

E: KRBL/BIBHU/STK_EX_1819/59
February 8, 2019



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

Dear Sir/Madam,

Sub: Investor Communication on Unaudited Financial Results for the Third Quarter (Q3) and nine months ended December 31, 2018

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are pleased to enclose herewith Investor Communication of the Company on Unaudited Financial Results for the Third Quarter (Q3) and nine months ended December 31, 2018.

This is for your information and records.

Thanking you,

Yours Faithfully
For KRBL Limited

Raman Sapra
Company Secretary

Encl.: As Above.



Investor Presentation

Q3FY19 Results



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.

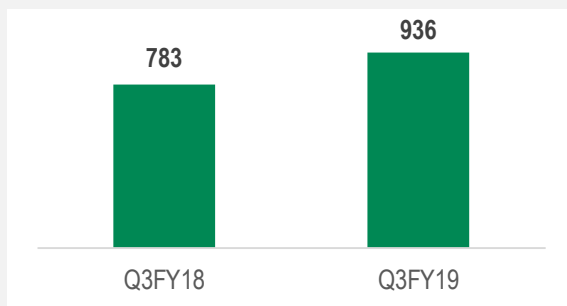
KRBL undertakes no obligation to periodically revise any forward looking statements to reflect future/ likely events or circumstances.



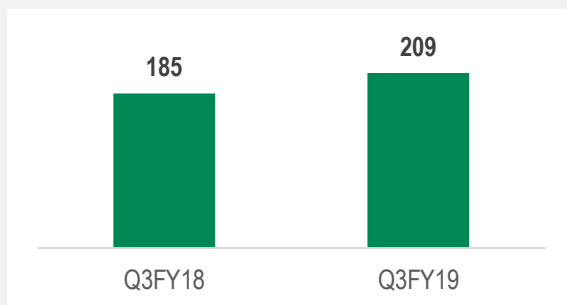
Q3FY19 & 9MFY19 Performance

Q3FY19 & 9MFY19 – Standalone Financials (1/2)

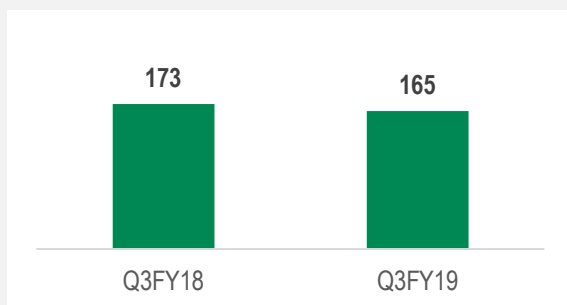
Q3FY19 - YoY



Revenue from Operations
(Rs. In Crore)

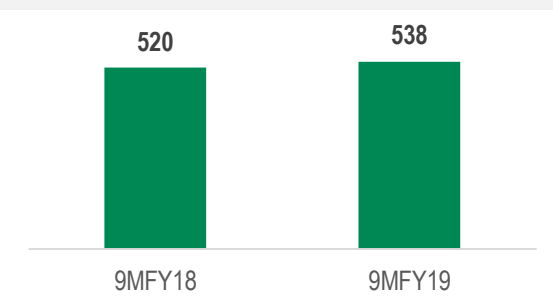
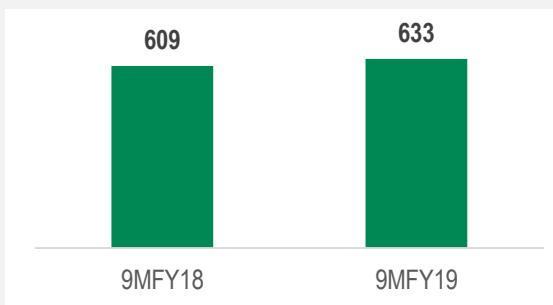
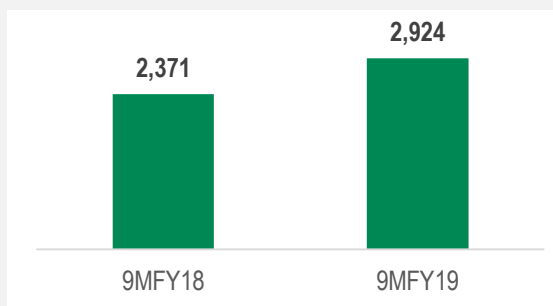


EBITDA
(Rs. In Crore)



PBT
(Rs. In Crore)

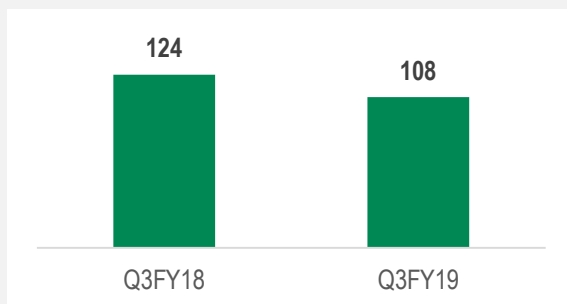
9MFY19 – YoY



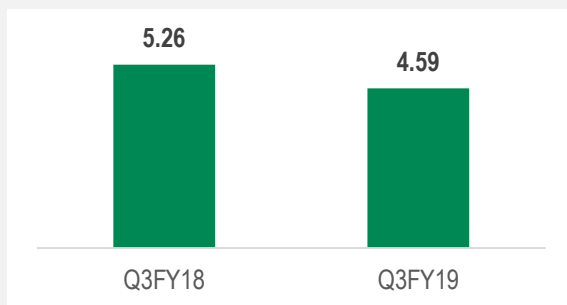
- Q3FY19 revenue from operations at Rs. 936 cr. as compared to Rs. 783 cr. in Q3FY18; a growth of 19.5% Y-o-Y.
- 9MFY19 revenue from operations at Rs. 2,924 cr. as compared to Rs. 2,371 cr. in 9MFY18; a growth of 23.3% Y-o-Y.
- Q3FY19 EBIDTA at Rs. 209 cr. (22.3%) as compared to Rs. 185 cr. (23.6%) in Q3FY18.
- EBITDA at Rs. 633 cr. (21.6%) for 9MFY19 as compared to Rs. 609 cr. (25.6%) for 9MFY18.
- Q3FY19 PBT at Rs. 165 cr. (17.6%) as compared to Rs. 173 cr. (22.1%) in Q3FY18.
- PBT of Rs. 538 cr. (18.4%) for 9MFY19 as compared to Rs. 520 cr. (21.9%) for 9MFY18.

