

# Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Export House)

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

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CIN No. : L51909PB1994PLCO15083

ISO 22000 : 2005  
Certified Co.

04.02.2023

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

Dear Sir,

**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.csel.in](http://www.csel.in)

Kindly take the same on your records.

Thanking You,

Yours faithfully,

For Chaman Lal Setia Exports Ltd.

Rajeev Setia Digitally signed by Rajeev Setia  
Date: 2023.02.04 16:16:50 +05'30'

(Rajeev Setia)  
Joint Managing Director & CFO  
DIN:- 01125921

**RICE MILLS**  
Kaithal Road,  
Karnal.  
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Visit us at :  
[www.csel.in](http://www.csel.in)

**RICE MILLS**  
Meeran Kot Road,  
P. O. Central Jail, Amritsar.  
Tel : 0183-2590318, 0183-2592708



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**QUEEN OF ALL RICES**

# **Investor Presentation**

Q3 and 9M FY23



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# DISCLAIMER

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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.





# Maharani Rice



ZUBAN SE DIL TAK



**Rajeev Setia**  
JMD and CFO

*"We have delivered resilient performance in the quarter with a YoY growth across revenue and profitability. Our revenue is up by 62% YoY to Rs. 354 Cr. for Q3FY23 due to market share expansion in key geographies and further strengthening of our distribution network. Our EBITDA was up by 130% YoY to Rs. 51 Cr., supported by moderation in freight expenses and our efforts towards operational efficiency.*

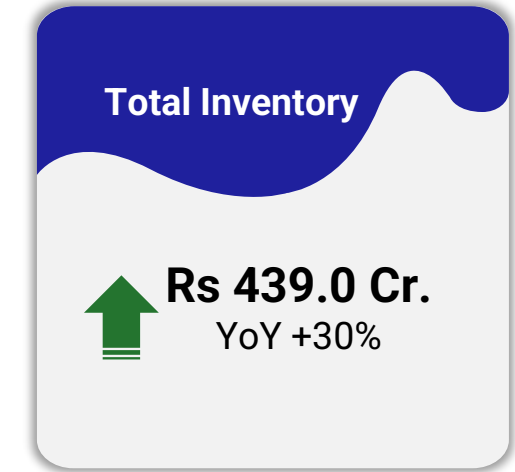
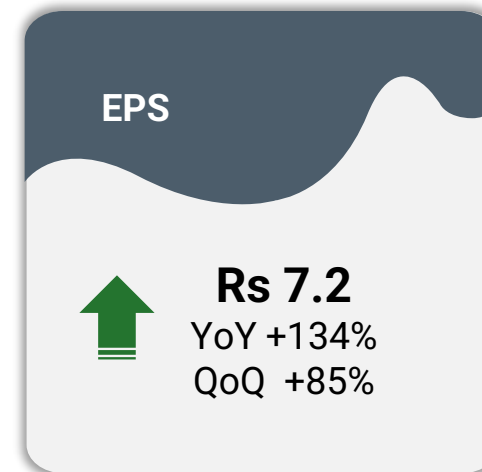
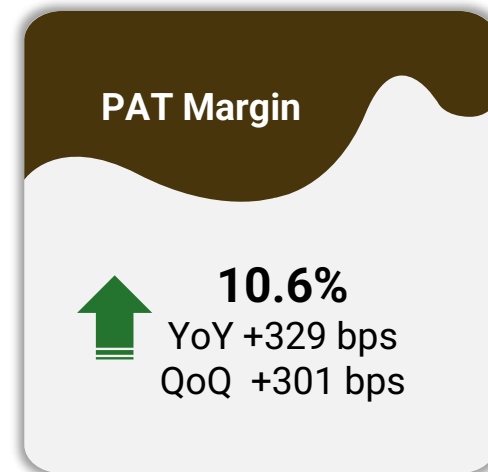
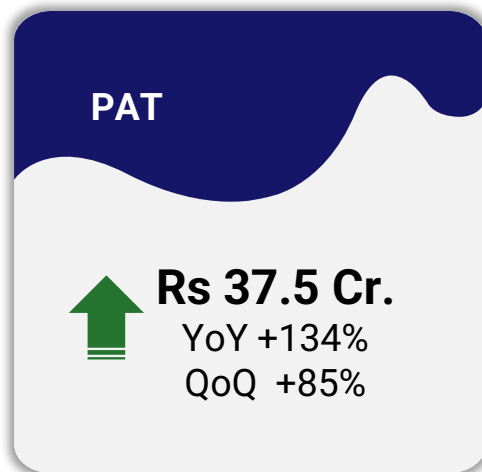
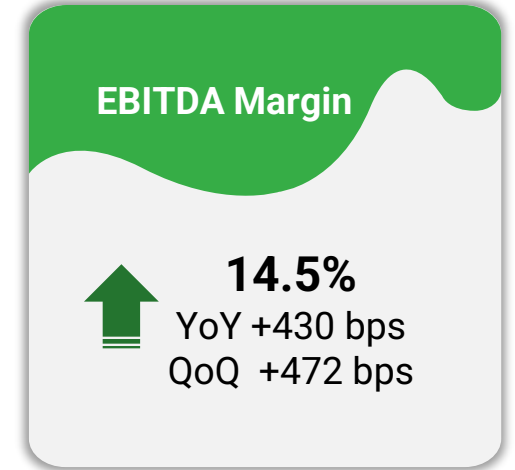
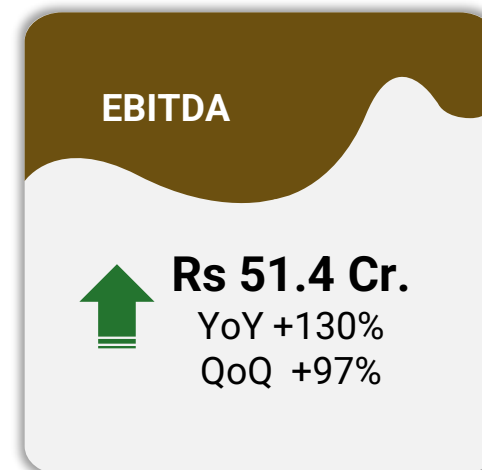
*Our 9MFY23 revenue and EBITDA is at record high. The revenue grew by 65% YoY to Rs. 1,030 Cr. and our EBITDA was up by 81% YoY to Rs. 110 Cr. We have already exceeded our FY22 revenue and continue to drive sustained momentum by expansion of market share and focus towards our execution excellence. Given our commercial strength, we are well-positioned to leverage on the growing opportunities."*



