Plan to close the gap in IPC growth between 5% and the required 8% with higher media spends in FY'25 - Total A&P to increase from 6.5% to 7.5%.
- Lower base pricing will start to flow through in end Q4 in PY setting the base for Revenue to start growing in line with Volume.
- Gap in non-Popcorn businesses reduces from 49% at YTD Sep to 44% at YTD Dec with increased focus.
- Roll out of Cocoa Based products starts. Plant Meats In Market Testing commenced.

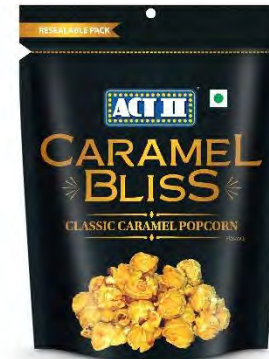




# Ready to Eat

RTE	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Volume	+35%	+15%	+15%	+20%
Value	+32%	+15%	+13%	+19%

- Steady Volume growth in Popcorn drives Category Growth.
- Sweet Snacks up 66% up to 8% share of RTE. To get to 10%+ some recipe changes required in Panned.
- Gift Packs of Sweet Popcorn rolled out in Q3. Slower than Chocolates but nevertheless a good start.
- Visible impact of Rs. 5 Panned range in Rural Markets together with Rs. 5 packs of Breakfast Cereals.
- Big Packs of RTE appear to be reaching an inflexion point. Together with supply chain work to increase penetration should help to further accelerate growth.



# Spreads & Dips

Spreads	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Volume	+0%	-4%	-5%	-3%
Value	-2%	-7%	-8%	-6%

- Steadily gaining ground in Mid Size Packs driven by Honey Roast PB– already dominate the Large Packs.
- Expect to be in positive Volume Growth by Q4 setting the base for solid growth in FY'25. Lag in Pricing.
- Rs. 10 Blister Pack settling down – Significant number of transactions support consumer acquisition.
- Visible gains in PB Distribution - reaches 99 M stores.
- Work completed for launch of the Dipper Pack at Rs.10 to further accelerate trial of Honey Roast PB.





# Breakfast Cereals

Breakfast Cereals	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Volume	+40%	+43%	-3%	+23%
Value	+49%	+45%	+6%	+30%

- Popz Center Filled Cereals continues steady growth – lower Volume index for Total Cereals due to launch of Masala Oats in Prior Year same period.
- Rewired architecture for Popz Shells implemented with Quarter 3 growth of 9%. Total Cereals distribution now up to 134 M stores.
- Roll out of Muesli commenced. Assess consumer acceptance in Quarter 4. Launch of Sweet Oats in Q4.
- Preparations for launch of Center Filled Coffee Variant completed and launch scheduled in Q4.



# Chocolates

Chocolates	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Volume	+38%	+9%	+11%	+17%
Value	+37%	-1%	+7%	+11%

- Steady expansion in distribution (up to c 120M stores). However low level of Volume Growth.
- Moderate acceptance of Rs. 5 pack - Size impression a likely barrier in comparison with wafer chocolates and larger brands like 5 Star.
- Address gap in expected growth with greater focus on Rs. 10 offering with launch of the Paan Variant.
- Product Integrity/Shelf Life also being addressed.
- Successful introduction of the new Gift Packs range with close to Zero inventory of the Rs 100 pack post Diwali.



# Staples

Volume	Q1, FY'24	Q2, FY'24	Q3, FY'24	YTD, FY'24
Premium	+5%	-10%	-12%	-6%
Mass	+49%	-10%	+7%	+9%
Total	+9%	-10%	-9%	-4%

Value	Q1 FY'24	Q2, FY'24	Q3, FY'24	YTD FY'24
Premium	-13%	-31%	-32%	-26%
Mass	+38%	-24%	-18%	-8%
Total	-8%	-30%	-30%	-24%

- Staples Volumes down 4% vs PY –Premium Oils partly offset by Mass Staples and Adjacencies.
- Roll out of Oats & Almonds continues with estimated Revenues of Rs. 10 crore+ in FY'24.
- Adjacencies support both increased efficiencies in Procurement & health of Distributor Network.