Q3FY19 & 9MFY19 - Standalone Financials (2/2)

Q3FY19 - YoY

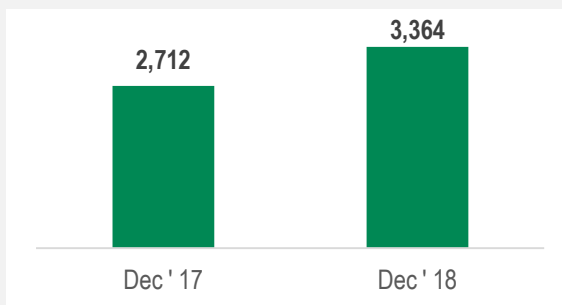


PAT
(Rs. In Crore)

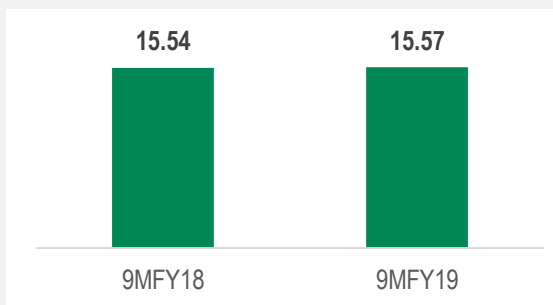
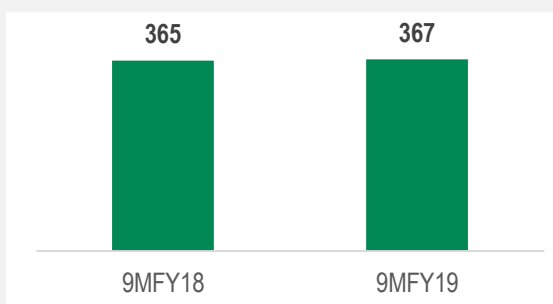


EPS
(In Rs.)

Inventory Position
(Rs. In Crore)

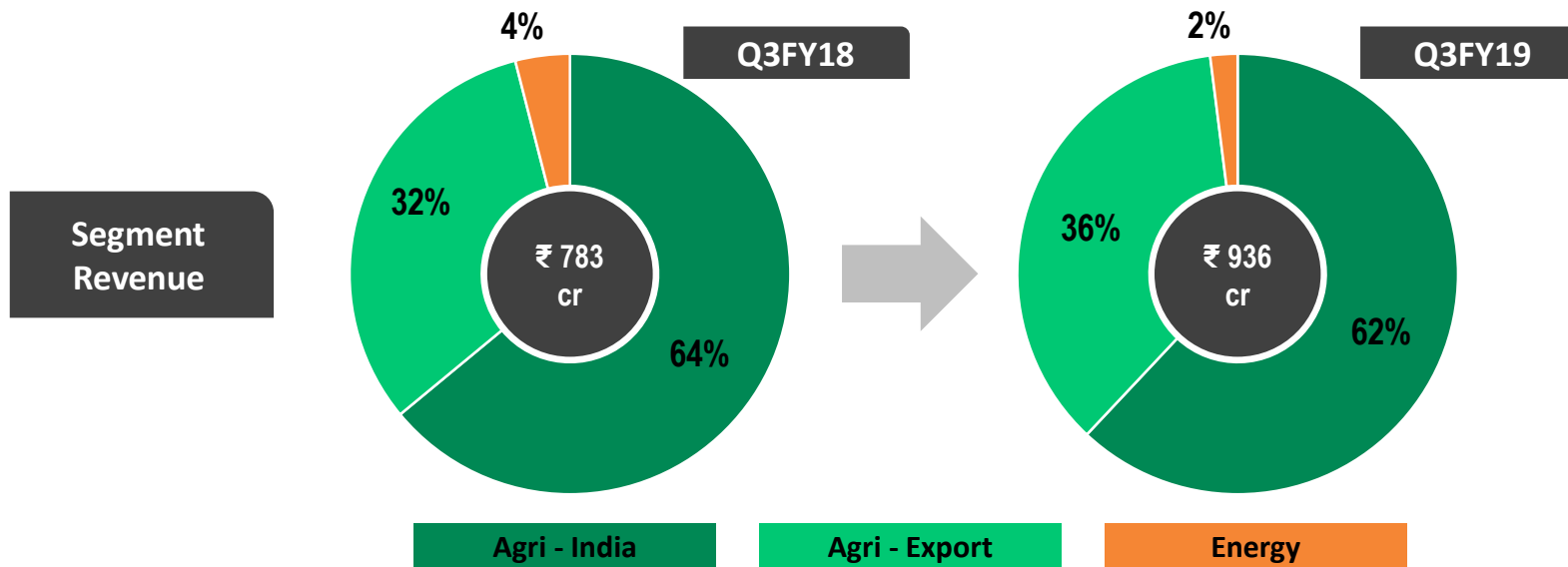


9MFY19 - YoY



- Q3FY19 PAT at Rs. 108 cr. (11.5%) as compared to Rs. 124 cr. (15.8%) in Q3FY18.
- 9MFY19 PAT at Rs. 367 cr (12.6%) as compared to Rs. 365 cr. (15.4%) for 9MFY18.
- Q3FY19 EPS at Rs. 4.59 as compared to Rs. 5.26. in Q3FY18.
- 9MFY19 EPS at Rs. 15.57 as compared to Rs. 15.54 in 9MFY18.
- Inventory position as of December 2018 increased to Rs. 3,364 cr as compared to Rs. 2,712 cr in December 2017.

Q3FY19 vs. Q3FY18 – Business update



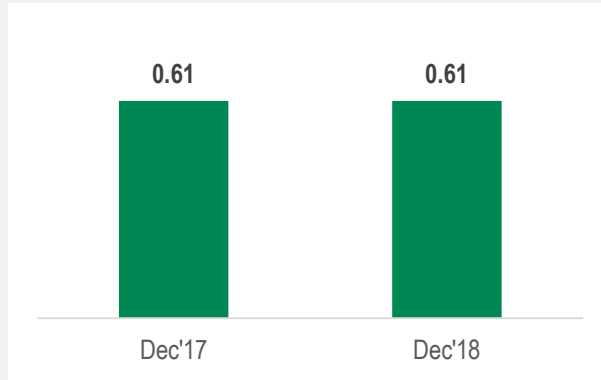
- Contribution of Export Business increased from 32% to 36%.

- Indian Market Rice Sales increased by 14% in quantity terms, and 16% in value terms during the quarter, as compared to same period last year.
- Price realization, in Indian Market sales during the quarter increased by 2% to Rs. 55,924 per MT as compared to Rs. 54,697 per MT in the same period previous year.
- Export Market Rice Sales increased by 34% in value terms however the same declines by 8% in terms of quantity.
- Price realization, in export market rice sales during in quarter increased by 45% to Rs. 1,04,352 per MT as compared to Rs. 71,951 per MT in the same period previous year.

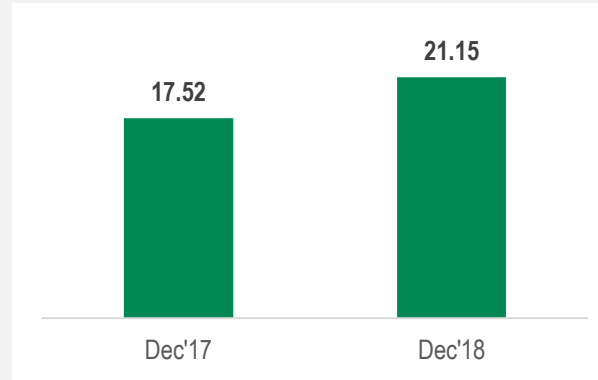
Rice Sales	Q3FY18			Q3FY19		
	Qty (MT)	Rate (in Rs./ MT)	Value (Rs. In Cr.)	Qty (MT)	Rate (in Rs./ MT)	Value (Rs. In Cr.)
Indian Market Sales	84,058	54,697	459.77	95,541	55, 924	534.31
Export Market Sales	34,736	71, 951	250.20	32,037	1,04,352	334.29

Strong financial indicators...