# Q3 FY23 Highlights



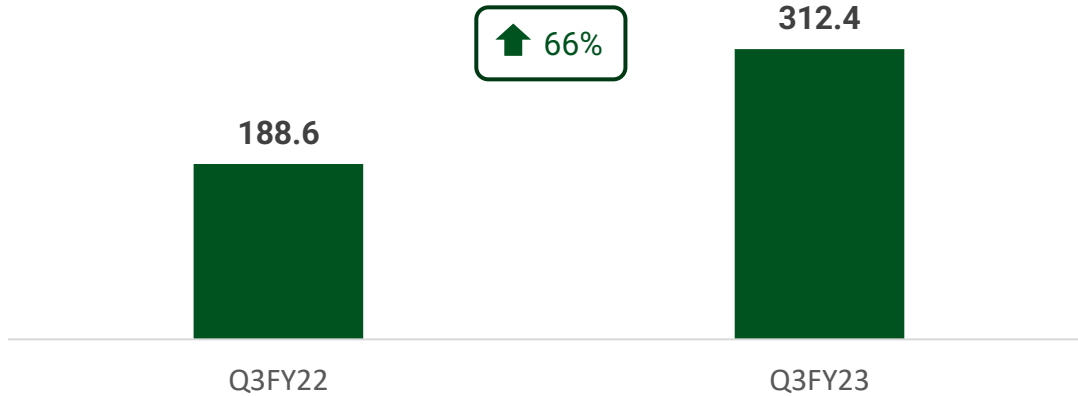
# Q3 FY23 – Financial Highlights



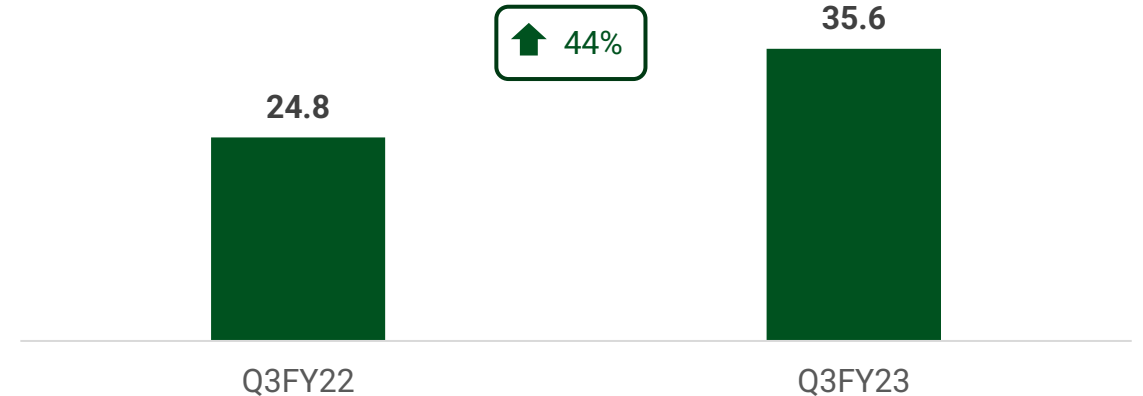


# Q3 FY23 – Business Highlights

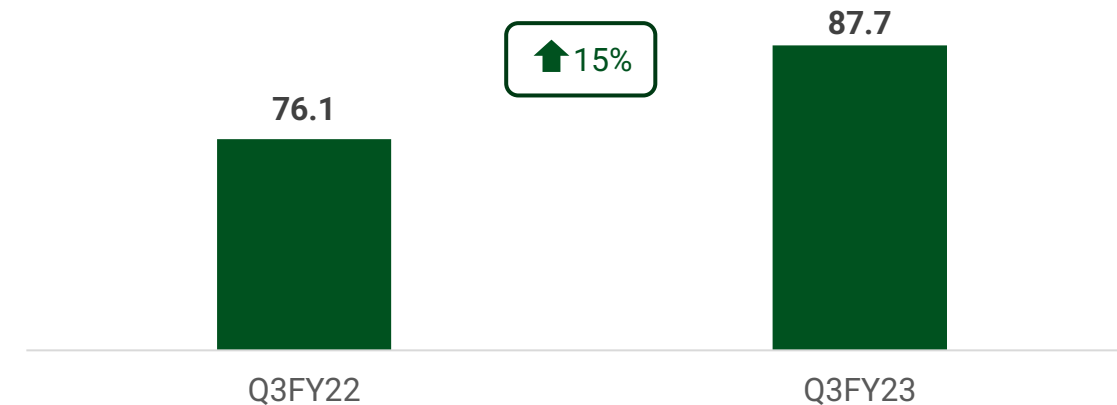
### Exports Sales Value (Rs. Cr.)



### Export Sales Volume ('000 MT)



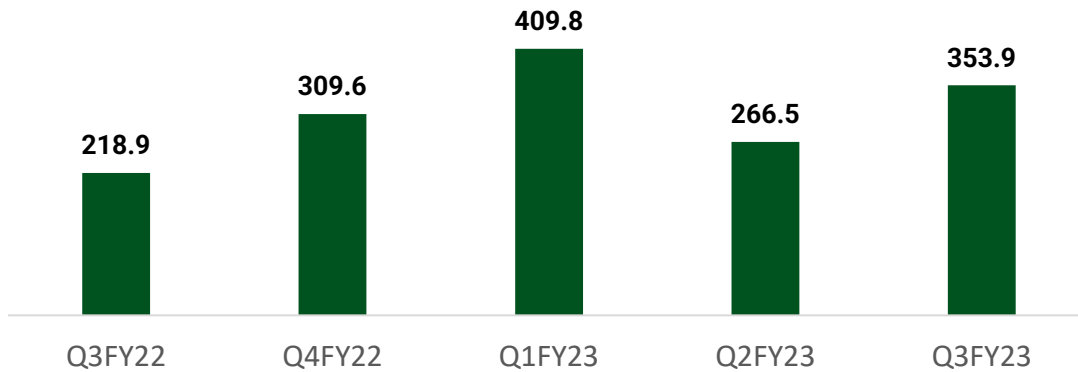
### Export Average Realizations (Rs. per kg)



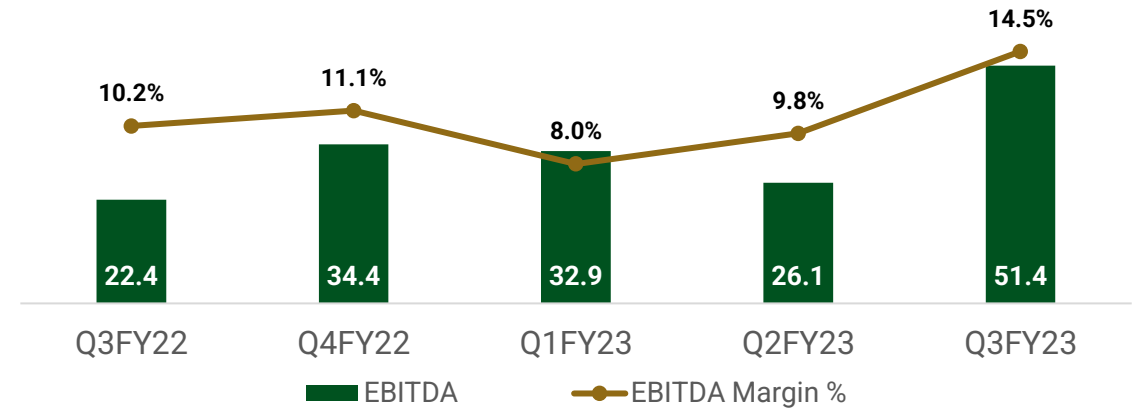
Note: Export includes basmati and non-basmati rice.

# Quarterly Trends

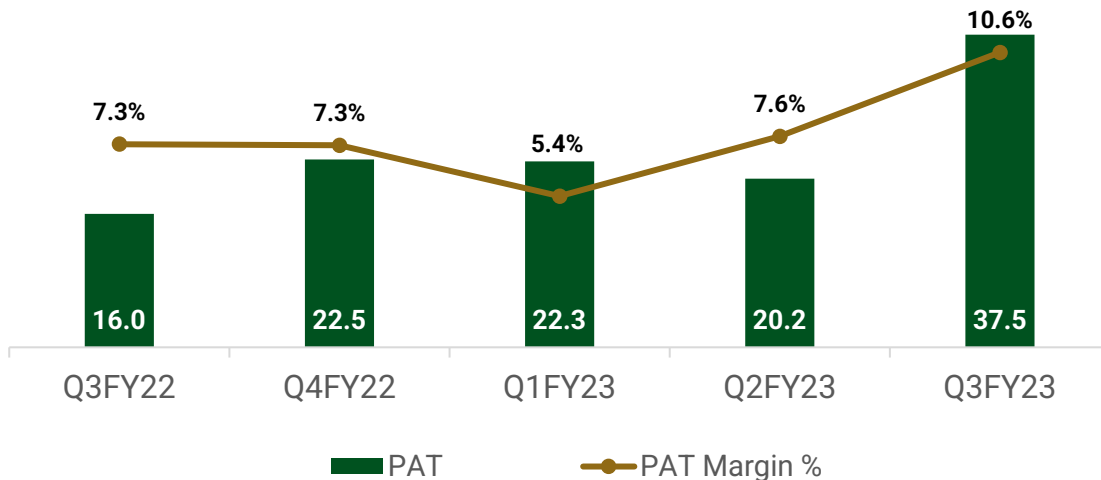
### Revenue (Rs. Cr.)



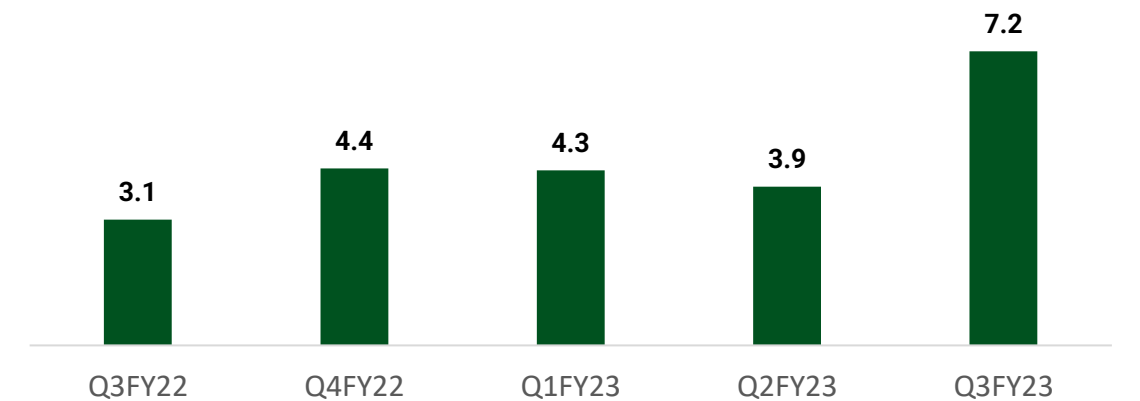
### EBITDA (Rs. Cr.) and EBITDA Margin (%)