# **Competitive Update**

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# Snacks: Competition Spends

Rs. Million	F-17	F-18	F-19	FY20	FY21	FY22	Q1-23	Q2-23	Q3-23	Q4-23	FY23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23	Sep-23	Q2-24	Oct-23	Nov-23	Dec-23	Q3-24
ACT II	110	74	38	45	104	99	15	21	25	30	91	0	5	10	15	10	10	10	30	5	5	5	16
Lays	148	374	252	491	335	742	333	409	406	287	1435	244	211	59	514	0	0	0	0	47	134	0	181
Kurkure	196	260	396	321	236	333	78	81	4	234	398	43	22	0	65	0	66	319	385	132	0	0	132
Doritos	0	128	150	252	0	265	0	157	209	82	448	0	0	0	0	0	0	0	0	0	0	35	35
Cheetos	0	0	46	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bingo	683	965	815	954	1252	952	262	194	361	341	1159	54	124	232	410	211	55	17	282	53	136	104	293
Parle	0	0	0	0	19	2	0	0	129	28	157	0	0	0	0	0	0	0	0	0	1	0	1
Crax	58	55	106	139	139	212	61	175	20	46	301	10	0	0	10	3	11	1	15	49	11	14	73
Yellow D	248	145	256	139	62	106	28	25	9	20	82	6	8	9	23	11	11	9	31	8	14	11	33
Cornitos	10	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Too Yumm	0	146	470	312	161	238	119	53	57	0	228	1	4	2	7	0	0	0	0	1	0	0	1
Balaji	0	0	21	201	93	53	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0
Bikaji														0	0	4	16	59	79	31	5	10	46
Haldiram														2	2	1	1	5	7	6	2	1	8
<b>Total Tracked Brands</b>	<b>1517</b>	<b>2147</b>	<b>2549</b>	<b>2888</b>	<b>2402</b>	<b>3002</b>	<b>895</b>	<b>1115</b>	<b>1220</b>	<b>1068</b>	<b>4299</b>	<b>359</b>	<b>374</b>	<b>314</b>	<b>1047</b>	<b>240</b>	<b>169</b>	<b>420</b>	<b>829</b>	<b>332</b>	<b>308</b>	<b>180</b>	<b>819</b>

Steady spends behind Act II. Estimate a marginally higher annual spending (Rs. 4 crore) required to get to the 8% growth rate.



# Spreads: Competition Spends

Rs Million	FY-21	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23	Sep-23	Q2-24	Oct-23	Nov-23	Dec-23	Q3-24
Sundrop Spreads	58	49	10	18	13	12	54	0	3	6	10	6	6	7	19	3	3	3	10
Kissan Jam-	679	572	133	171	106	168	578	63	56	138	257	68	62	62	191	68	65	0	134
Kissan PB	196	508	106	112	98	142	458	27	22	105	155	47	48	44	138	58	33	14	105
Veeba PB	54	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amul Peanut Spread		9	1	2	8	8	20	1	0	1	2	0	0	0	0	30	1	0	30
Pintola PB		4	1	0	0	0	1	0	0	0	0	0	0	1	1	1	1	1	2
Saffola Peanut Butter								0	0	6	6	1	0	0	1	0	0	0	0
Saffola Honey	196	188	0	0	41	59	170	0	0	85	85	0	30	1	31	14	8	40	62
Patanjali Honey	62	136	100	0	28	51	179	16	0	16	32	9	11	108	129	163	44	69	276
Dabur Honey	364	140	9	9	50	15	82	4	3	2	9	20	48	3	71	16	30	16	62
Lion Honey	29	38	0	3	2	2	7	0	0	0	0	0	0	0	0	3	1	4	7
Apis Honey	7	0	0	0	3	6	9	0	0	0	0	0	0	0	0	0	0	0	0
Hershey's Spreads	60	79	0	36	18	17	72	14	0	0	14	0	0	0	0	0	0	0	0
Tracked Brands Total	1703	1753	359	333	354	469	1576	126	82	358	570	145	199	218	562	353	181	143	677

Steady spends behind Sundrop . Kissan continues spending.  
Hershey largely drops spending in FY'24.