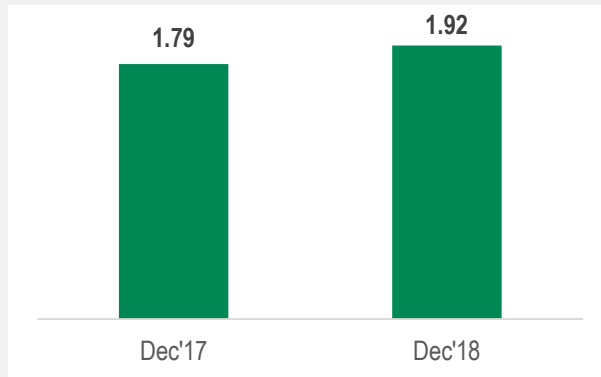
Total Debt to Equity Ratio



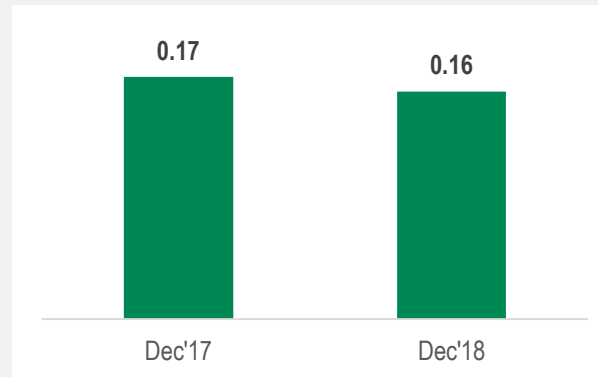
Interest Coverage Ratio



Current Ratio



Quick Ratio





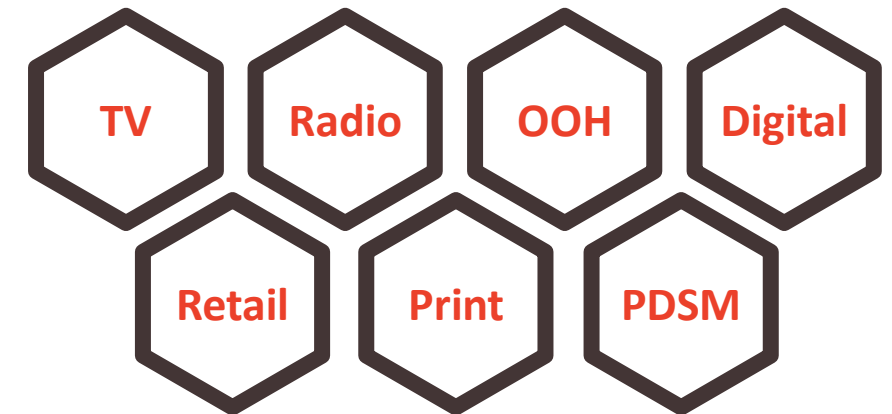
Q3FY19 - Key Marketing Initiatives

360 degree campaign

Special days deserve something special on your plate. Hence on the festive occasion of Diwali, KRBL launched a 360 degree campaign to promote the flagship product from its portfolio – INDIA GATE CLASSIC



Campaign Reach



Campaign Presence & Impact

Campaign Presence



609 OOH units in 22 Cities across India



3,860 spots across 51 channels



15,000+ Retail outlets covered by POSM



16,000+ spots across 20 cities



500 Premium Outlet Branding



4 crore + impressions on digital space



Inserts in over 50 national magazines and dailies

Campaign Impact



47% increase in total Retail Penetration of IG Classic



Monthly Billing increased by 125% in 6,000 Outlets



Monthly conversion increased by 19%



India Gate Classic Sales increased by 70% in Secondary Market



Company Overview

A leading branded FMCG company. India's largest producer and exporter of Basmati rice

- Established in 1889, KRBL is India's first integrated rice company.
- Present in the entire value chain from seed development and multiplication, contact farming, production to marketing.
- #1 - Basmati rice producer in India, Basmati rice exporter, Rice miller.

Business Segments

- Agriculture - comprising of agricultural commodities (96% of the total revenue).
- Energy - Power generation from Wind and Solar Power (4% of the total revenues).

Products

- Basmati & Non-basmati rice.
- 'Healthy food' segment - Sprouted Brown Rice, Quinoa, Chia Seed, Flax Seed.
- Milling by-products like bran oil, furfural rice bran, and de-oiled cakes.

Markets

- India - 35% market share in the branded Basmati rice segment (value).
- Exports to 81 countries.
- Strong presence in the Gulf Cooperation Council (GCC) countries.
- 'India Gate' has 76% market share in the 'premium' category (on RSP basis) in the GCC markets.

Manufacturing

- At 195 MT/hour, KRBL has the largest rice milling capacity in the world.
- 4 rice processing/grading plants which are based in Delhi, Punjab, Haryana and Uttar Pradesh.
- Modern packaging and foodgrain warehousing facility at Alipur and Barota units.

Brands

- Multi-brand presence in Indian & International markets.
- Brand names include India Gate, Doon, Nurjahan, Bemisal and Unity among others.
- Flagship Basmati Rice brand 'India Gate' commands a premium in both international and Indian markets.

FY18 Financials (Standalone Financials)

Revenue
₹ 3,287 cr.

EBITDA
₹ 819 cr.