### PAT (Rs. Cr.) and PAT Margin (%)



### EPS (Rs.)

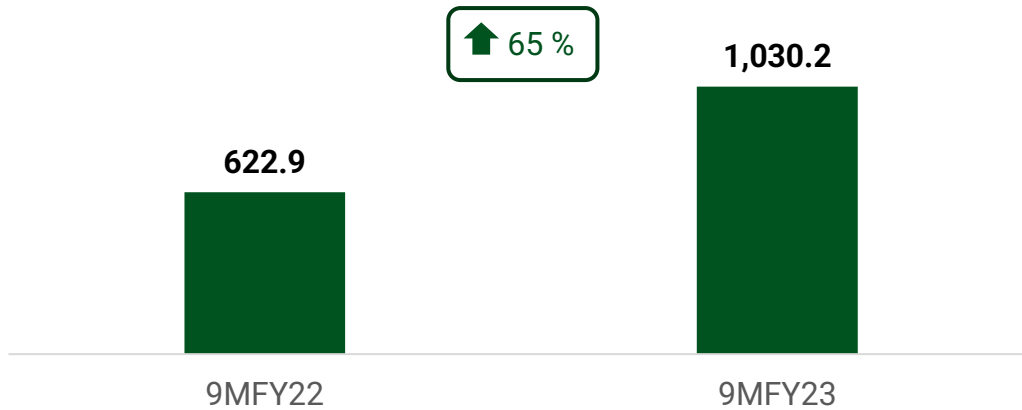


# 9M FY23 Highlights

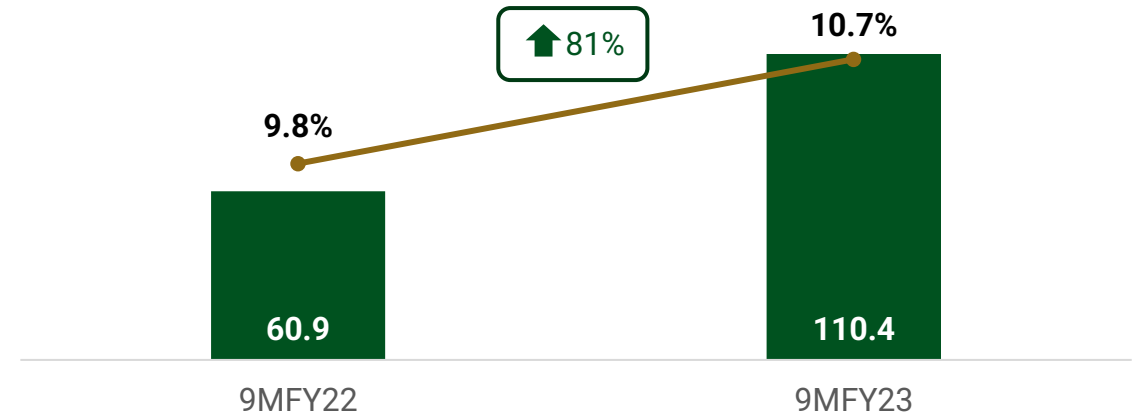


# 9M FY23 – Financial Performance

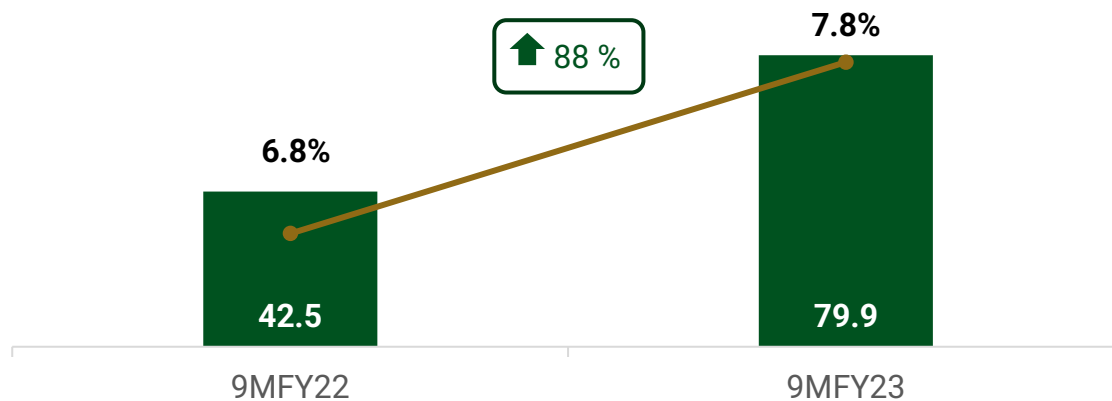
## Operating Revenue (Rs. Cr.)



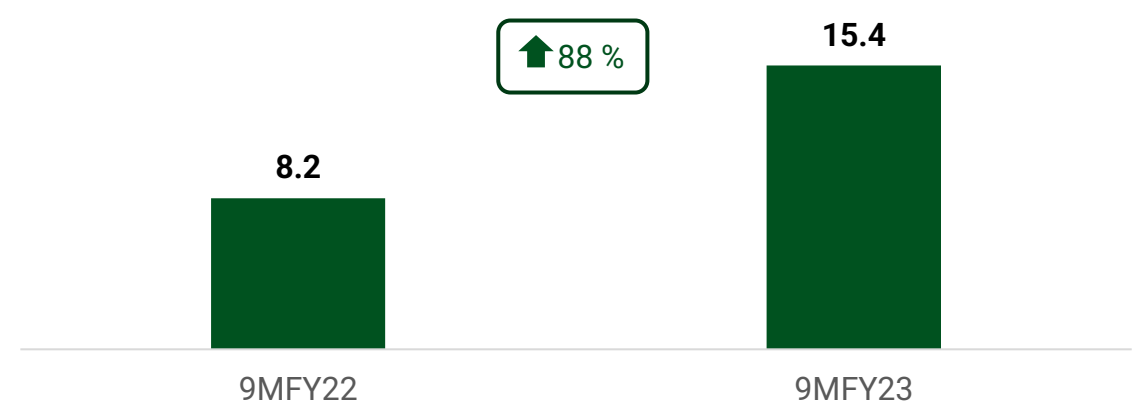
## EBITDA (Rs. Cr.) and EBITDA Margin (%)



## PAT (Rs. Cr.) and PAT Margin (%)

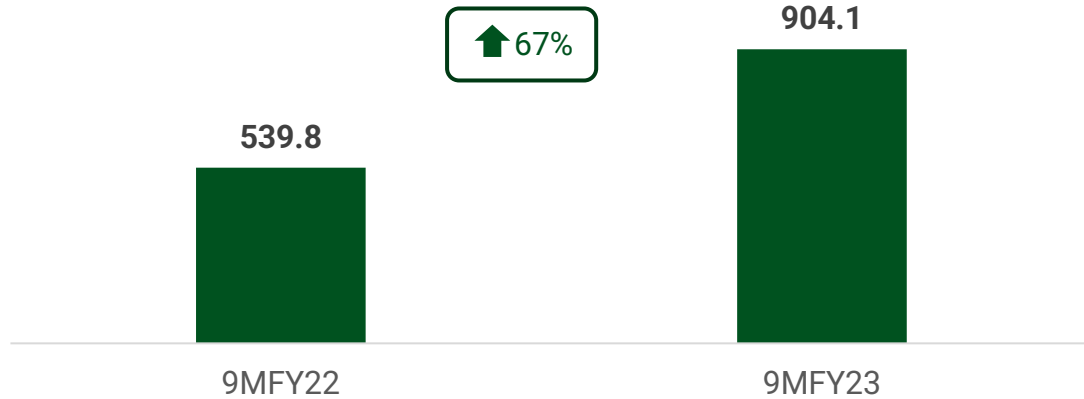


## EPS (Rs.)

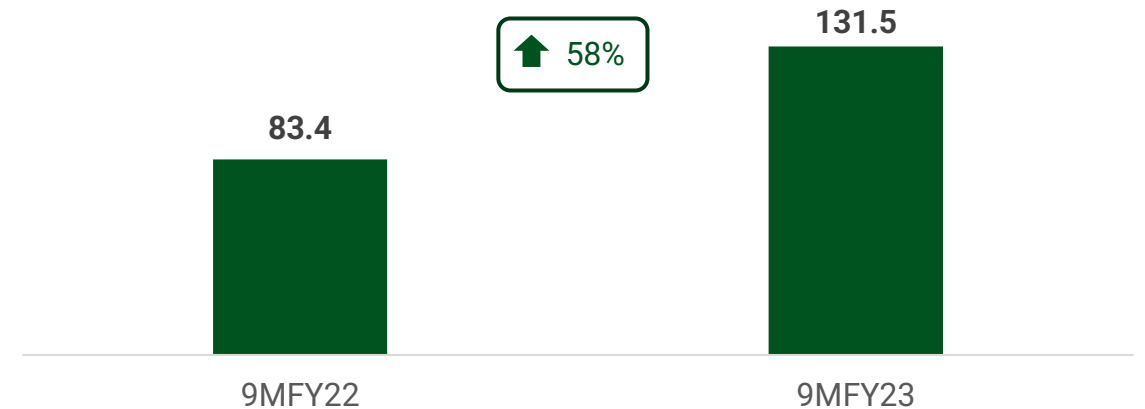


# 9M FY23 – Business Highlights

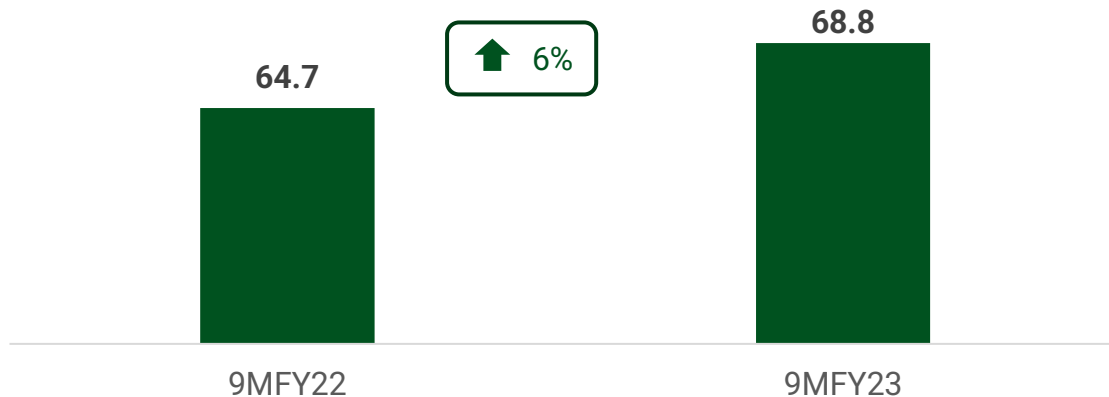
### Exports Sales Value (Rs. Cr.)