# Breakfast Cereals: Competition Spends

Rs Million	FY-17	FY-18	FY-19	FY-20	FY-21	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23	Sep-23	Q2-24	Oct-23	Nov-23	Dec-23	Q3-24
Sundrop Popz														5	5	5	5	4	14	3	3	3	8
Kellogg Cornflakes	202	265	390	230	355	526	136	152	141	211	639	48	37	52	137	117	95	0	212	0	51	25	76
Kellogg Chocos Fills	0	125	203	17	9	49	20	23	25	42	110	18	15	1	33	0	24	6	30	15	2	0	18
Kellogg Chocos	310	362	509	329	344	354	60	79	81	102	322	40	29	63	132	56	37	11	104	20	4	0	24
Kellogg Muesli	0	118	239	147	177	187	86	75	114	104	378	44	31	15	89	4	0	0	4	0	0	80	80
Kellogg Chocolate Muesli																		2	2	10	1	0	11
Kellogg Granola	0	0	1	14	89	74	35	31	18	0	84	0	0	0	0	0	0	0	0	0	0	0	0
Nestle Koko Krunch & Munch Cereal	0	0	193	60	121	0	0	0	0	1	1	0	0	0	0	11	19	5	35	8	0	0	8
Nestle A+ Masala Millet																						2	2
Saffola Oats - Total	322	283	268	448	424	474	125	119	142	140	526	24	6	82	112	10	62	50	122	9	44	40	93
Quaker Oats- Total	102	164	110	269	184	296	12	82	105	43	242	59	0	5	63	7	3	7	18	1	0	0	1
Cadbury's Bournvita Fills	0	0	0		20	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tata Soulfull-Chocofills				17	0	131	91	11	46	36	184	4	0	59	62	2	3	0	4	0	0	0	0
Tata Soulfull - Muesli								5	29	4	38	2	0	5	7	2	0	0	2	0	1	4	5
Tata Soulfull Masala Oats Plus														6	6	0	0	0	0	0	0	0	0
<b>Tracked Brands Total</b>	<b>936</b>	<b>1317</b>	<b>1913</b>	<b>1531</b>	<b>1723</b>	<b>2096</b>	<b>565</b>	<b>605</b>	<b>700</b>	<b>682</b>	<b>2552</b>	<b>238</b>	<b>117</b>	<b>292</b>	<b>647</b>	<b>214</b>	<b>248</b>	<b>84</b>	<b>546</b>	<b>65</b>	<b>106</b>	<b>153</b>	<b>324</b>

ATFL maintains steady investment.  
Tata's reduce. Saffola lower than PY.