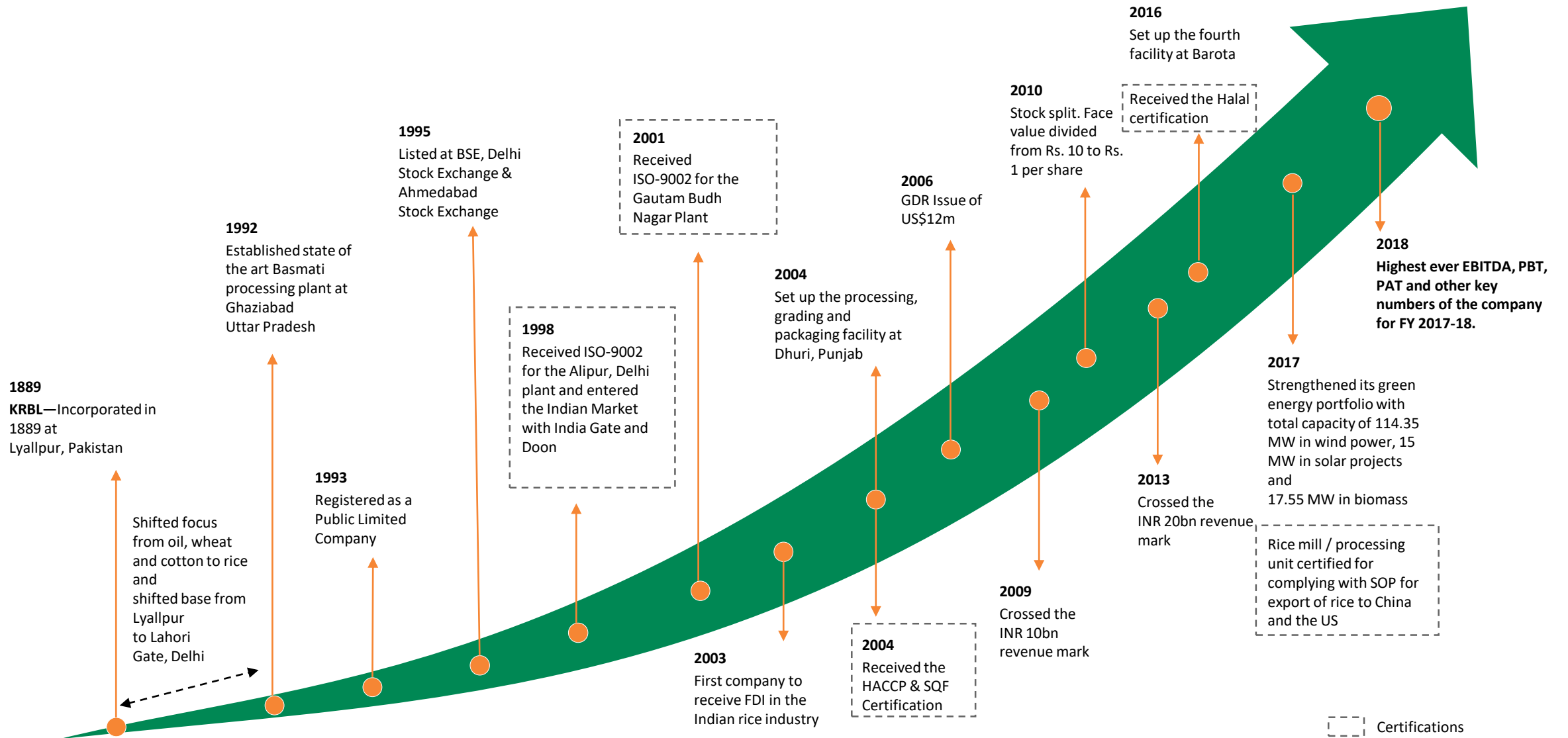
EBITDA
Margin
25%

PAT
₹ 462 cr.

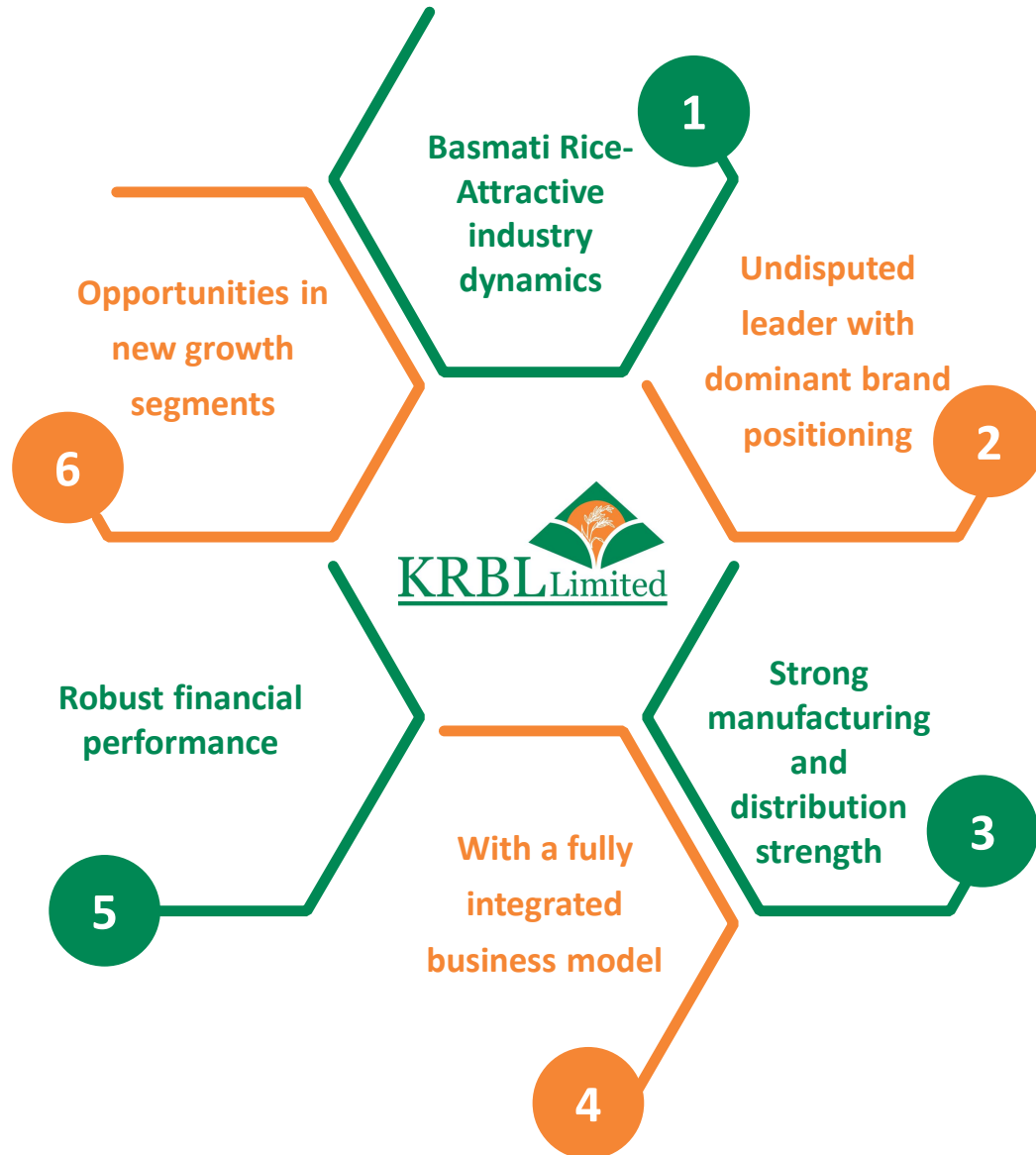
EPS
₹ 19.62



A 130-year-old legacy – Evolution and key milestones



Key investment highlights



Basmati Rice – Attractive industry dynamics

Basmati Rice – A niche opportunity

- Basmati producing regions are limited. Exclusively grown in India and Pakistan.
- Legally enforced regional trademark. A Geographic Indication (GI) recognition for Indian Basmati rice.
- Ageing in basmati (~ 18 months) is essential as it enhances the attributes of basmati by reducing moisture content, increasing aroma, length, taste and cooking results.

Growth in India's Basmati production...

- Introduction of higher yielding and shorter duration variety 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.
- Basmati rice production in 2017-18 has recovered to 9.0 MMT (1.9 million hectares) compared to 8.0 MMT (1.7 million hectares) in the previous year.