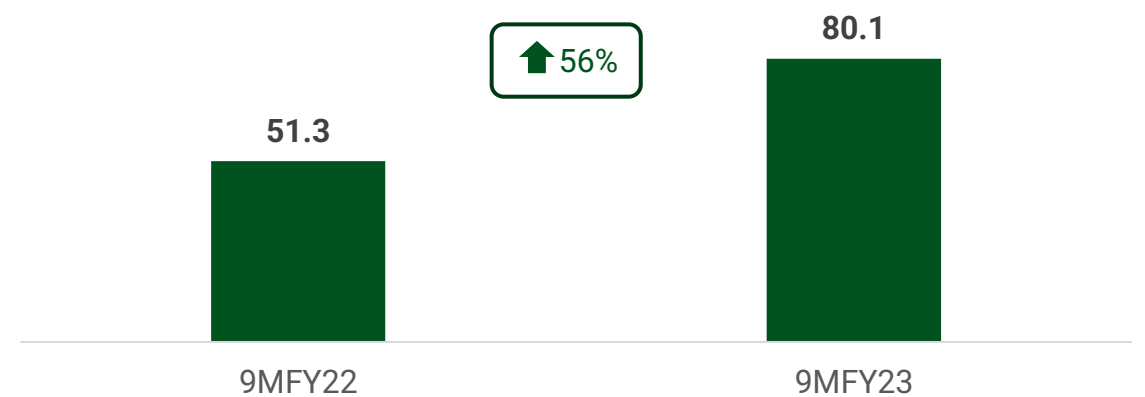
### Export Sales Volume ('000 MT)



### Export Average Realizations (Rs. per kg)



### Top 10 countries\* export revenue (USD Mn)



\*Top 10 export countries include Canada, Yemen, Israel, Manutius, Egypt, UAE, USA, Malaysia, Saudi Arabia, Singapore in 9MFY23.  
Note: Export includes basmati and non-basmati rice.



# Q3 and 9M FY23 Highlights



## Business Highlights

- ❖ For Q3FY23, the export volume grew by 44% YoY and export sales grew by 66% YoY to Rs. 312.4 Cr. Average export realization in the period increased by 15% YoY
- ❖ Top 10 countries reported 56% YoY growth in export revenues in 9MFY23
- ❖ We intent to grow our Branded export sales by 15-25% in the coming years
- ❖ The company has considerably increased its presence in Yemen, Israel & Egypt
- ❖ The company has entered new countries in the Central Asian region during 9MFY23

## Financial Highlights



- ❖ For Q3FY23, the operating revenue grew by 62% YoY to Rs. 353.9 Cr. from Rs. 218.9 Cr. in Q3FY22 and the operating revenue was at Rs. 1,030.2 Cr. in 9MFY23, up 65% YoY
- ❖ EBITDA was up by 130% YoY to Rs. 51.4 Cr. in Q3FY23, from Rs. 22.4 Cr. in Q3FY22 and up by 97% QoQ
- ❖ EBITDA margin improved by 430 bps YoY from 10.2% in Q3FY22 to 14.5% in Q3FY23 and improved by 472 bps QoQ from 9.8% in Q2FY23
- ❖ 9MFY23 EBITDA was up by 81% YoY to Rs 110.4 Cr
- ❖ Freight expenses in 9MFY23 has reduced significantly as compared to same period last year
- ❖ Profit after tax was up by 134% YoY to Rs. 37.5 Cr. in Q3FY23, from Rs. 16.0 Cr. in Q3FY22 and up by 85% QoQ
- ❖ 9MFY23 PAT was up by 88% YoY to Rs 79.9 Cr.
- ❖ The total inventory as on December 31,2022 was Rs. 439.0 Cr.

# Financial Summary – Profit and Loss Statement

Quarter Ended					Profit and Loss Statement (Rs. Cr.)	9M Ended		
Q3FY23	Q2FY23	Q3FY22	QoQ %	YoY %		9MFY23	9MFY22	YoY %
<b>353.9</b>	<b>266.5</b>	<b>218.9</b>	<b>33%</b>	<b>62%</b>	Revenue from operations	<b>1030.2</b>	<b>622.9</b>	<b>65%</b>
2.0	2.6	2.0	-23%	3%	Other Income	4.7	3.7	28%
355.9	269.1	220.9	32%	61%	Total Income	1034.9	626.6	65%
305.8	242.8	199.4	26%	53%	Total Expenses	927.9	569.6	63%
<b>51.4</b>	<b>26.1</b>	<b>22.4</b>	<b>97%</b>	<b>130%</b>	<b>EBITDA</b>	<b>110.4</b>	<b>60.9</b>	<b>81%</b>
1.3	1.1	1.1	23%	19%	Depreciation and amortization expenses	3.6	3.0	18%
<b>50.0</b>	<b>25.0</b>	<b>21.3</b>	<b>100%</b>	<b>135%</b>	<b>EBIT</b>	<b>106.8</b>	<b>57.8</b>	<b>85%</b>
1.9	1.3	1.8	44%	8%	Finance costs	4.5	4.6	-2%
50.1	26.3	21.4	91%	134%	Profit before tax	107.0	56.9	88%
12.7	6.1	5.4	107%	133%	Tax Expenses	27.1	14.5	87%
<b>37.5</b>	<b>20.2</b>	<b>16.0</b>	<b>85%</b>	<b>134%</b>	<b>PAT</b>	<b>79.9</b>	<b>42.5</b>	<b>88%</b>
7.2	3.9	3.1	85%	134%	EPS	15.4	8.2	88%

