

E:KRBL/BIBHU/STK_EX_2021/53
07 November 2020



✓	The General Manager Department of Corporate Services BSE Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Scrip Code: 530813	National Stock Exchange of India Limited “Exchange Plaza”, C-1, Block-G Bandra-Kurla Complex Bandra (E) Mumbai-400051 Symbol: KRBL Series: Eq.
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Dear Sir/Madam,

Sub: Investor Communication on Unaudited Financial Results of KRBL Limited for the Second Quarter (Q2) and Half Year ended 30 September 2020

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to enclose herewith the Investor Communication on Unaudited Financial Results of KRBL Limited for the Second Quarter (Q2) and Half Year ended 30 September 2020.

This is for your kind information and record.

Thanking you,

**Yours Faithfully,
For KRBL Limited**

**Raman Sapra
Company Secretary**

Encl.: As above



INVESTOR PRESENTATION

Q2 & H1 FY21



Thoughts from the management



Commenting on the performance for Q2 & H1FY21, Mr. Anil Kumar Mittal – Chairman and Managing Director, KRBL Limited said, "I am delighted to share that revenues from operations showed 27% improvement during Q2 FY21, whereas Profit After Tax grew 32% in the same period. This is the result of robust volume growth QoQ in our exports, and better sales in consumer pack business at home. India Gate continues to be the most preferred brand for customers in India and in several major Basmati consuming markets in the world. Our Unity brand has shown similar good growth in volumes and we are hopeful for it to build up robustly as we add to its available consumer pack options.

The benefits of safe and hygienic handling of the products along with the well-loved attributes of our range of brands are driving healthy uptake as the country experiences a phased un-locking. As the economy opens up with a new normal, we are prepared to meet the changed realities with strong positioning in the modern retail and e-commerce channels. Our HoReCa segment too has started showing a smart recovery and will continue to show better volumes as the restaurant and hotel industry truly opens up.

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. Given the expected softness in paddy pricing we are well prepared to stock up intelligently for the coming couple of years. Aged Basmati is our USP and we are completely self-sufficient in building up our inventories with the objective of growing profitably.

The Enforcement Directorate ("ED") vide order dated 3 July 2019, had attached a portion of land parcels and building thereupon, situated at Dhuri, Punjab, to the extent of value of Rs. 1,532 Lacs. I am glad to share here that the Hon'ble High Court of Delhi has disposed off in favour of the Company our application for restoration of possession of the land in accordance with the order dated 17 January 2020 passed by the Appellate Tribunal.

Our teams are constantly tuned to the evolving tastes of the consumer and have developed new categories of regional premium rice and health food options in different markets. 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 are hopeful that the demand scenario for consumption across the country will stabilize in the months ahead. And once things normalize, we will once again see encouraging growth in demand and sales across board."





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Serving the finest Basmati from India

- A heritage of achievement

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- Building an organic growth machine

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- Uniquely poised to leverage sector prospects domestically

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- Growing ahead by staying ahead of global trends

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- Doing good for investors and customers

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Corporate update





**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



Q2 FY21 key perspectives (YoY basis)

Robust YoY growth trends observed during Q2 FY21

Rice business marks 32% increase

Health segment business up by 29%

Sustained improvement in profitability parameters;

- Gross Profit up by 29%
- EBITDA up by 29%
- PBT up by 38%
- EPS up by 32%

H1 FY21 key perspectives

Demonstrated continued balance sheet strength and astute financial strategy

Cash generated from operations stands at robust Rs. 750 Cr.

Net Debt is down to negative Rs. 227 Cr.

Cash & Cash equivalent at Rs. 334 Cr.

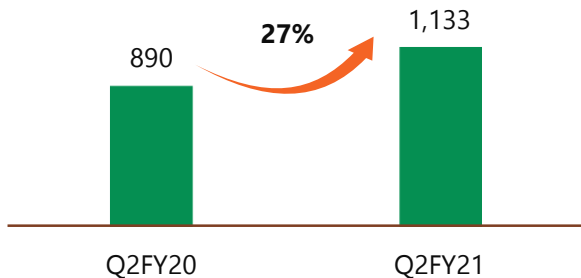
Improvement in financial parameters (YoY basis)

- Improvement in Net Debt to EBITDA ratio (-0.54x vs 0.42x)
- Finance cost sees reduction by 62%
- Current ratio improved by 26%
- Interest Coverage ratio improved by 164%

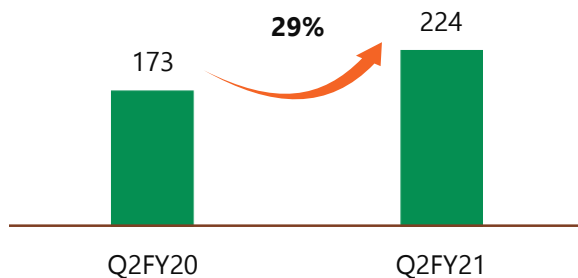


Quarterly performance

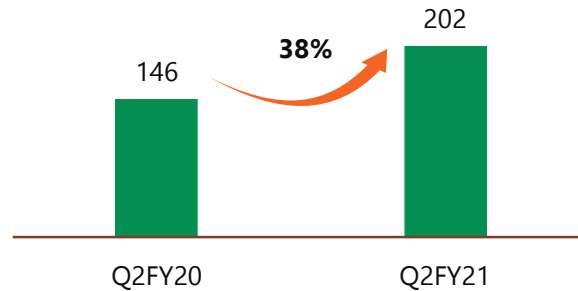
Revenue from Operations (Rs. cr.)



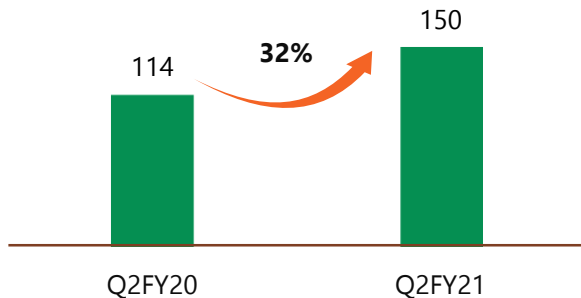
EBITDA (Rs. cr.)



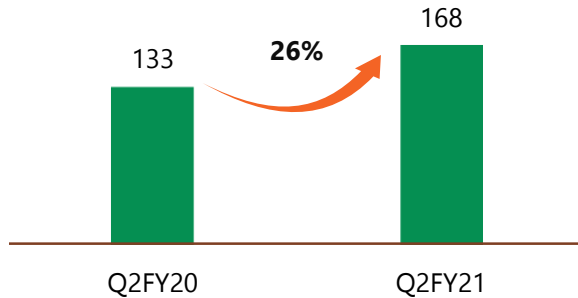
PBT (Rs. cr.)



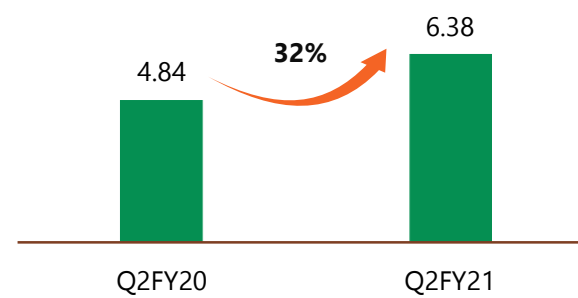
PAT (Rs. cr.)



Cash Profit (Rs. cr.)



EPS (in Rs.)