# Chocolates: Competition Spends

Rs Million	FY- 18	FY- 19	FY-20	FY-21	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23	Sep-23	Q2-24	Oct-23	Nov-23	Dec-23	Q3-24
Sundrop Duo					5		0	0	0	0				0	0	5	6	11	3	3	3	8
Cadbury 5 Star	744	482	727	960	1059	153	461	209	245	1067	55	64	62	181	63	59	73	194	65	58	150	273
Cadburys Celebration	138	212	277	399	437	7	106	310	19	441	8	6	5	19	14	285	0	299	218	146	25	388
Cadbury Dairy Milk	2229	2166	2362	2978	4383	1300	1654	1149	796	4899	502	541	335	1378	241	207	413	860	719	265	314	1298
Cadburys Fuse	598	407	477	509	443	83	547	116	155	901	52	43	42	136	49	33	76	159	28	34	39	101
Cadburys Gems	416	285	389	438	547	137	167	146	265	714	67	74	51	191	67	54	47	168	81	34	33	148
Cadburys Perk	321	231	598	470	561	102	170	119	130	521	27	29	24	79	37	43	67	147	52	66	49	167
Kinder & Kinder Creamy	484	837	1193	740	850	100	978	135	402	1615	0	89	36	125	55	0	58	113	122	79	0	201
Ferrero Rocher	0	0	0	179	143	0	0	1	0	1	0	0	0	0	0	0	0	0	0	2	0	2
Amul	7	61	139	109	111	1	129	19	29	178	3	0	0	3	1	0	0	1	0	0	0	1
Hersheys Kisses	0	42	235	314	423	21	228	219	166	634	0	0	47	47	49	16	0	65	58	35	26	120
Hersheys Exotic dark				54	265	0	314	83	118	515	0	0	0	0	0	0	0	0	0	0	0	0
Hersheys Choco Tubes					0		0	0	0	0	23	0	0	23	0	0	0	0	0	0	0	0
Snickers	217	259	201	65	127	11	101	32	16	160	4	0	26	30	0	0	26	26	66	9	72	146
Galaxy	0	0	23	21	249	12	10	15	3	40	25	0	45	70	21	33	17	70	33	40	12	85
Nestle Milky Bar	187	146	368	206	205	20	76	61	40	197	31	37	4	72	49	22	20	91	10	35	14	59
Nestle Munch & Munch Max	414	604	626	547	398	78	269	66	197	610	20	86	34	139	72	64	12	148	46	68	42	155
Nestle Kit Kat	597	712	841	943	577	181	402	131	243	957	50	78	85	212	84	96	56	235	110	108	142	360
Fabelle	0	23	69	53	7	8	12	8	5	33	0	0	0	0	0	0	0	0	0	0	0	0
Sunfeast																1	9	9	1	0	21	
CandyMan Fantastik					187	44	0	91	0	135	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total tracked brands</b>	<b>6352</b>	<b>6467</b>	<b>8525</b>	<b>8985</b>	<b>10977</b>	<b>2258</b>	<b>5624</b>	<b>2910</b>	<b>2827</b>	<b>13618</b>	<b>865</b>	<b>1044</b>	<b>795</b>	<b>2704</b>	<b>801</b>	<b>916</b>	<b>879</b>	<b>2595</b>	<b>1611</b>	<b>981</b>	<b>941</b>	<b>3511</b>

**Strong Category Margins drives Cumulative Spending to c Rs. 900 crore.**



# Edible Oils: Competition Spends

<i>Rs Million</i>	FY-12	FY-13	FY-14	FY-15	FY-16	FY-17	FY-18	FY-19	FY-20	FY-21	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23	Sep-23	Q2-24	Oct-23	Nov-23	Dec-23	Q3-24	
Sundrop Heart	88	94	50	65	46	34	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Saffola	121	212	356	291	338	320	588	544	527	400	375	62	71	78	62	273	22	42	0	64	0	0	0	0	0	0	0	0	0
Fortune	0	203	356	148	319	828	666	543	495	510	540	121	213	139	280	752	33	86	57	175	33	42	45	120	72	33	54	160	
Emami Ltd.					156	137	1214	647	626	799	578	121	82	318	271	791	105	104	32	241	46	66	87	199	60	23	55	137	
Oleev						27	41	30	26	40	91	0	7	0	0	7	0	0	0	0	7	0	0	7	0	0	0	0	
Patanjali					103	354	966	170	20	49	109	26	0	0	27	53	13	6	8	26	11	13	14	37	11	13	14	39	
Gemini										228	133	84	45	33	35	198	11	0	6	17	6	7	7	20	6	2	13	21	
Tracked Brands Total	209	509	762	504	961	1700	3576	1936	1694	2024	1825	415	417	568	675	2074	184	238	102	524	102	128	152	383	149	72	136	356	

Premium Edible Oils Spending drops to Nil.

# Q3 FY'24 Summary

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- YTD Foods Volume Growth at 5%. Addressing the drag caused by RTC and Spreads and believe there is sufficient strength in actions being taken/proposed.
- Gross Contribution levels of Foods at 46% close to best in class. With sufficient capacity in hand focus now on reducing cost including Labor, Energy & Obsolescence to deliver improvement at GM level.
- Impact of lower Edible Oils prices (c 35%) partly offset through growth in Foods, adjacencies in Premium Staples and higher shipments of Mass Oils.
- Making strong inroads in smaller towns and mass markets while we resolve RTC & Spreads to ensure a return to strong growth in 2024.



On Track...

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**The Best Performing  
Most Respected  
Foods Company in  
India**