# About the company



# CLSEL at a glance



**Reputed  
brand**



**660 MT/day** processing



**Largest**  
private label exporter



**3 star**  
export house



**Since 1974**  
(~48 Years)



Exports to **90+** Countries



**16%**  
(Last 10 years CAGR  
sales growth)



**80,000 MT** warehouse  
capacity



**35%**  
Shareholders return in last  
10 years

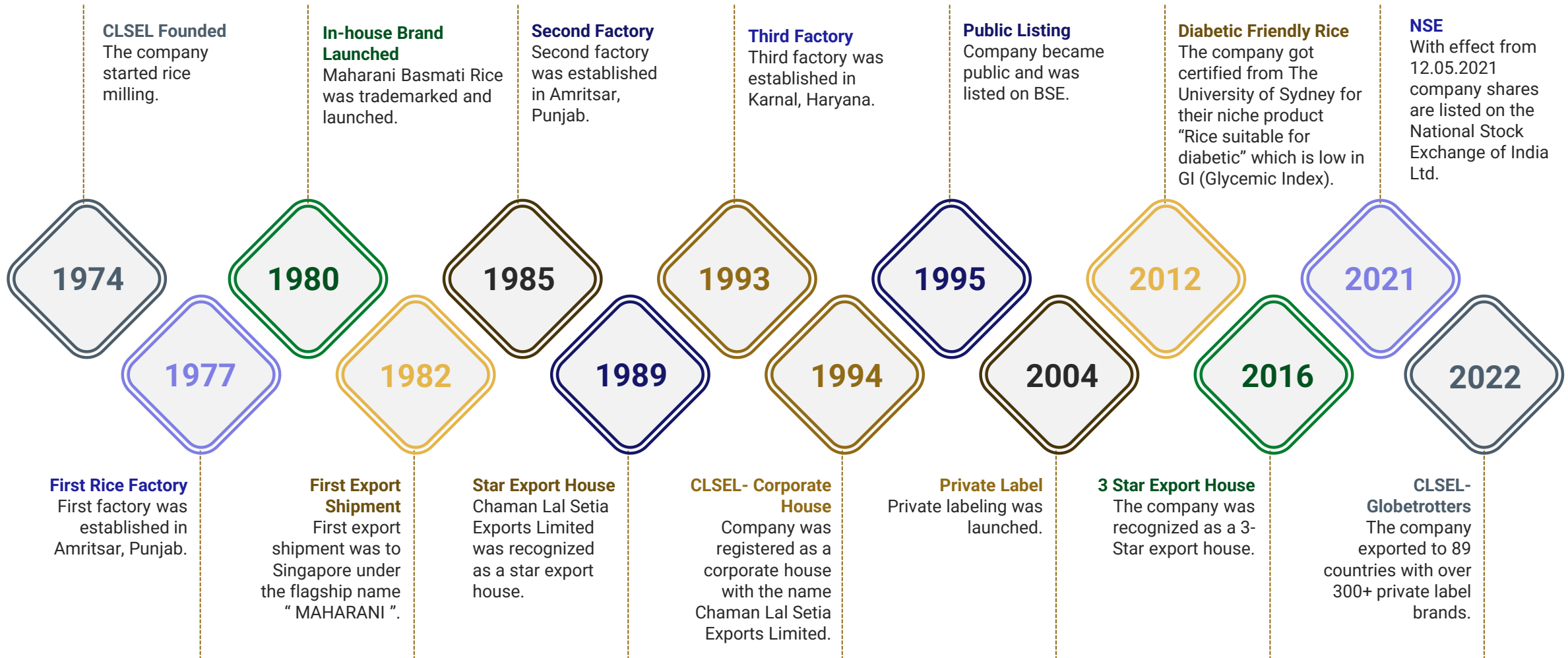


**440+** distributors across  
globe



**300+**  
Private label brands

# Our Journey



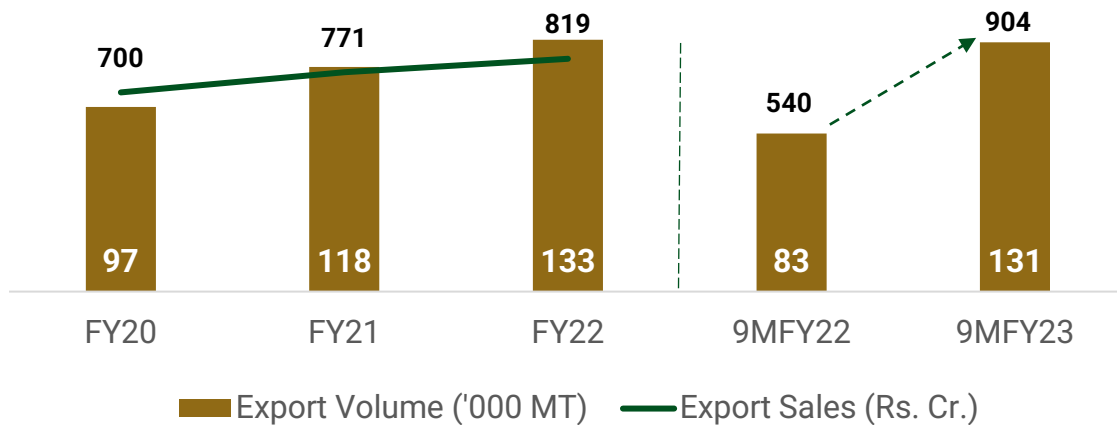


# CLSEL: India's leading private label rice exporter

## Over 4 decades of experience in rice export business

<p>Exports to 90+ countries</p>	<p>Exporting since 1982; Established clientele providing repeat business</p>	<p>Flagship brand 'Maharani' has presence in 40+ countries</p>	<p>Entire exports is insured through ECGC cover</p>	<p>Recognized as a 3 Star Export house</p>	<p>440+ distributors with average relationship of ~15 years</p>	<p>Exports contributed around ~85% of sales</p>

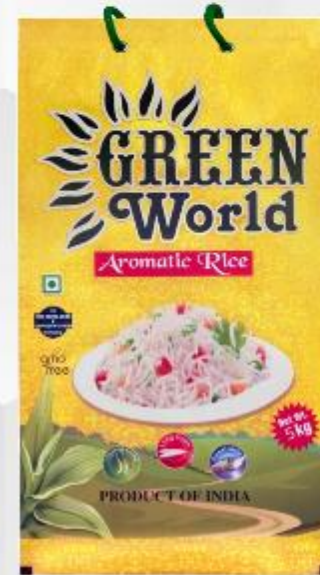
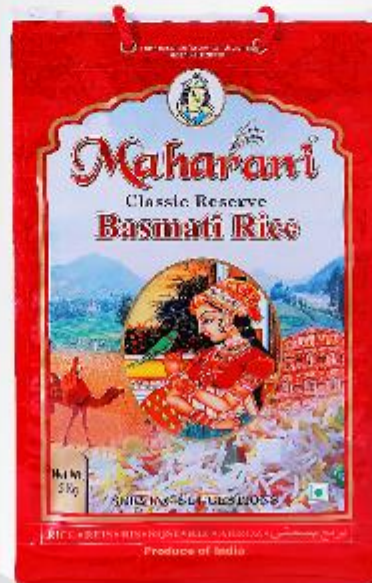
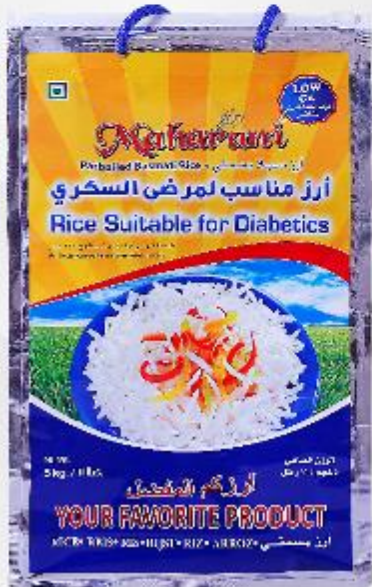
## Export sales (Rs. Cr.) and volume ('000 MT)



## Private label customers

Private label customers include: Lulu, PAMIR, BRAMPTON CASH & CARR, INDUS FOODS LIMITED, and NESTO.

# Portfolio





# Business Model



# 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.

## 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 through 440+ distributors all over the world.
- Established relationship of over two decades with major customers.



## 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.

## Packaging & Warehousing

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

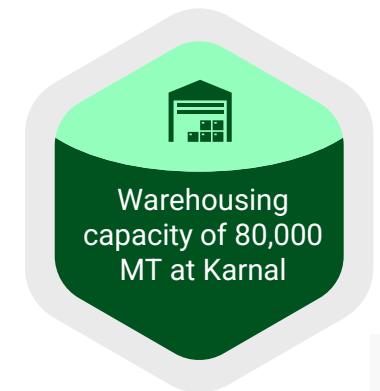
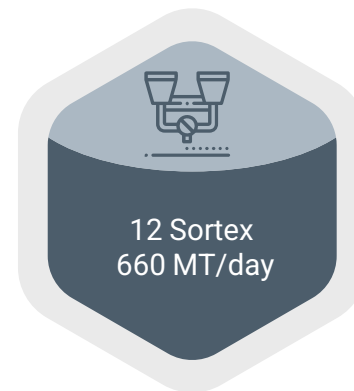
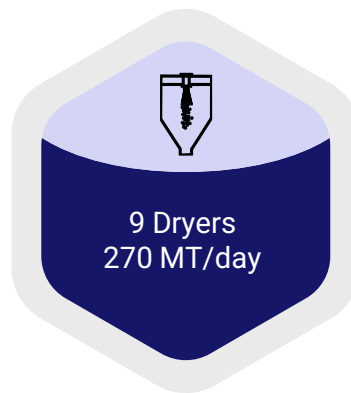
# Processing facilities





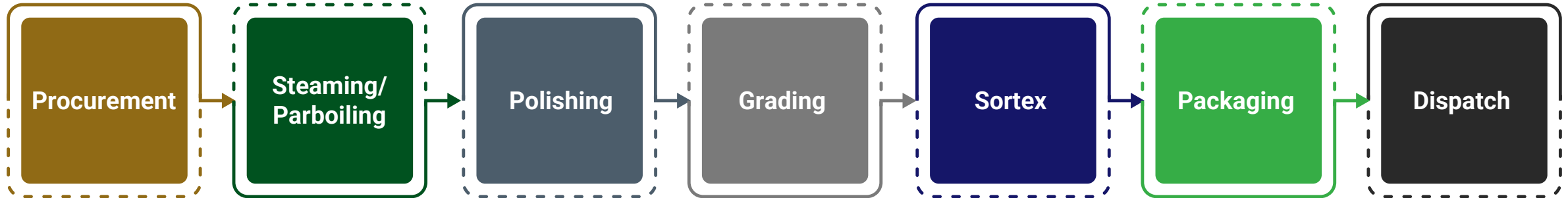
# Processing facilities

- Karnal facility is nested favorably near to the paddy growing areas, providing access to superior raw materials. Further, Gandhidham facility is near to Mundra port, which help in exports.
- 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.