Details on standalone financials

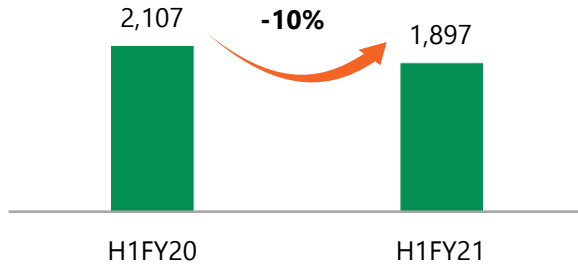


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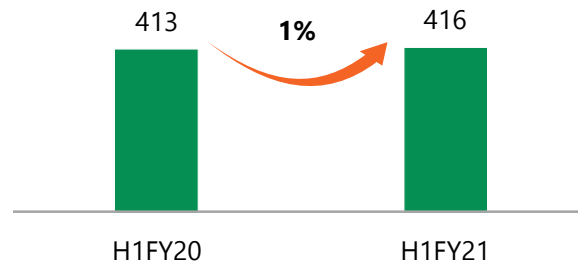


Half yearly performance

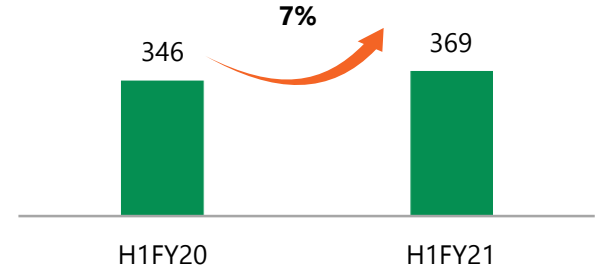
Revenue from Operations (Rs. cr.)



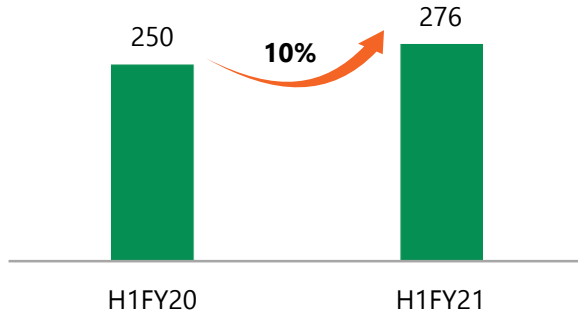
EBITDA (Rs. cr.)



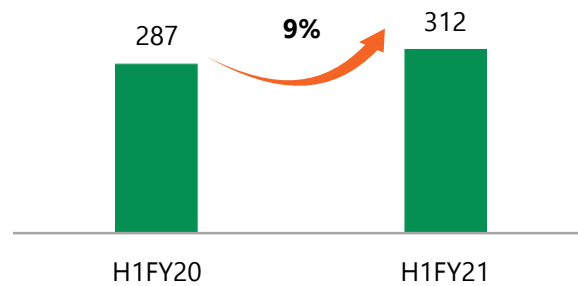
PBT (Rs. cr.)



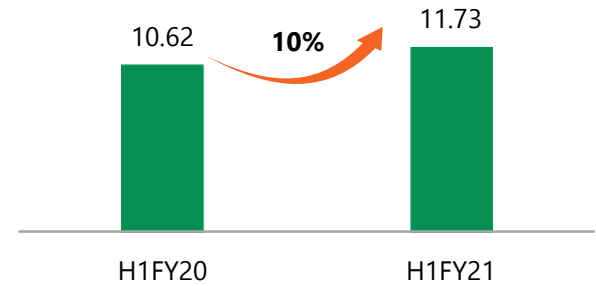
PAT (Rs. cr.)



Cash Profit (Rs. cr.)



EPS (in Rs.)



Details on standalone financials

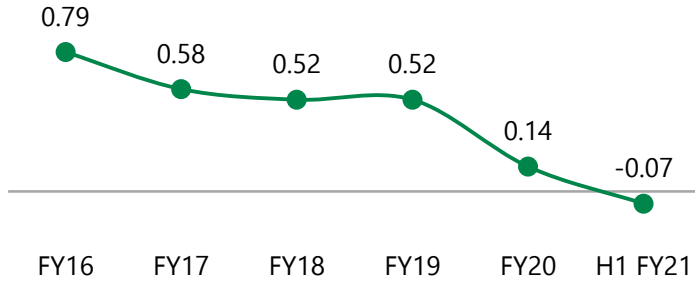


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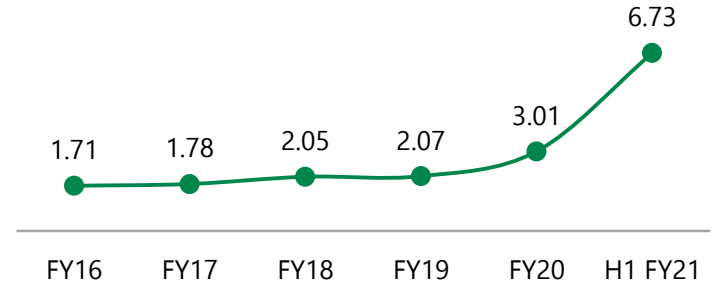


Best-in-class financial management

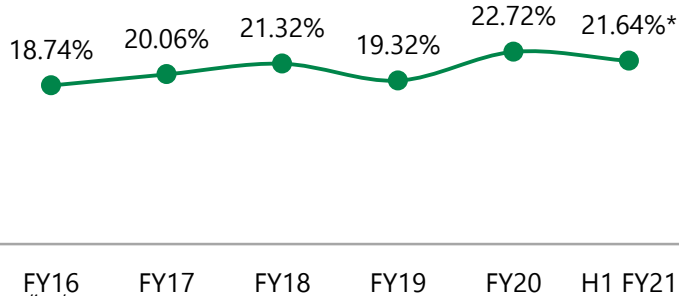
Net Debt/Equity Ratio



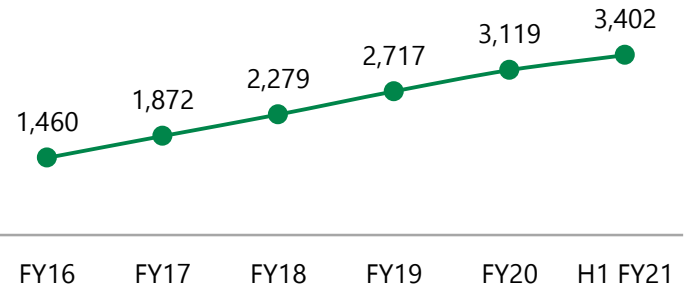
Current Ratio



ROCE



Net worth (Rs. cr.)



**Annualised
Details on standalone financials*



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.