... Coupled with Indian consumption drivers

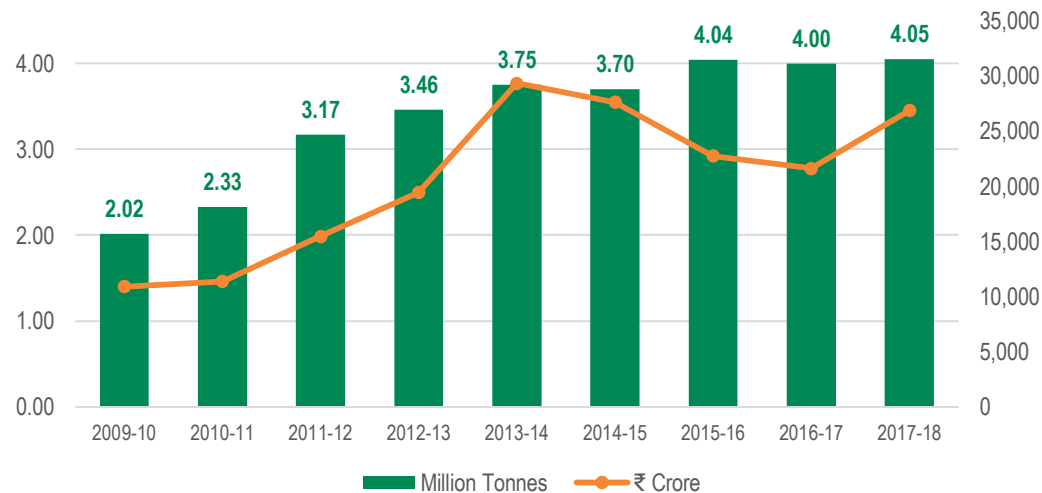
Growing urbanisation

Rising income levels

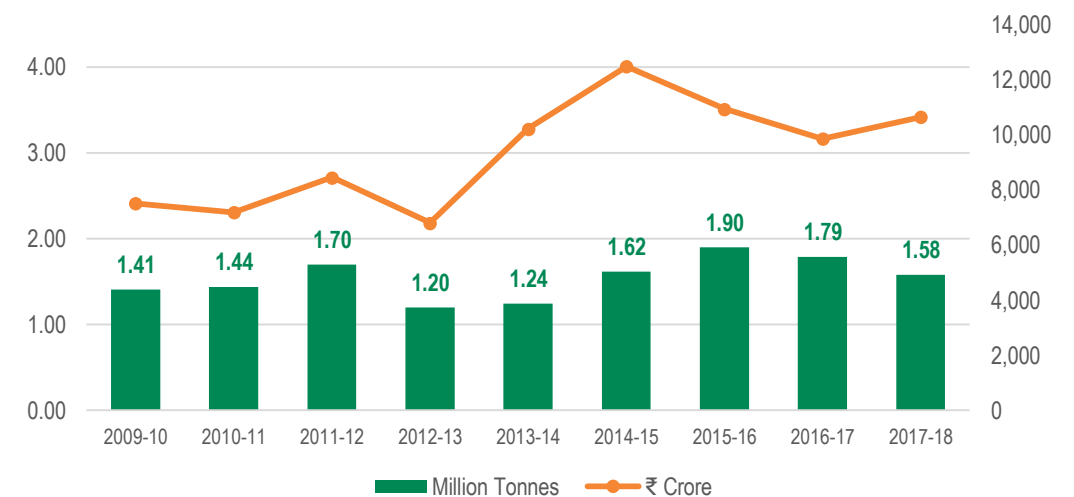
Organized Retail - Spread of modern trade

Steadily changing trend of consumers opting for quality and branded rice

India's Basmati exports ¹ – continuously rising demand



Demand | Supply dynamics in GCC importing countries ¹



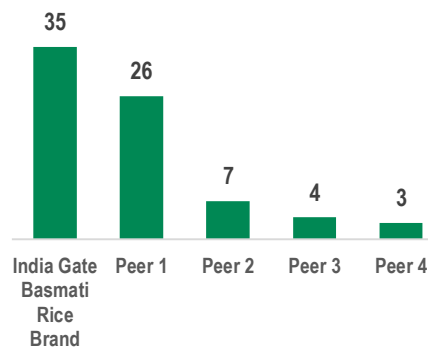
KRBL is the undisputed leader of Indian Rice Industry

INDIA GATE – The flagship brand

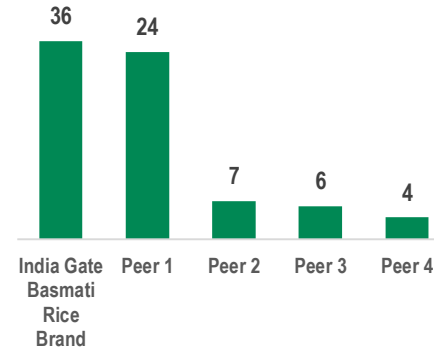
- Largest selling brand of India.
- Well-established in both the Indian market as well as the key International markets.
- Dozens of variants aimed at different consumers and comes in a wide range of formats/sizes.



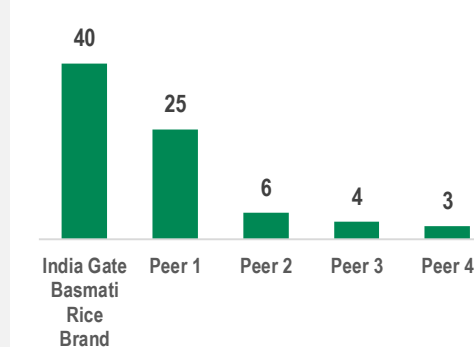
Market share (%) in India



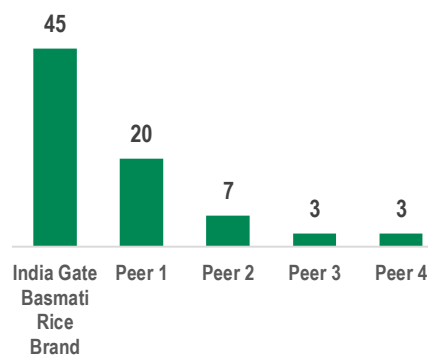
Market share (%) in Metro Market



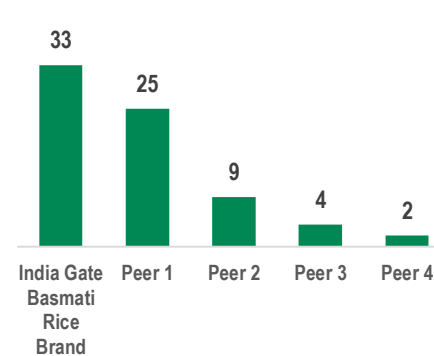
Top 5 brands (by value)