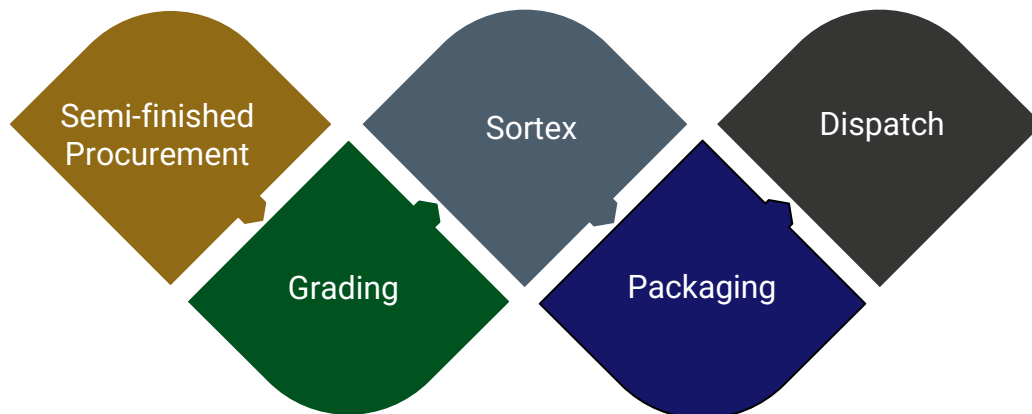


# Unit-wise operations and certifications

## Karnal (97%\* of total sales)



## Gandhidham (3%\* of total sales)



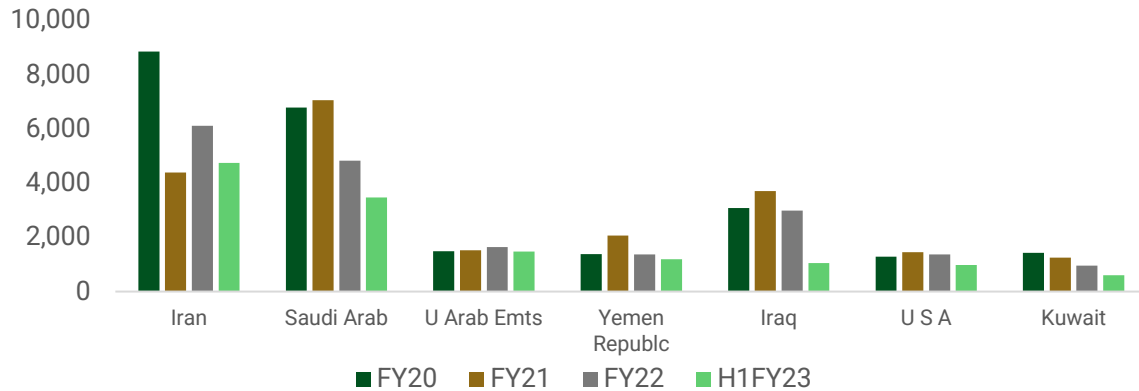
US FDA Certification 	ISO 22000:2018 	Organic products standards 	BRC [British Retailers Consortium] Certificate 	USDA Certificate 
Halal India certificate 	FSSAI License 	APEDA certified 	Kosher Certificate 	HACCP Certificate 

# Industry Highlights



# Indian Basmati rice industry

## Top importing countries of Indian basmati rice (Rs. Cr.)\*

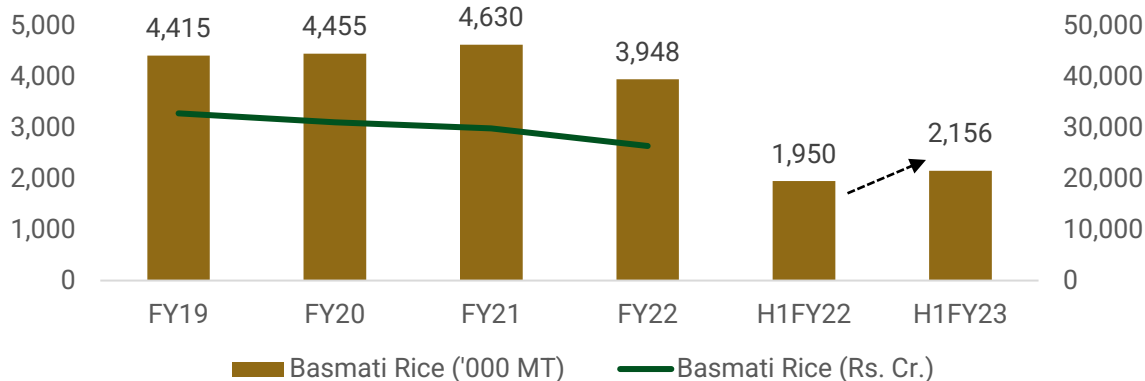


Basmati rice is majorly produced in India, with balance quantity from Pakistan. Indian Basmati rice has got Geographic Indication (GI) recognition.

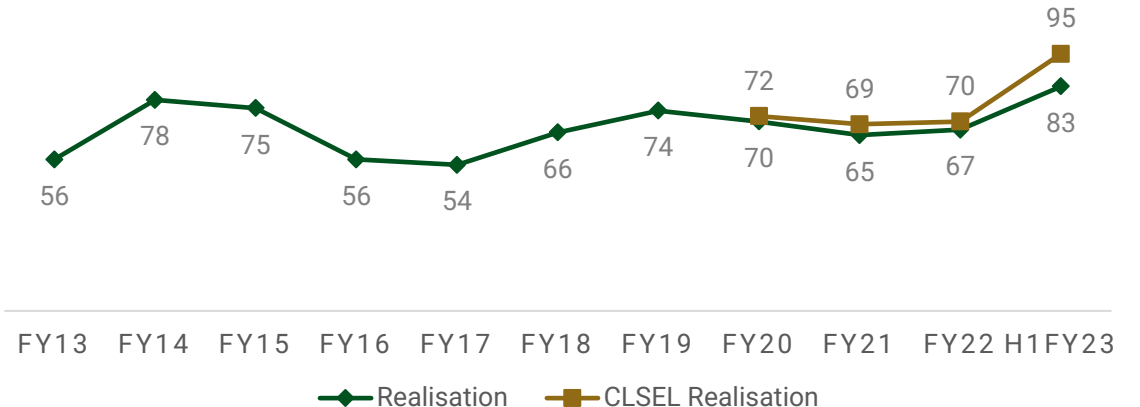
India has strong dominance in the export of basmati rice (160+ countries) especially to the Middle East. Basmati Rice exports have witnessed a CAGR growth of 5.5% in last 10 fiscals with its export standing at Rs. 17,886 Cr\* as on H1 FY2023.

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.

## Indian basmati rice exports (Quantity and Value)\*



## Basmati rice Industry\* and CLSEL basmati realisation (Rs. per kg)



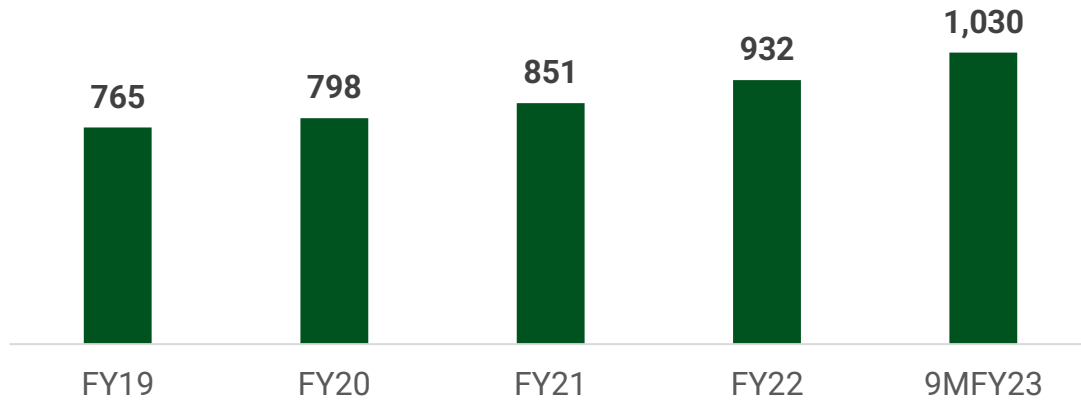
\*Source : APEDA

# Financial Trends

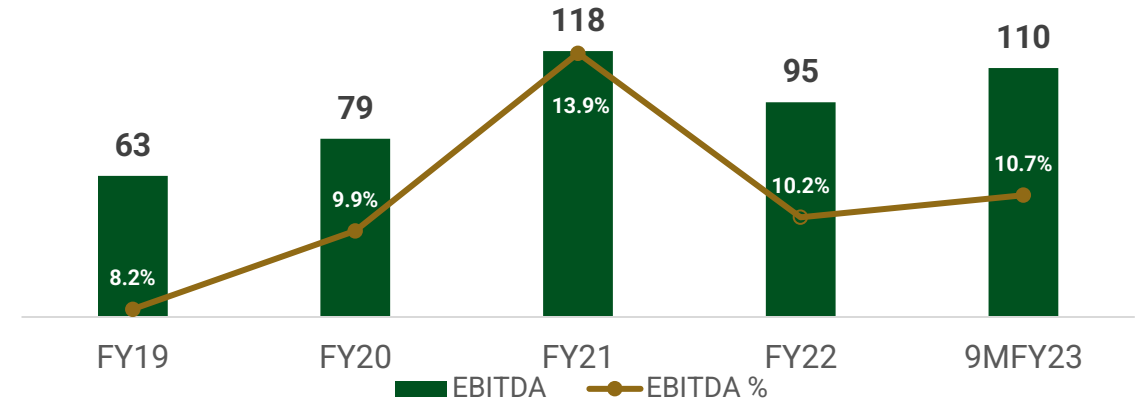


# Consistent financial performance

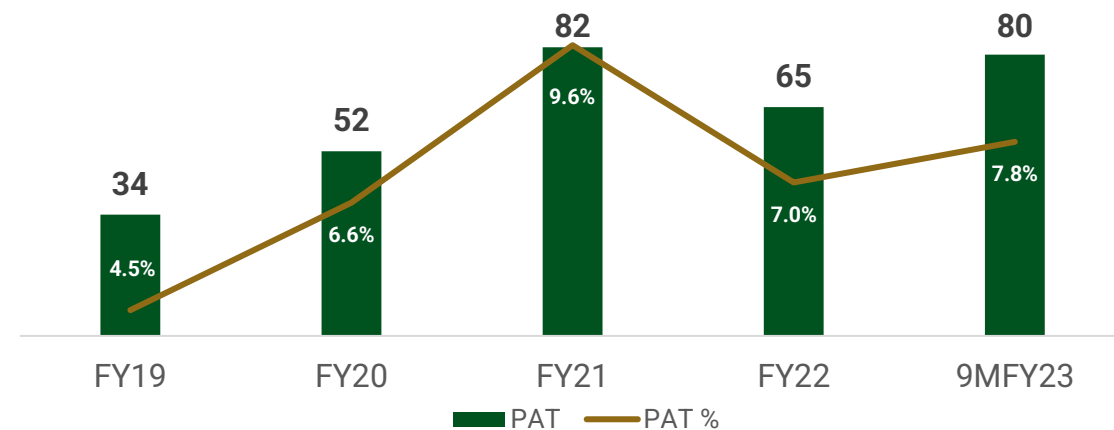
Revenue (Rs. Cr.)