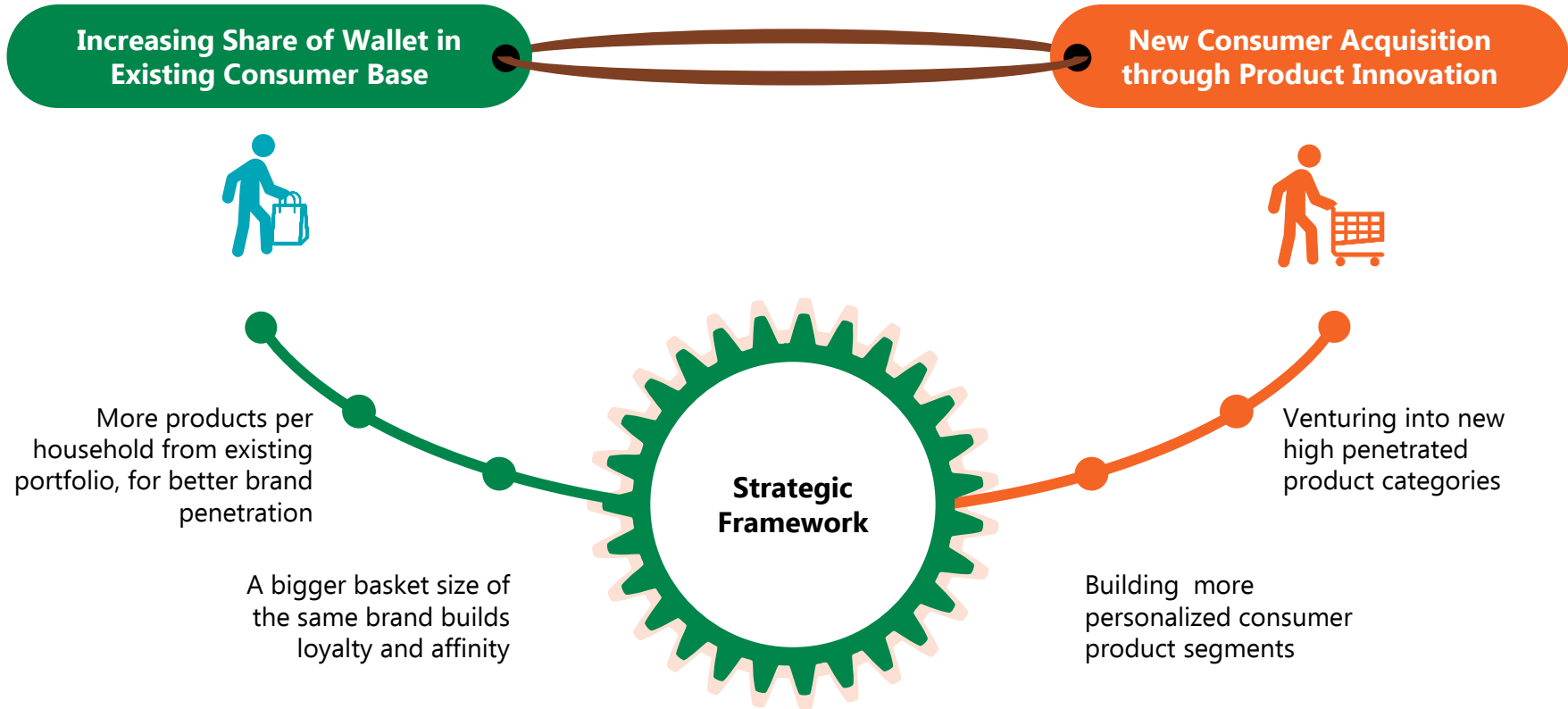




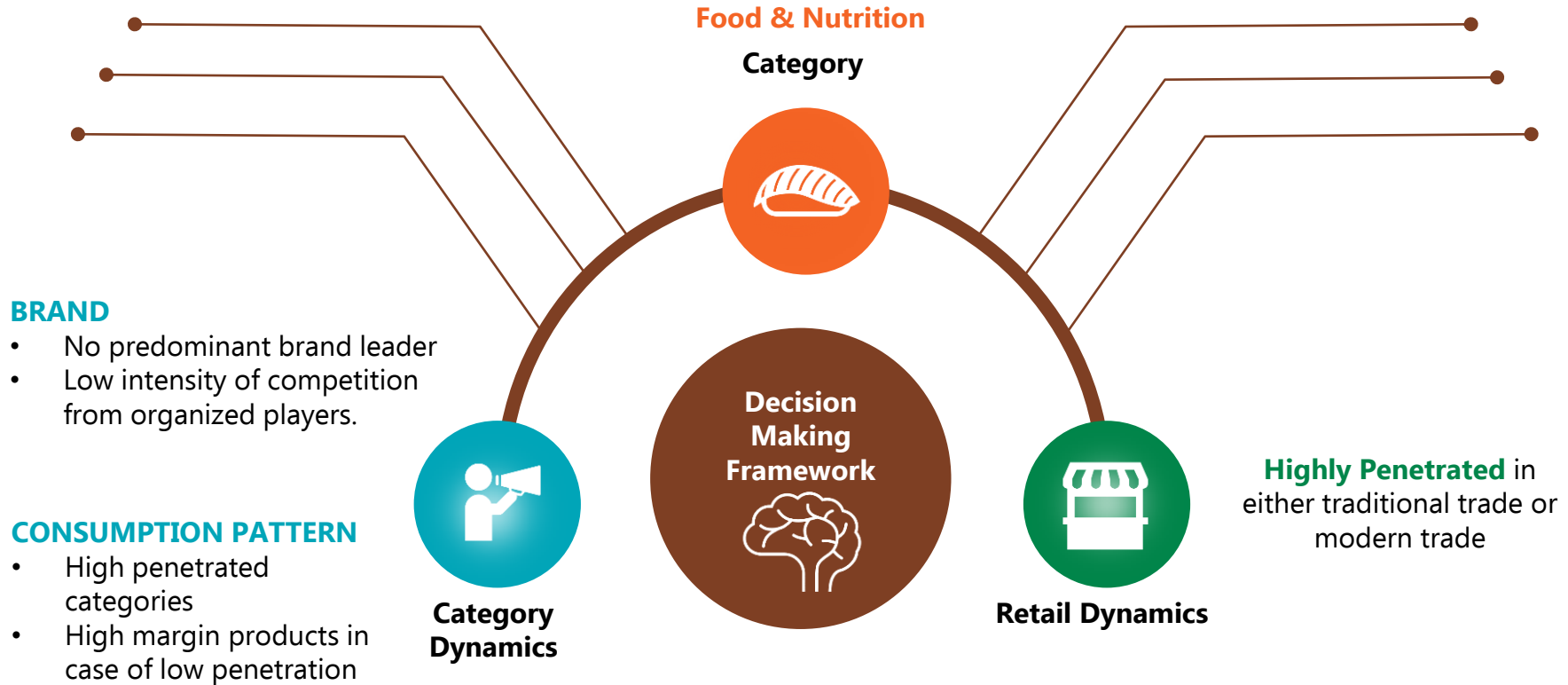
Future Adaptive Business Strategy-

Building an organic growth
machine

Building an organic growth machine



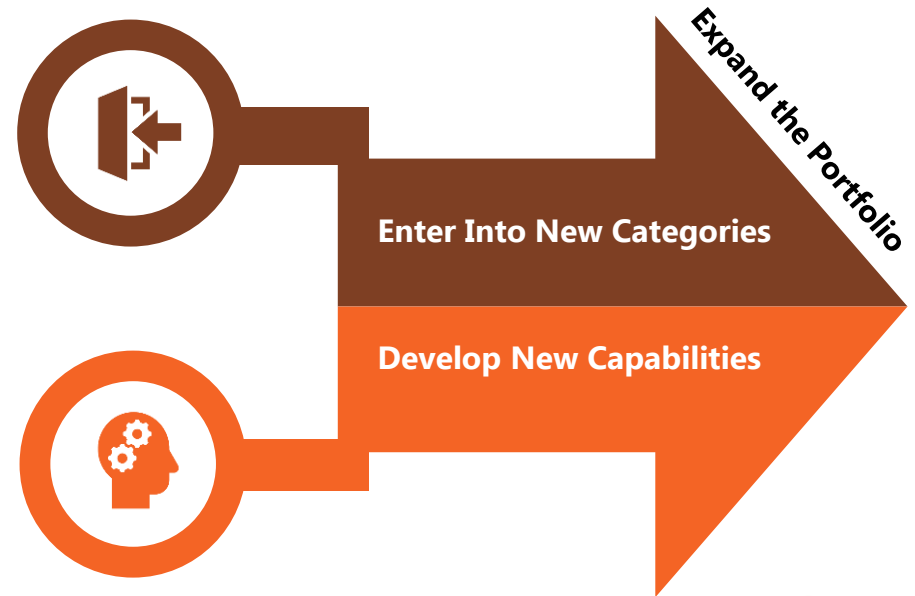
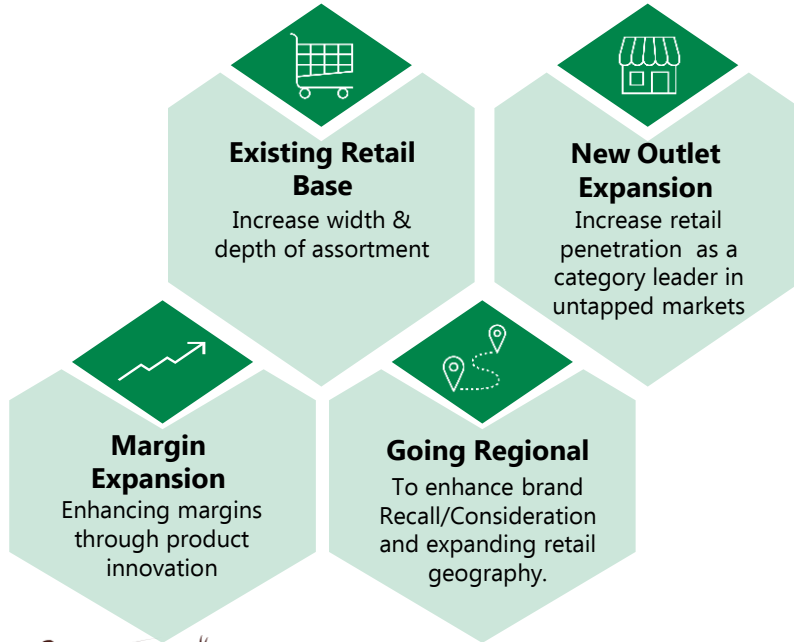
Building an organic growth machine