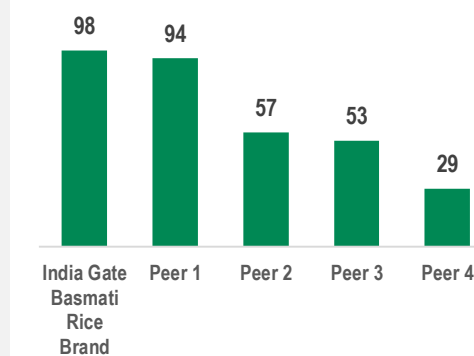
Market share (%) in Rural areas



Market share (%) in Traditional markets



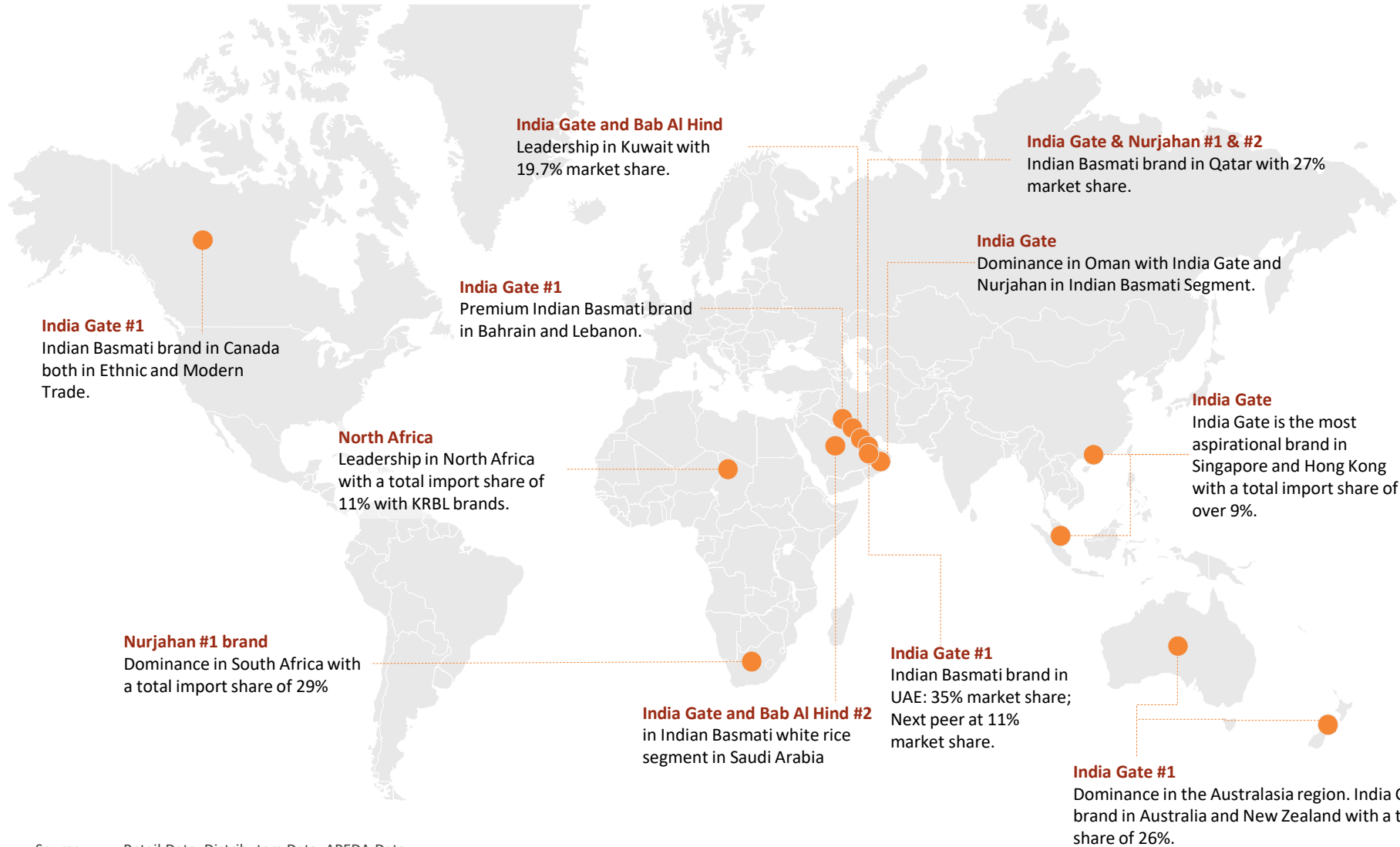
Weighted Value Distribution* in Packaged Basmati Rice Category (in%)



(Source: AC Nielsen MAT March, 2018)

* Weighted Value Distribution (percentage of stores that sell our products based on their weighted importance), 98% of the modern trade stores sell our packaged Basmati Rice products.

The #1 brand in several lucrative International markets



Exports to 81 countries

- India Gate has 76% market share in the 'premium' category (on RSP basis) in the GCC markets.
- India Gate's Classic variant is the most preferred brand in Saudi Arabia, Kuwait, UAE, Qatar, Bahrain.

Source: Retail Data, Distributors Data, APEDA Data

A multi-brand strategy addressing all segments and markets

Brands catering to bottom of pyramid consumers to super premium consumers



With continued focus on branding and consumer engagement

Focused on small, sweet habits and customs of India



Big Boss



- Brand Spends- Rice Segment. India Gate brand has the highest Advertising spends in the segment.
- India Gate brand is on top of the category list with a 31% share of voice on TV and a 37% share of expenditure across multi-media channels.

For FY18

Jashn-E-Biryani series of videos on YouTube



Traditions that matter



Healthy Lifestyle- Quinoa.life



'Gulfood 2018', Dubai World Trade Centre



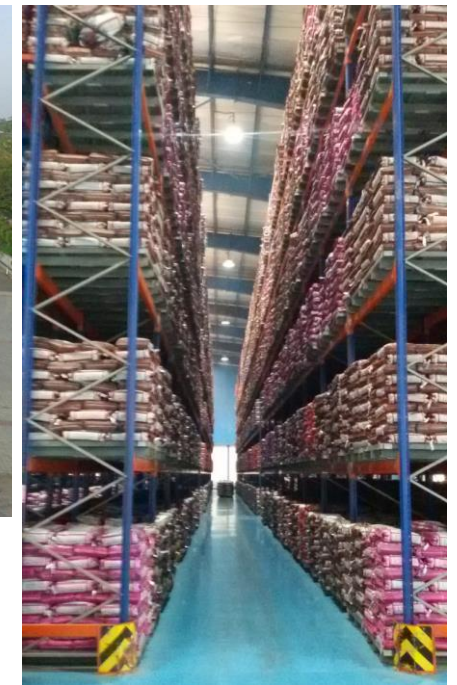
Corporate Master Chef challenge



Strong manufacturing capabilities, early investments for capacity

Manufacturing and Warehousing capability

- Manufacturing and procurement facilities in close proximity to the Basmati growing regions.
- Production capacity at 195 tonne per hour (TPH), the largest in the industry.
- Sufficient capacity for future growth, limited capex requirements.
- Long-term working relationship with Bühler since 1997. First-mover advantage in accessing the latest technology for the paddy processing industry.



Warehousing space with the most hygienic storage conditions, ongoing fumigation and safe custody of cargo. Equipped with comprehensive systems that ensure maximum protection from ground, moisture, humidity, bird droppings, rodents and infestation through micro-organisms and insects.

Location	Processes	Production capacity (MT/Hr)	Storage capacity (MT)
Gautam Budh Nagar, Uttar Pradesh	Rice processing, grading and packaging	45	405,000
Dhuri, Punjab	Rice processing, grading and packaging	150	515,000
Alipur, Delhi	Grading and packaging	–	20,000
Barota Sonipat, Haryana	Grading and packaging	–	60,000

Distribution network strength - Pan-India and International

Pan-India retail and wholesale network



- In its modern trade channel, enhanced presence to 7,530 stores*.
- Continuously improving same-store sales and category share.