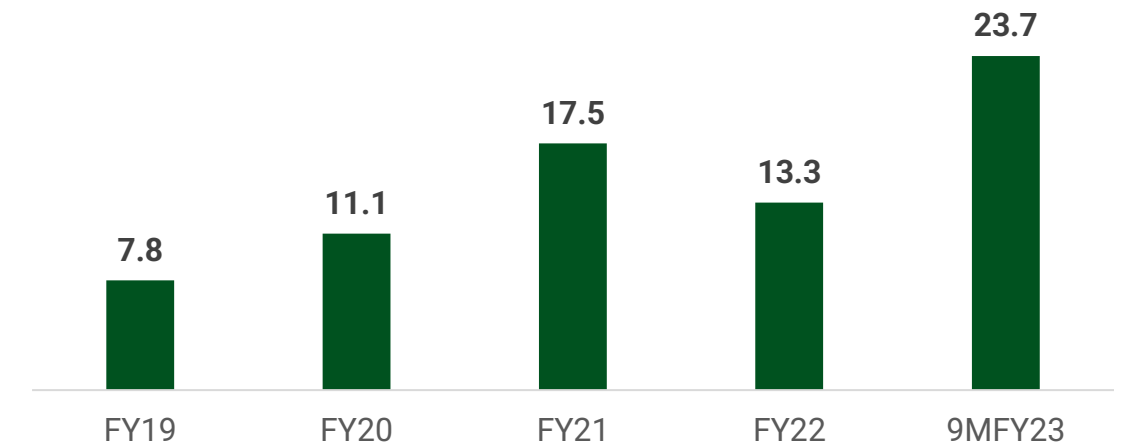
EBITDA (Rs. Cr.) and EBITDA Margin (%)



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



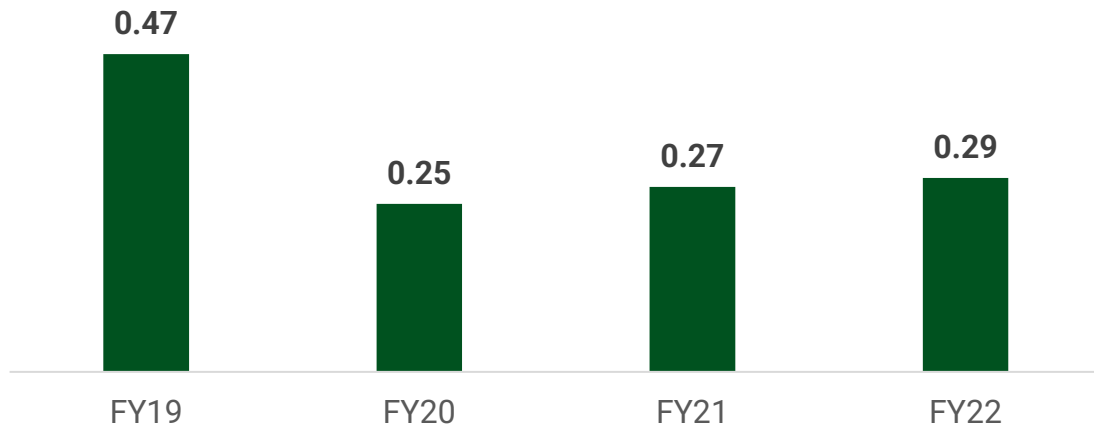
Interest Coverage Ratio (x)



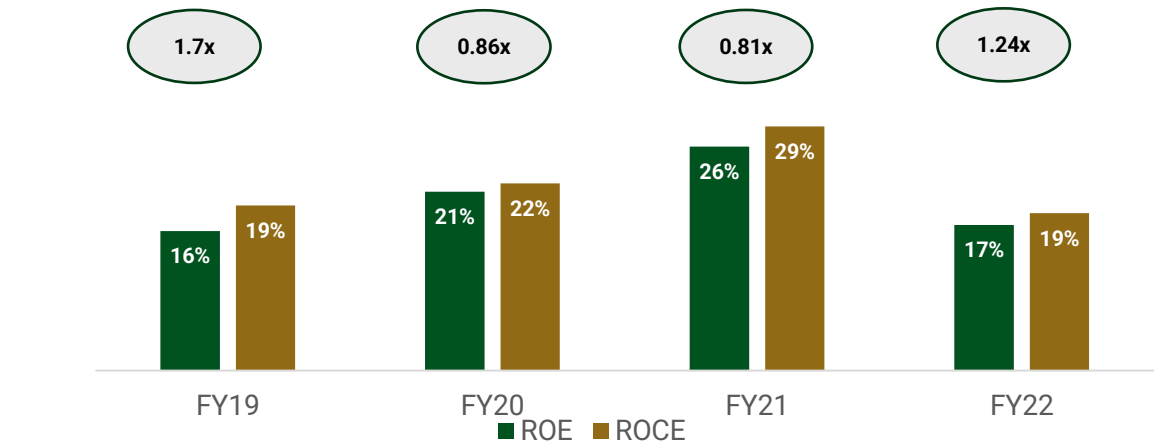


# Strong financial indicators

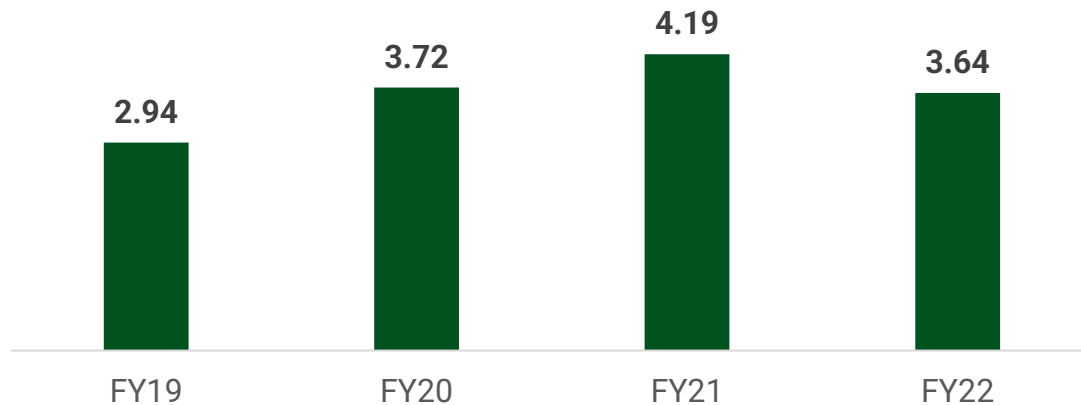
### D/E Ratio (x)