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

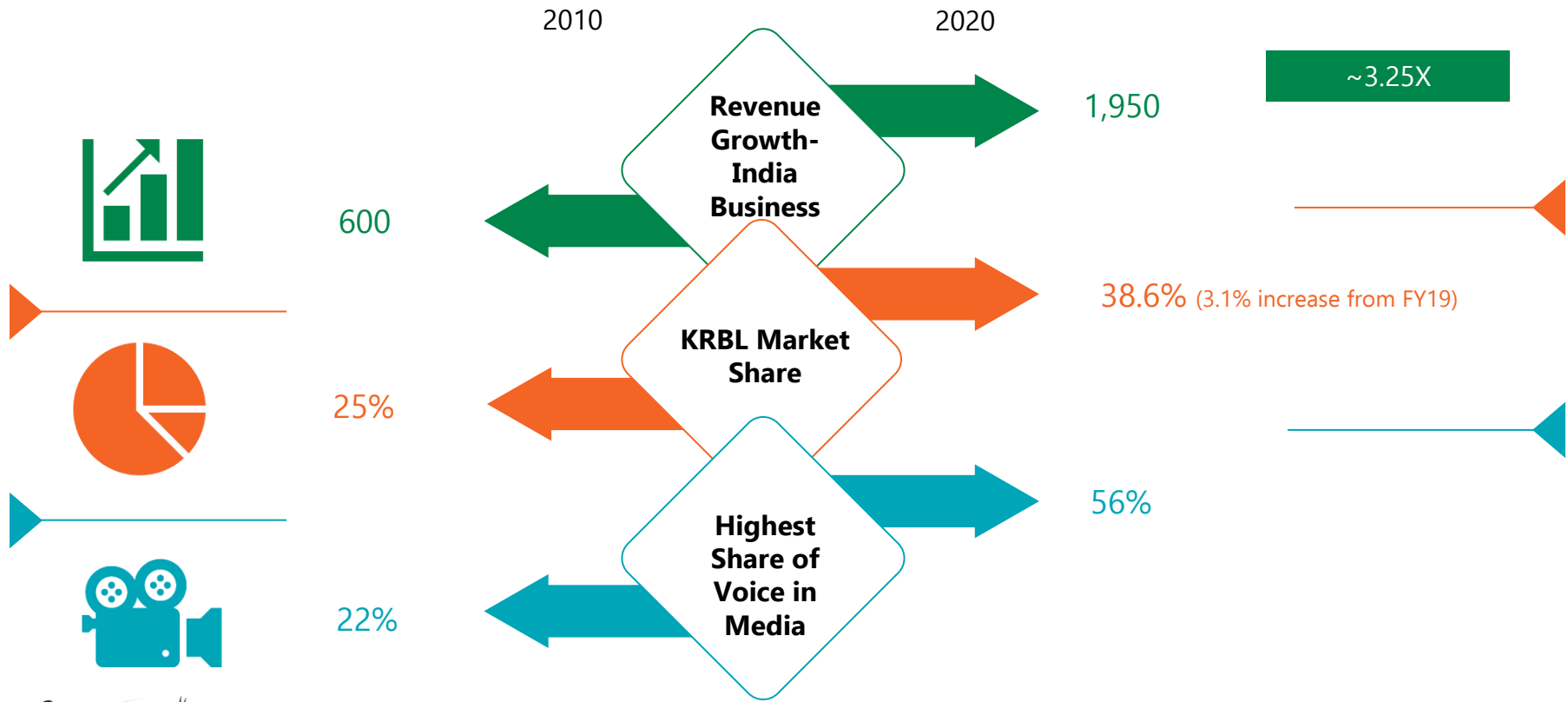




History of leadership at home

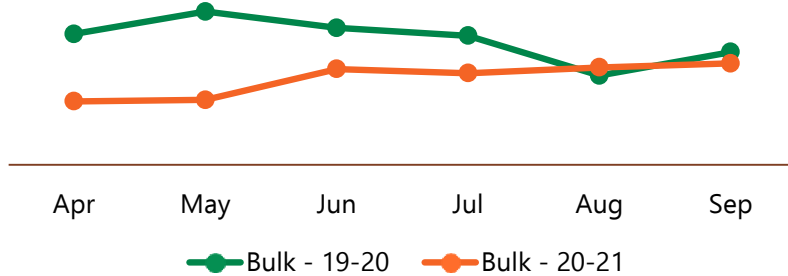
- Uniquely poised to leverage sector prospects domestically

A decade of market dominance



Segment wise performance – H1 FY21

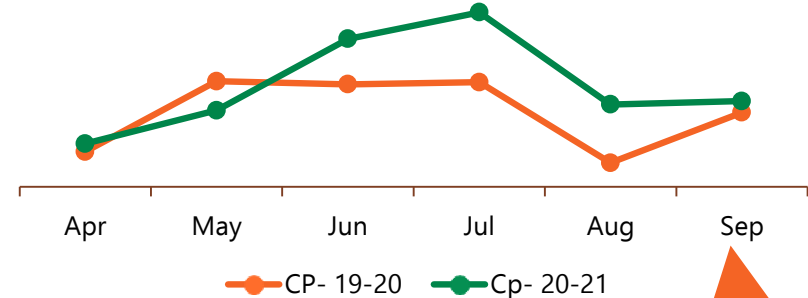
Bulk Pack Performance YoY



Bulk pack sales have arrested de-growth from a 47% Dip in Q1 to only 12% Dip in Q2 and recovering fast.

With festive and marriage season kicking in Q3, bulk pack sales are expected to surpass pre-covid levels.

Consumer Pack Performance YoY



Highest Ever Consumer Pack Sales in H1

While Consumer pack segment showed persistence within the lockdown period, Q2 has delivered a very promising 19% growth YoY.

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



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



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)



20%

Contribution of overall Consumer Pack Sales



59%

Volume Growth in E Commerce



37%

India Gate market share in modern trade

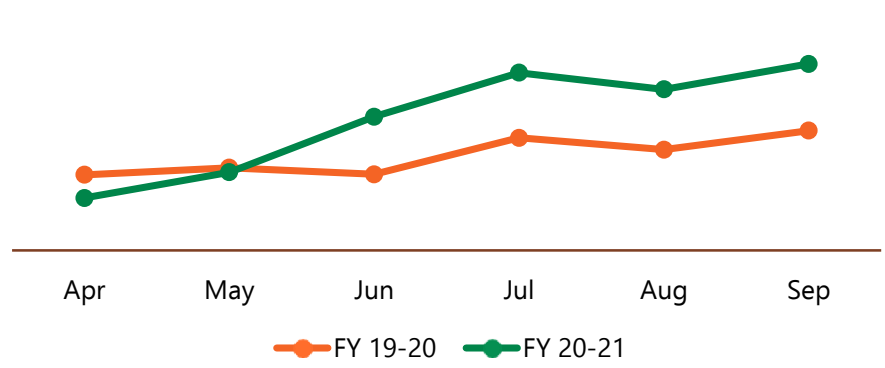


The fastest growing channel in the year. E comm is set to clock highest ever numbers in the current FY.