Distribution tie-ups with large retailers globally



Tie-ups with major online players



- Rising opportunity from the online distribution network.
- Dedicated team of professionals to build capabilities in e-commerce channel.

* As of March 2018

Fully integrated operations; present in entire value chain

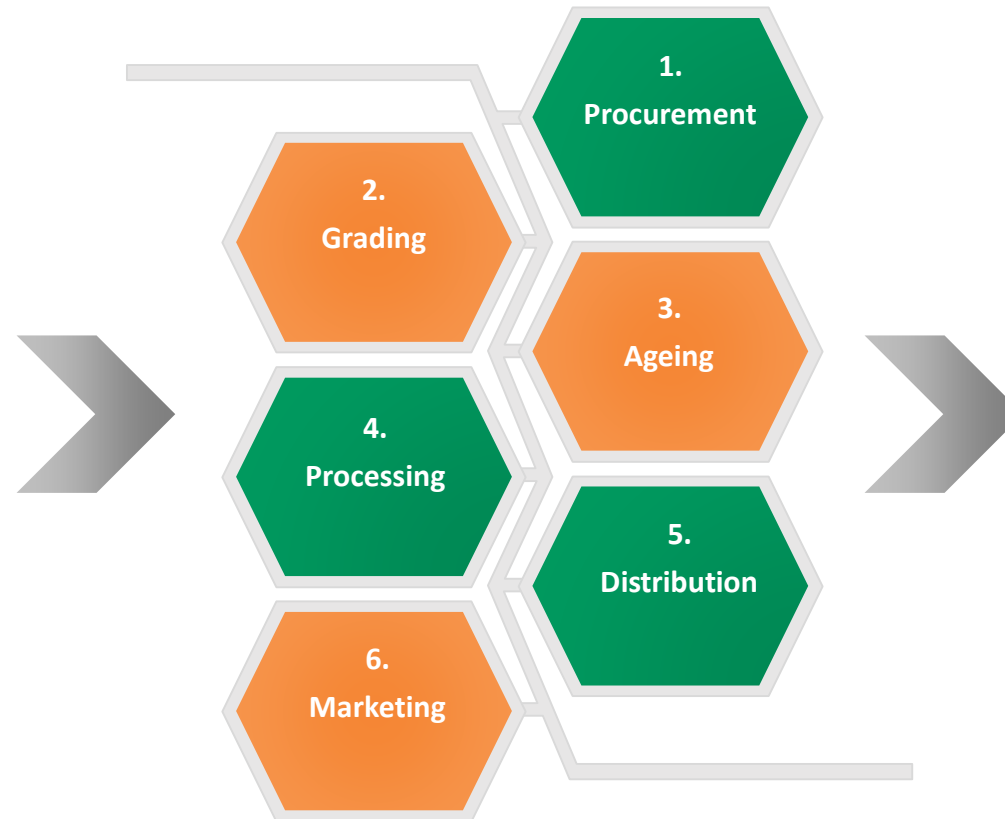
Integrated value chain - Presence across the entire value chain enables controlling costs and quality

Seed development

- A leading rice player to manufacture Basmati seeds.
- An extensive seed multiplication and a seed grading plant.

Contact Farming

- Farmers are hand held through every step of the crop cycle.
- Pre and post harvest management seminars to improve understanding of grain development.



Value-added products

- Manufacturing value-added products from the by-products generated in the milling plants.

Power Generation

- A diversified power generator with interest in Biomass, Wind and Solar Power.
- Total installed capacity of 146.90 Mw.
- Captive power and sale of excess power.

Research-based approach and quality control focus

Seed Development

- Entered into Seed Development & Multiplication (QSDIP program).
- Dedicated team of agricultural experts who continuously research and develop new seeds with better yield.
- Developed seeds distributed to farmers under contact farming.



Strong R&D focus to improve quality

- Extensive research on various parameters such as chemistry, quality and ageing of Basmati rice to constantly improve quality.
- Team of experienced rice professionals and farmers, who blend their traditional knowledge with modern technology.
- Constant improvement of process and enhancement of operational efficiency.

Collaboration with Institutions

- Among the first in the industry to form an association with Pusa Institute, for developing better varieties of Basmati.
- Associations with leading agri-universities such as Indian Agricultural Research Institute to use studied and tested methods for quality.
- Applied for patent on nutritional enhancement of rice through processing.



Endorsement of our strong quality thrust

Certified/registered by:

- FSSC 22000 issued by SGS
- SGS HACCP registered
- SQF Code Edition 7.2 issued by SGS
- USFDA registered
- BRC Certification issued by SGS
- ISO 9001: 2000 certification



Deep-rooted relationships with farmers, nurtured over decades

Contact Farming

- A systematic process developed by KRBL to reach out to farmers at the field level and assist them from the time of procuring agri-inputs/seeds till the time the product is ready to be sold in the markets.
- Hand-holding the farmer every step of the way; both through On-field and Off-field support.

On-field support

- Extension officers are assigned agri-extension routes in specific areas in Uttar Pradesh, Uttarakhand and Punjab. Each route comprises of 40-50 villages in a district.
- Extension officers tour their designated districts and carry out agricultural extension activities such as:
 - ✓ Advising farmers on choice and treatment of seeds, nursery and field preparation, cultivation
 - ✓ Provision of quality seeds for cultivation
 - ✓ Harvest and post-harvest assistance
- Integrated Pest Management support – Pest identification, control, monitoring and prevention.



Off-field support

- Dissemination of information about agricultural practices, modernization and crop management to the farmers without imposing any terms and conditions on them.
- Inform farmers of latest agricultural techniques, modern cultivation technology, new varieties of pesticides and high yielding and disease-resistant varieties of seeds.
- Promote the use of hydroponic technology amongst farmers through a partnership between KRBL and Ayurvet to engage in soil-less cultivation of paddy nursery.
- Participation in farmer meetings conducted by Kisan Vigyan Kendras.
- Organise in-house Kisan Mela with partners such as Bayer Crop Science, Ayurvet and Mahindra etc.



Value-add from by-products of milling plants

Main by-products generated are Rice Bran and Paddy Husk.

- Rice Husk is an excellent source of heat energy. Sold as a fuel to produce steam and electric power.
- Paddy husk is used in the manufacture of rice husk boards, silica gel and manufacture of furfural.
- Dhuri has a 3000 TPA capacity Furfural plant and a 3000 TPA capacity plant to produce Furfuryl Alcohol from Furfural.
- Approx. 25% of Furfuryl Alcohol demand in India is met by KRBL; the rest is met by imports.
- Dhuri also has a 250 TPD capacity solvent extraction plant to produce rice bran oil which is sold to various oil refineries who refine it and sell it as an edible oil.
- Liquid Glucose is produced from smallest broken raw milled rice. KRBL operates a liquid glucose plant with a capacity of 25 TPD.

The power generation business consists of biomass, solar and wind energy plants.