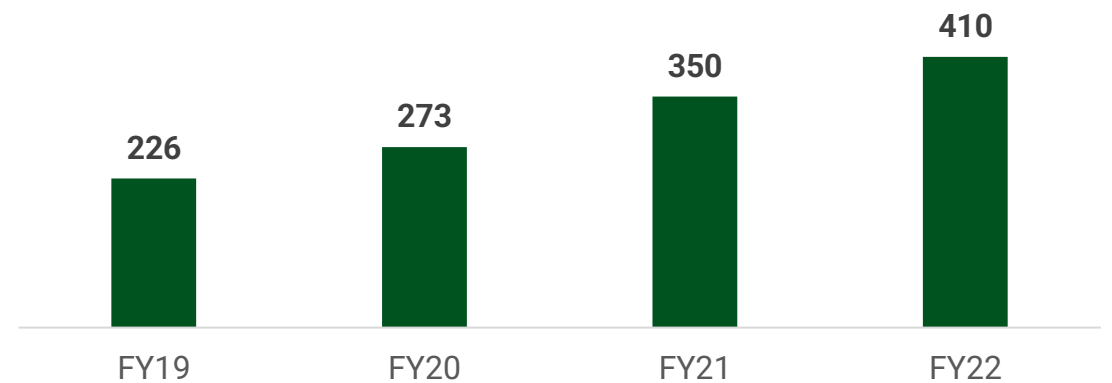
### ROE, ROCE and D/EBITDA



### Current Ratio (x)



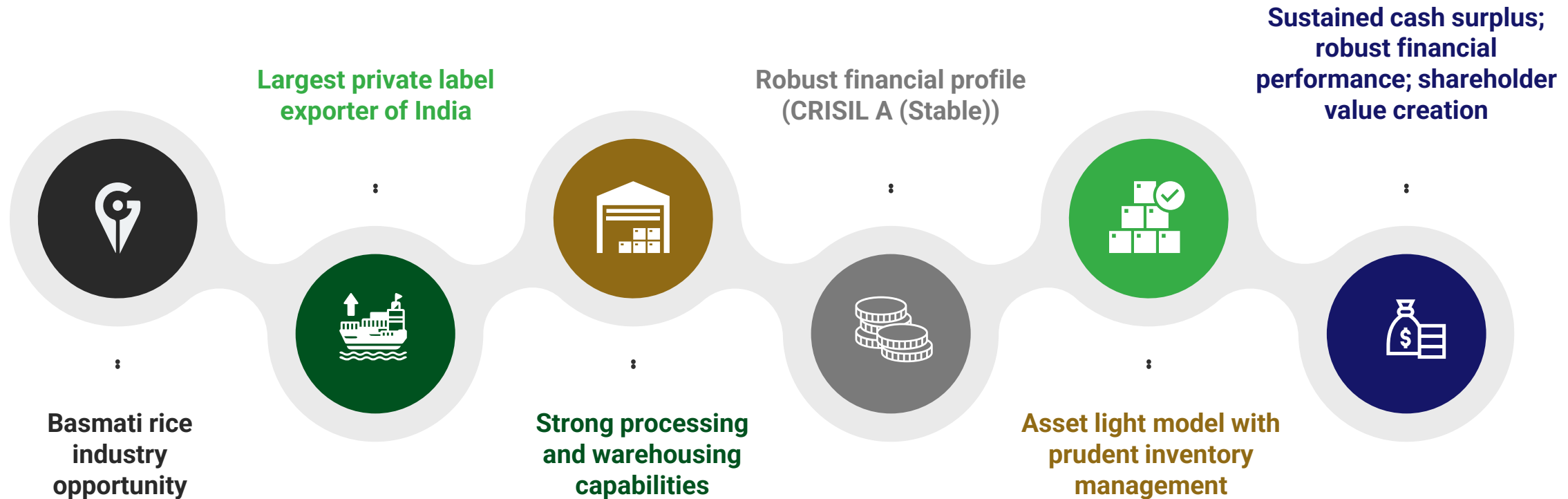
### Net Worth (Rs. Cr.)



# Investment Highlights

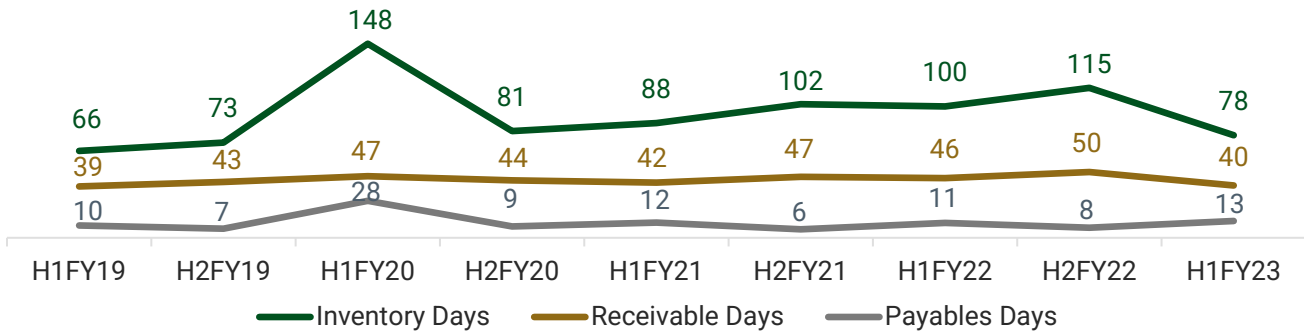


# Key investment highlights

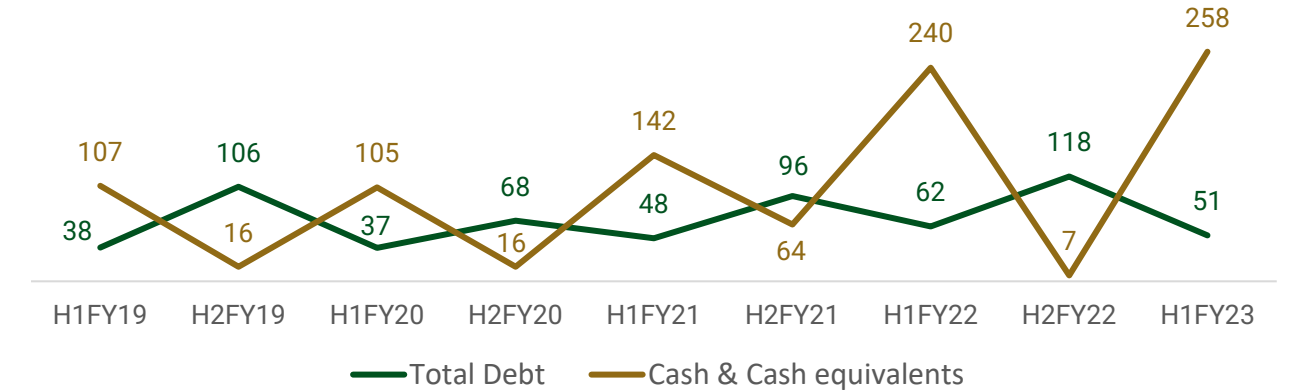


# Superior cash conversion; Asset light model

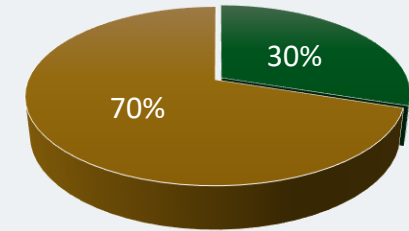
## Working Capital Indicators (Days)



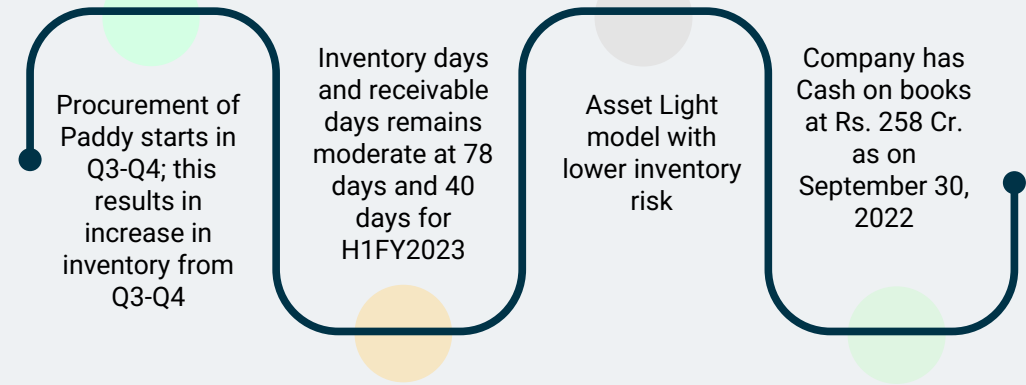
## Total Debt and Cash (Rs. Cr.)



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.



■ Paddy to FG ■ Semi-finished to FG



# 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

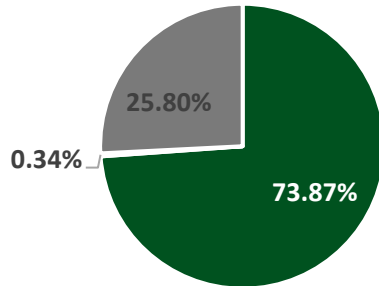
- D&B rating of “5A3” with condition “Fair”.
- D&B Indicative Risk Rating of ‘5A’ implies that the company has a tangible net worth of Rs. 65 Cr. and above. Composite appraisal ‘3’ indicates a ‘Fair’ overall status of the company.



\*Rating as on November 17, 2022.

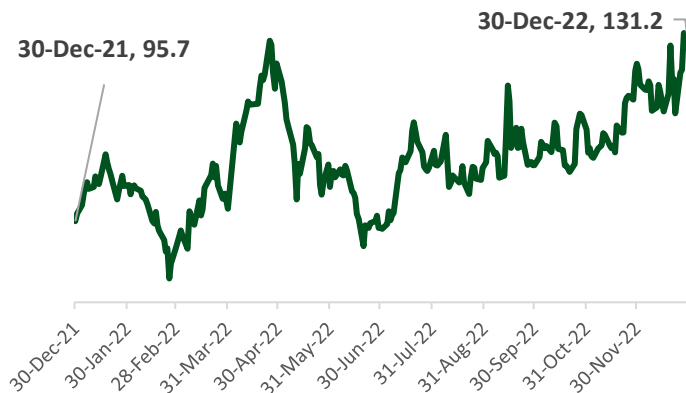
# Shareholder value creation

## Shareholding Pattern as of December 31, 2022\*



■ Promoters ■ FII ■ Others

## 1-Year Stock Price Movement\*



## Shareholder Information as on December 31, 2022

**530307**  
BSE Ticker

**CLSEL**  
NSE Symbol

**Food Processing**  
Industry

**679**  
Market Cap  
(Rs. Cr.)

**26.13**  
% Free- float

**5.17**  
Shares  
Outstanding (Cr.)

**37%**  
1-Year Stock Price  
Return

**42%**  
3-Year Stock Price  
CAGR

**#319 of 500**  
Fortune India FMCG companies 2022

**35%**

Total shareholder return CAGR  
over last 10 years



Rs. **100** invested in Chaman Lal Setia Exports Limited in 2012 was worth Rs. **1,981** as on December 31, 2022.



# Experienced Management



# Key management team



**Mr. Vijay Setia**  
CMD/ 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. Sweta Setia**  
Executive Director





**Corporate Office :**

472, Phase-3, Udyog Vihar, Gurugram,  
Haryana-122016

CIN No.: L51909PB1994PLC015083

**Investor Contact:**

Ms. Kanika Nevtia

Company Secretary

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