ADVANTAGE KRBL – Vibrant trends during pandemic

Health Portfolio



Growing awareness of immunity boosting products gave a boost to the health range in H1

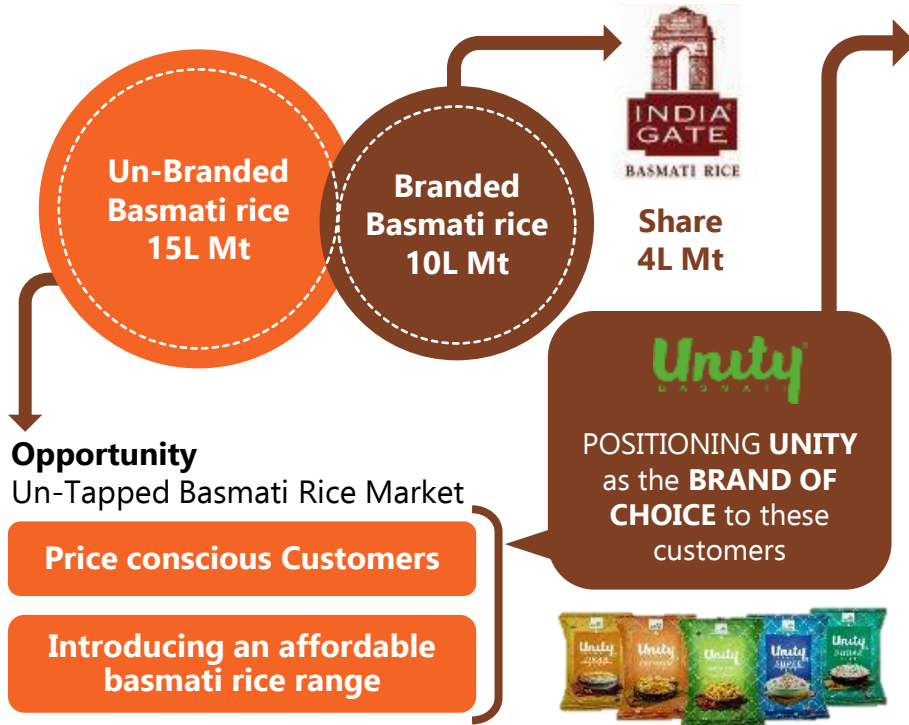


The health portfolio saw over 39% growth

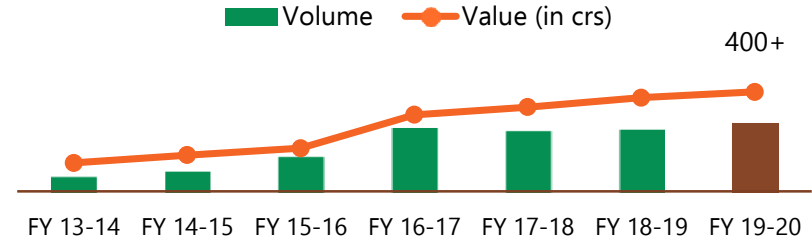


Indian Basmati Rice Market - A key perspective

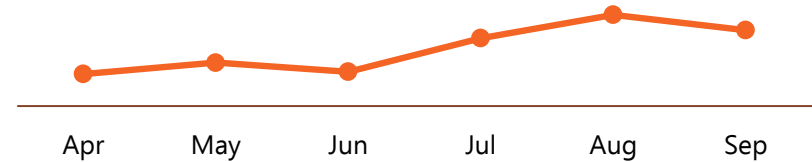
Indian Basmati Rice Market- 25L Mt



Unity YoY Growth



Unity Consumer Pack Sales- H1'21



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 promise with an impressive growth of 114% QoQ.



Project Disha – Incorporating the future of operational excellence



Giving back to society- KRBL cares - #UmeedHainHum



20 Mn+

MEALS



40+

Help extended in more than 40 cities



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



35 lakh+

Worth of PR value generated



www.indiagatefoods.com/umeed



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Touching lives | India Ki Purani Aadatein media campaign



India Ki Purani Aadat

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[Click to See The Full Video Here](#)

The biggest media campaign in the category during lockdown

50+ Channels nationally | Over 20,000 Ad Spots

Highest share of voice in the category for H1 at 56%



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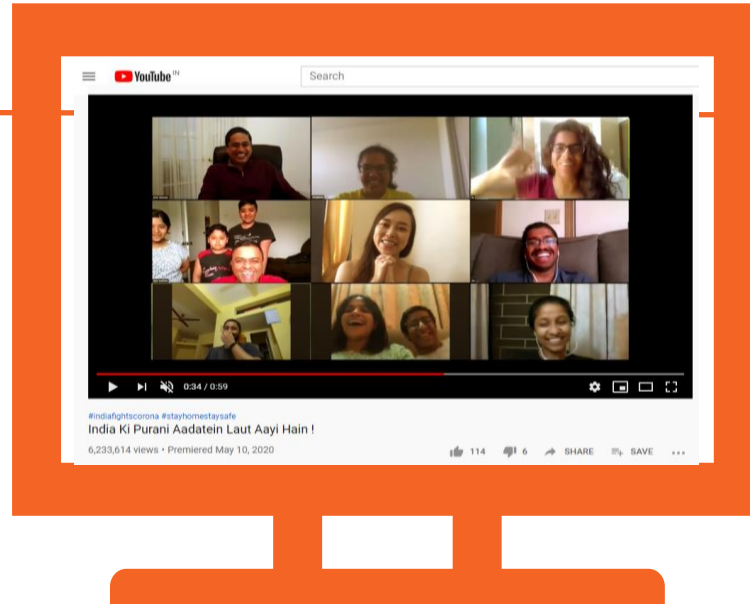


Top of mind presence across media channels

7 Million+
Views on
YouTube



20 Million+
Views on
Facebook



**Most seen
MULTIMEDIA
CAMPAIGN**
in lockdown
period in the
category



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

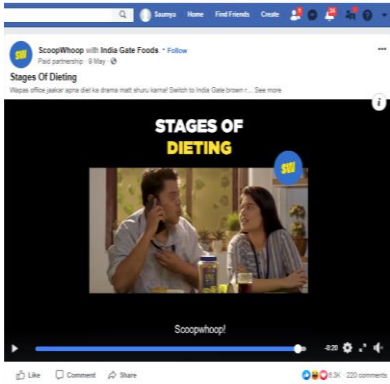


Versatile digital initiatives throughout lockdown period



Celebrities Cooking

Lockdown Recipes



Health /Immunity

Emotional Connect



More than 50 Million Impressions

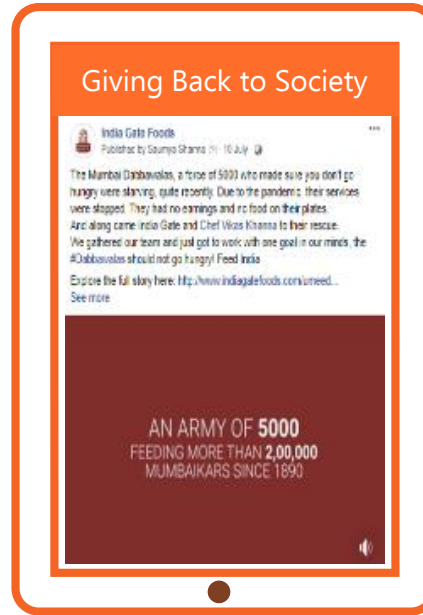


Uplifting brand imagery with emotional connect on social media

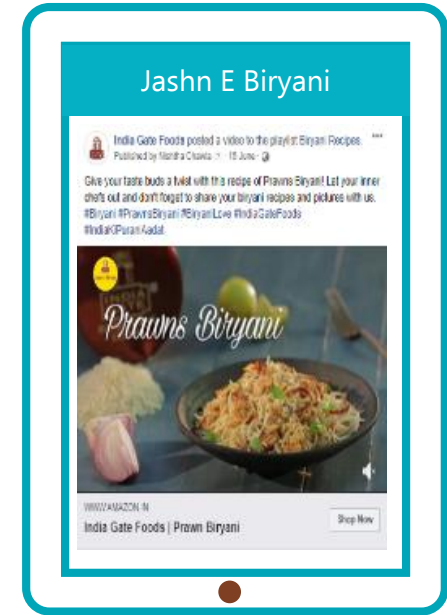
**Eid Mubarak –
#UmeidMubarak**
More than 2 Mn views



#UmeedHainHum
More Than 6 Mn Views



Jashn - E - Biryani Recipes
More than 2 Mn Views



More than 10 Million Views on Social Channels



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Championing Basmati abroad

-Growing ahead by staying
ahead of global trends

Realities that define KRBL's export business

#1
Indian basmati rice brand

India Gate's position in Canada both in Ethnic and Modern Trade

#2
Indian basmati rice brand

India Gate and Bab Al Hind's position in the Indian basmati white rice segment in Saudi Arabia

#1
Indian rice brand

Nur Jahan's position in South Africa

#1
Indian basmati rice brand

India Gate's position in Qatar, UAE, Bahrain, Australia, New Zealand and Fiji

#4
Indian basmati rice brand

Nur Jahan's position in Qatar

44%

Nur Jahan's import share with KRBL brands in South Africa

34%

India Gate's market share in the UAE rice industry

28%

India Gate's import share in Australia, New Zealand and Fiji

34%

KRBL's import market share in Nepal

35%

KRBL's dominant import market share in Northern African markets such as Algeria and Sudan

Growing presence in international business

14.4
Million AED

Total estimated PR value

40

Blogger Collaborations

7.46%

Engagement per post (approx.)

274

Media Alerts & Articles



New product offerings

Rice Bran Oil



India Gate Basmola Rice Bran Oil – Known as one of the most nutritious edible oils used to maintain healthy cholesterol levels besides promoting overall health and well-being. It is a very versatile option in healthy modern cuisine and finds application in various everyday cooking preparations.

Amaranth



India Gate Amaranth is a pseudo-cereal and a dietary staple in many parts of the world. It is a naturally Gluten Free food which helps in metabolization of protein and other macronutrients. Finds multiple applications and is very routinely consumed as an alternative to traditional true cereal such as Wheat.

Added two new products to healthy foods, branded portfolio- Rice Bran Oil and Amaranth



Key brand line up in international business



International Health Brands



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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.



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



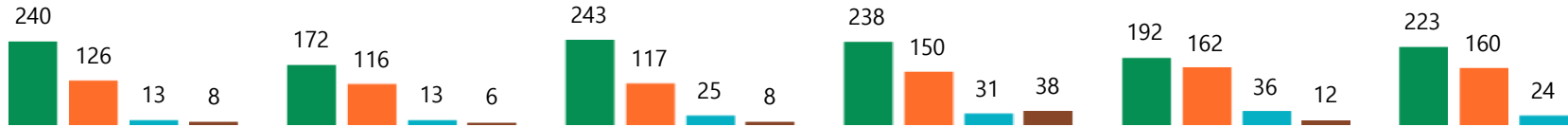


Delivering consistent outcomes

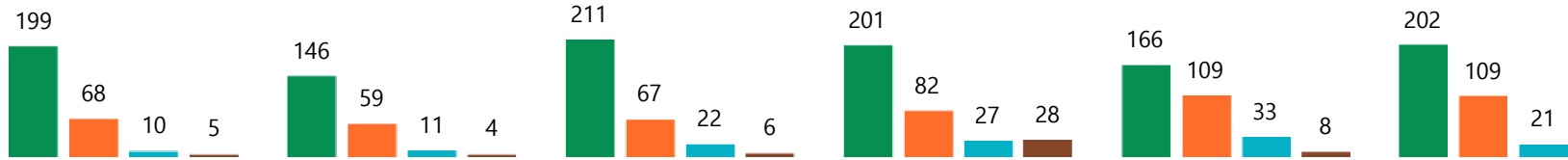
-Q2 & H1 FY21: Sustainable
performance parameters

Historically outperforming in the Basmati industry

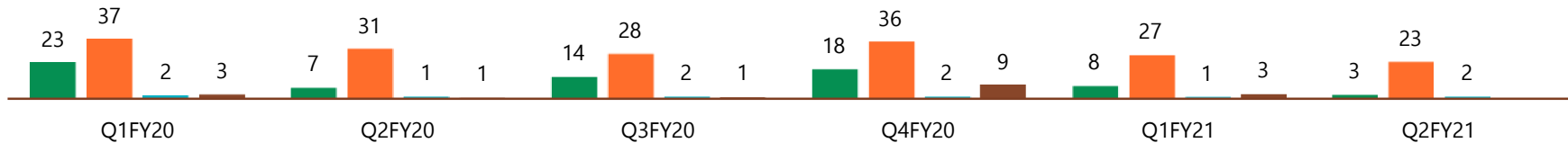
EBITDA



PBT



Interest Cost



*Q2 FY21 result for GRM not declared

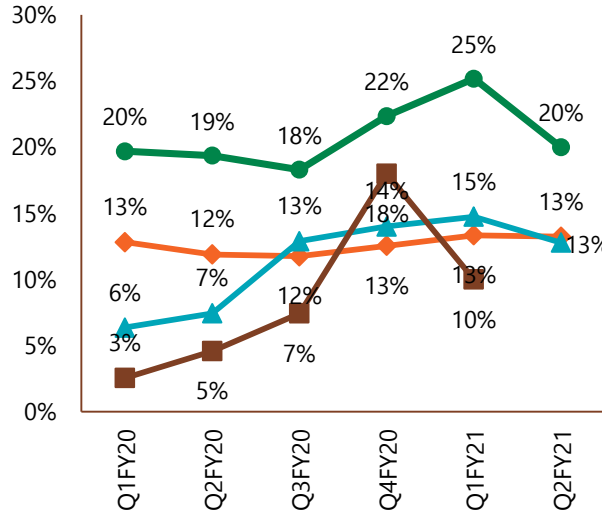
■ KRBL ■ LT FOODS ■ CHAMAN LAL ■ GRM*

All peer data sourced from publicly accessible stock exchange filings

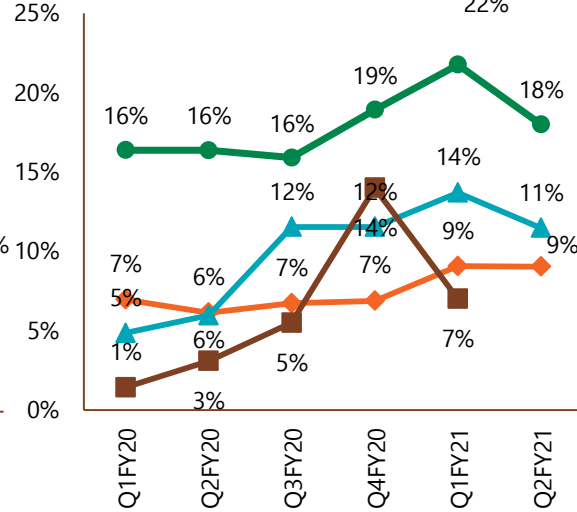


Historically outperforming in the Basmati industry

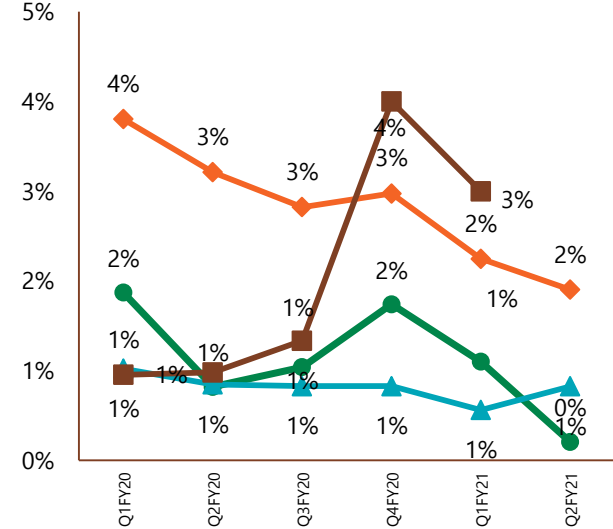
EBITDA Margin



PBT Margin



Interest Cost as % of Revenues



*Q2 FY21 result for GRM not declared

■ KRBL
 ■ LT FOODS
 ■ CHAMAN LAL
 ■ GRM*

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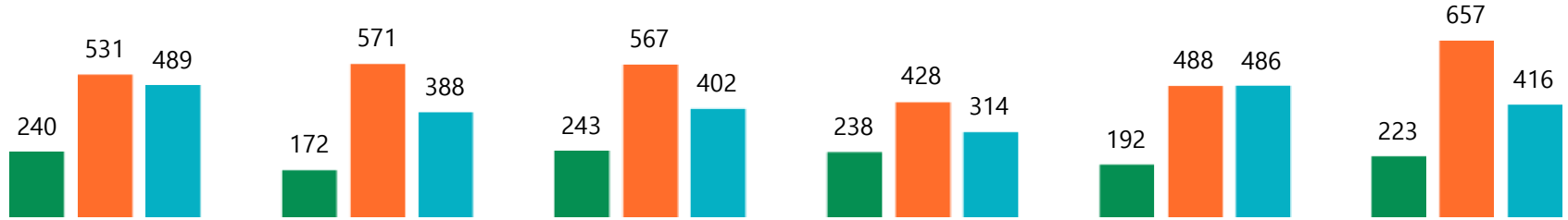


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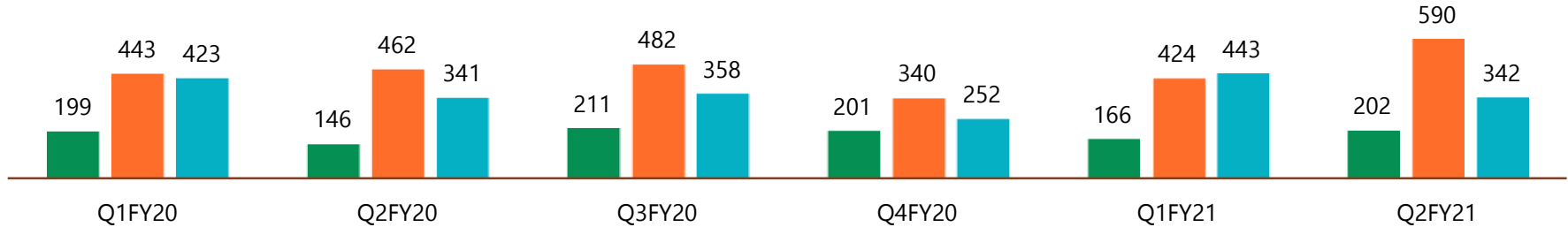


Matching outcomes within the FMCG sector

EBITDA



PBT



■ KRBL
 ■ DABUR
 ■ MARICO

All peer data sourced from publicly accessible stock exchange filings

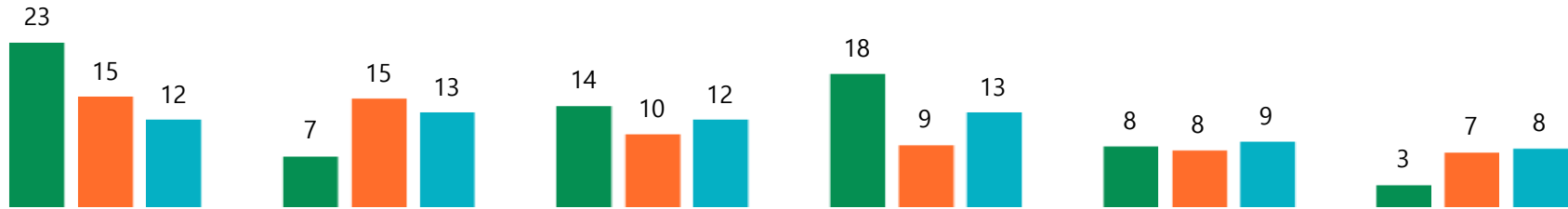


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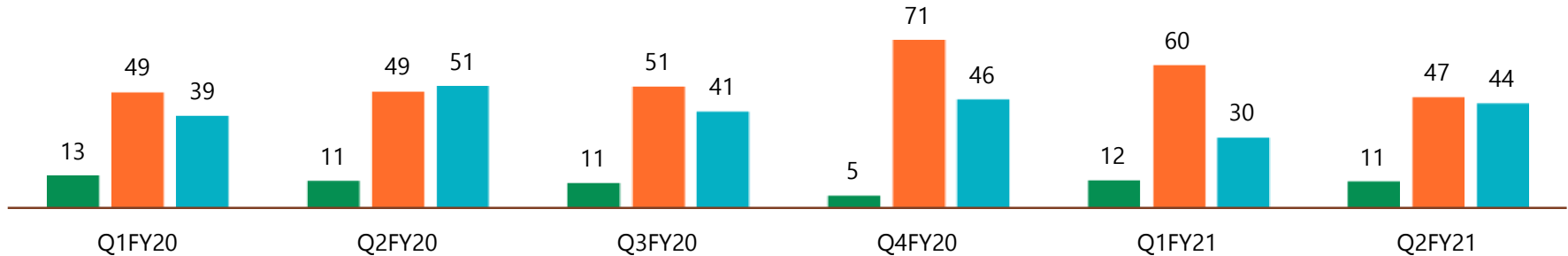


Matching outcomes within the FMCG sector

Interest Cost



P/E (annualised)



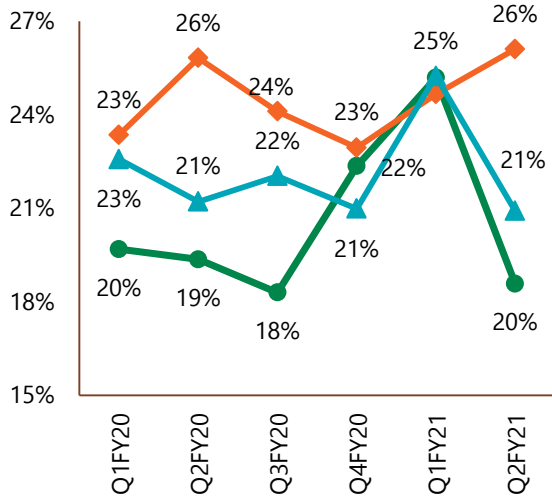
■ KRBL
 ■ DABUR
 ■ MARICO

All peer data sourced from publicly accessible stock exchange filings

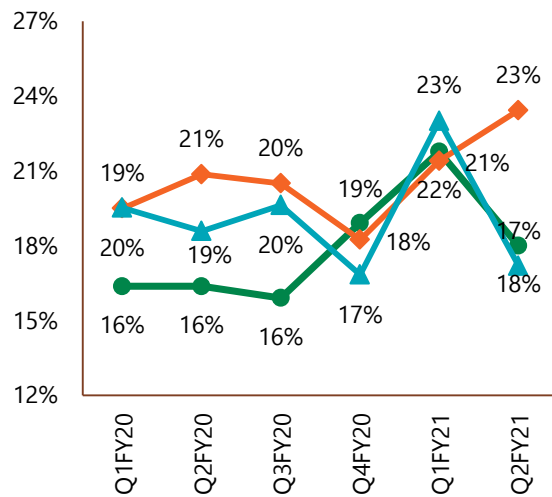


Matching outcomes within the FMCG sector

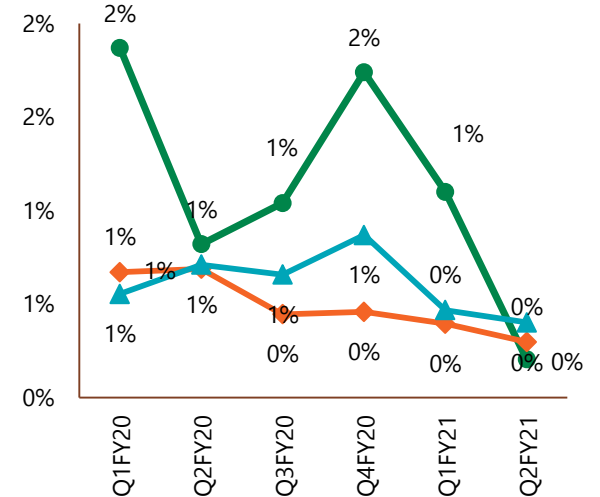
EBITDA Margin



PBT Margin



Interest Cost as % of Revenues



■ KRBL ■ DABUR ■ MARICO

All peer data sourced from publicly accessible stock exchange filings

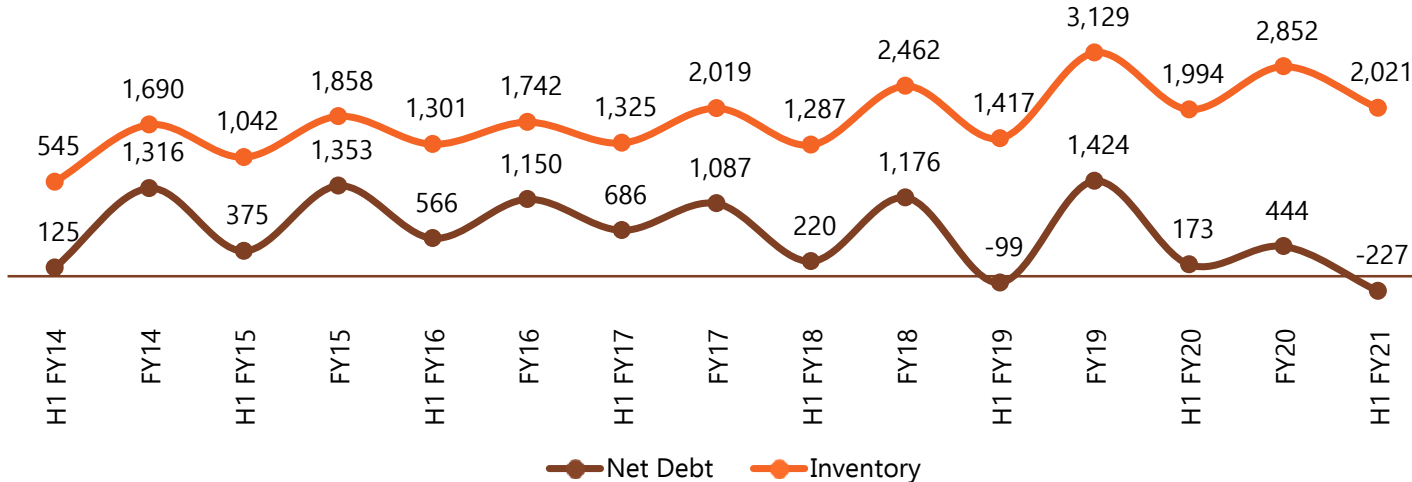


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Aiming for sustainable zero debt status alongside inventory led growth

(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. -227 crore in H1 FY21

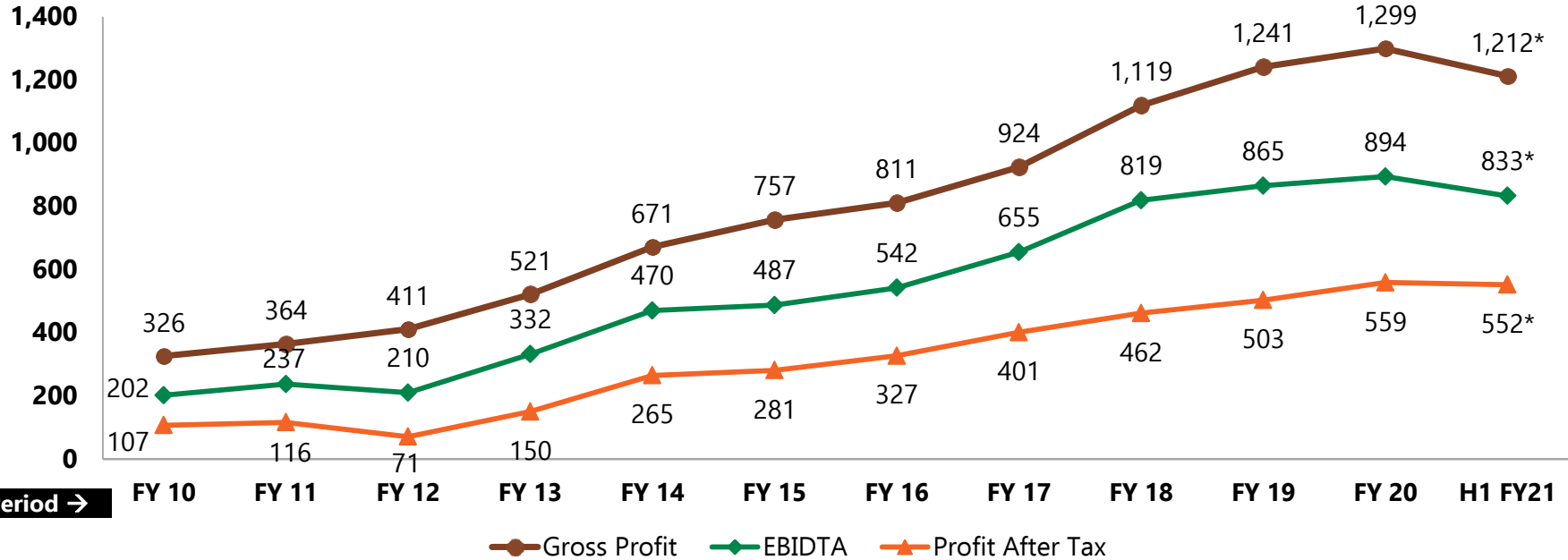
- The above data indicates the growing financial strength of KRBL as it continues to reduce its dependency on external funds for building its inventory.
- Most of the debt for the Company is in the form of working capital, which starts rising with the commencement of procurement of paddy in H2 every 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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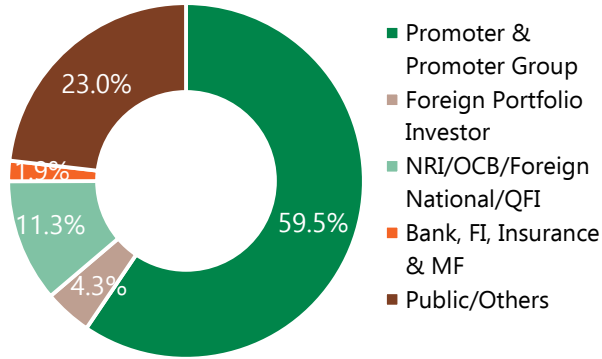


Benefiting key stakeholders

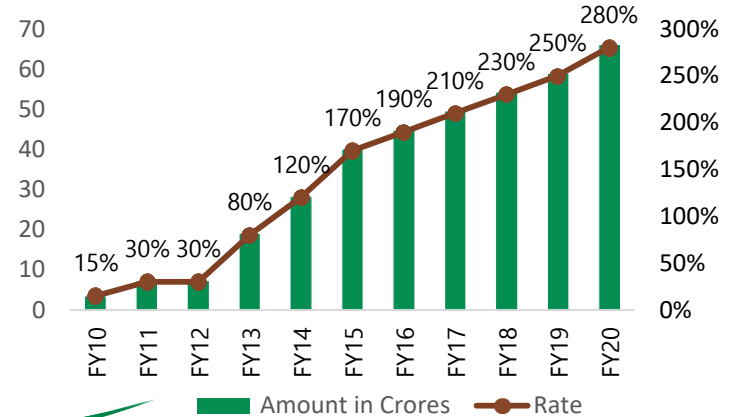
-Doing good for investors and customers

Establishing strong ties, while boosting shareholders value

Shareholding Pattern (Sept 2020)



Dividend paid by KRBL Limited since FY10



Key Shareholders

Vanguard
Kuwait Investment Authority
Nippon India Mutual Fund
Premier Investment Fund

Stock Data

BSE/ NSE/ Bloomberg Ticker KRBL/ KRBL/ KRB:IN
Market Capitalisation (Rs. in cr.) ~6,270
No. of shares outstanding (Rs. in cr.) 23.54
52-week High/ Low (Rs.) 339.60/ 91.25



Update on the attachment by Directorate of Enforcement

- The Enforcement Directorate ("ED") vide order dated 3 July 2019, had attached a portion of land parcels and building thereupon, situated at Dhuri, Punjab, to the extent of value of Rs. 1,532 Lacs.
 - ❖ The Company filed an appeal with Appellate Tribunal, PMLA, New Delhi, who vide its order dated 17 January 2020 had restored the possession to the Company on interim basis against which ED has filed an appeal before the Hon'ble High Court of Delhi, which is pending disposal.
 - ❖ The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in accordance with the order dated 17 January 2020 passed by the Appellate Tribunal.
 - ❖ The said application has been disposed off in favour of the Company and the Company is allowed to use the said land and building thereupon for specified purpose against the deposit of Rs. 1,113 Lacs.
- The Company based upon the legal assessments, is confident of favourable disposal in its favour.



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.

For further information, please contact:



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