- KRBL uses rice husk that's generated in its facilities to produce non-conventional power, to meet its captive power requirements.
- The Biomass division meets the internal power requirements at Dhuri and Ghaziabad plants. This division produces 17.6 MW, on account of the natural by products of rice-milling – Bran Oil, Furfural etc.
- Any excess energy generated in Biomass is sold to the Punjab State Electricity Board.
- Wind power plant capacity of 114.35 MW and Solar power plant capacity of 15 MW.

Integrating best sustainable practices, contributing to revenue

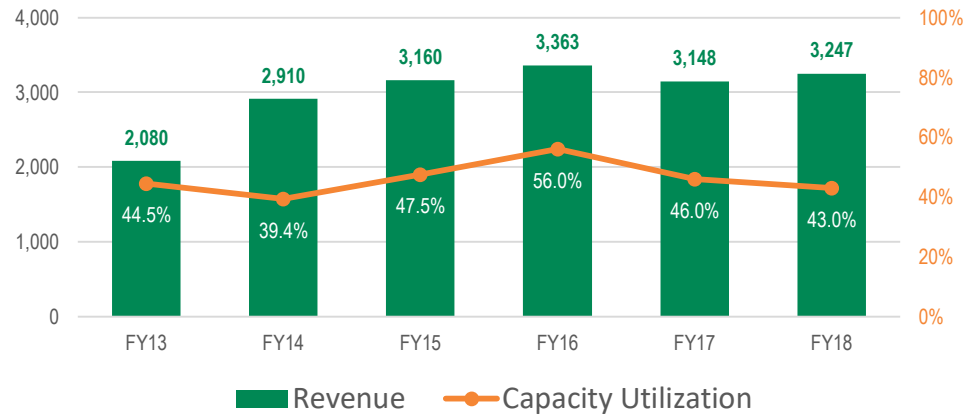
- Revenues from sale of FF & FF Alcohol **increased by 124%** in FY18.
- First full year operation of Furfural oil plant (commissioned in FY17)

- Revenues from Glucose business **increased by 89%** on account of higher production of glucose during FY18

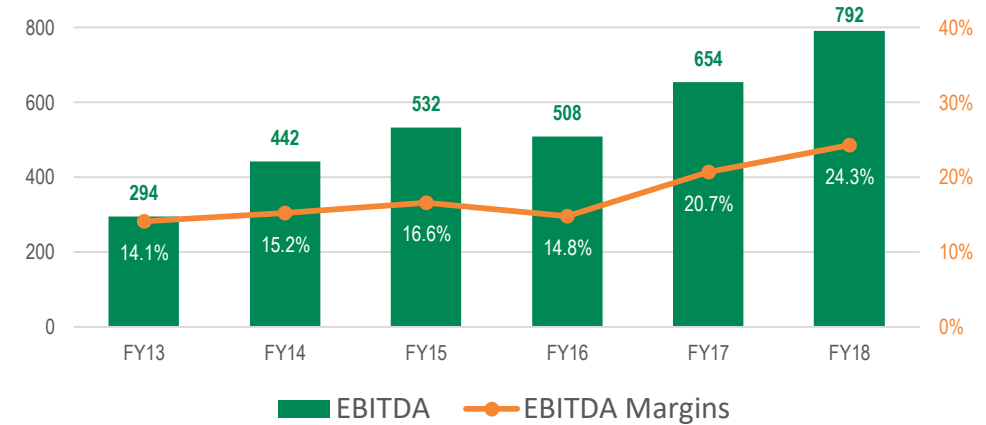
- Power sales in FY18 **increased by 26%**.
- First full year operation of 27.3 MW wind power plant at Gujarat (commissioned in FY17)

Robust financial performance, fundamentals comparable to FMCG standards

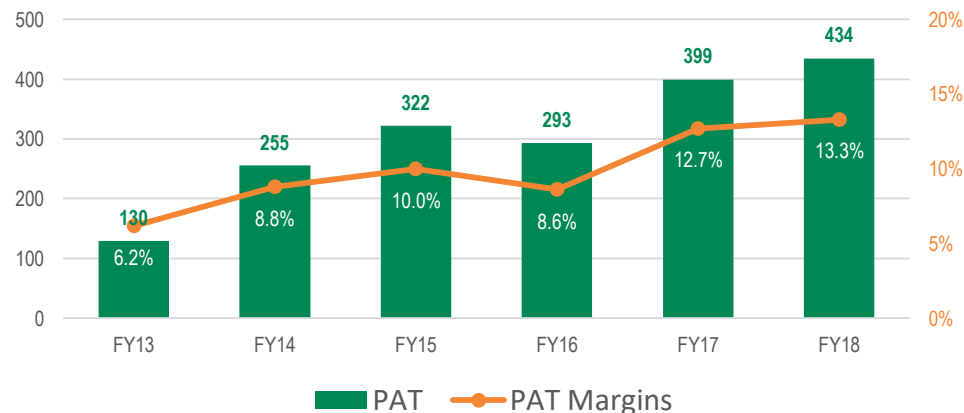
Revenue ^{1&2} (in ₹ Crores) and Capacity Utilization ³ (%)



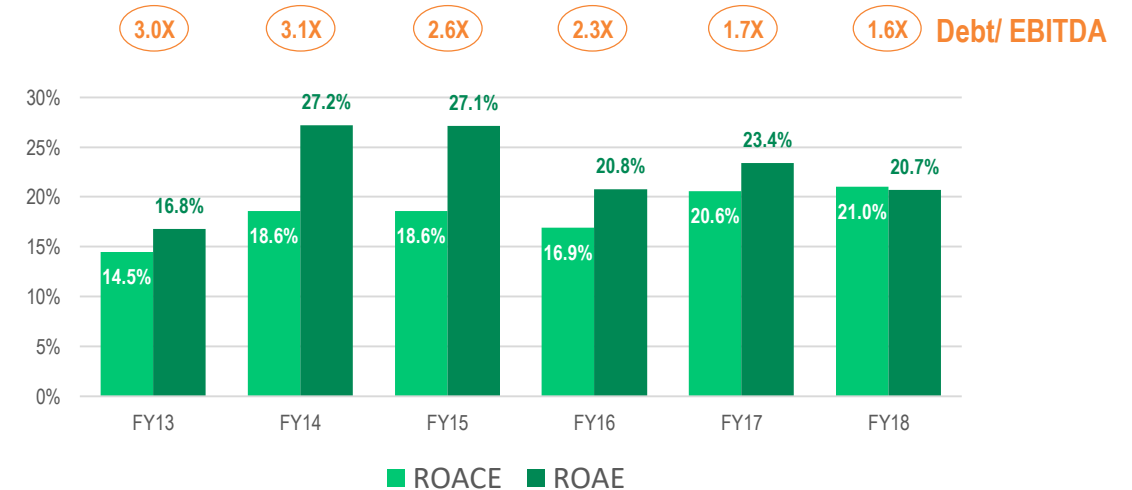
EBITDA¹ (in ₹ Crores) and EBITDA Margin (%)



PAT¹ (in ₹ Crores) and PAT Margin (%)



ROACE and ROAE ^{1&4} (%)



Note:

1 Based on Consolidated Financials

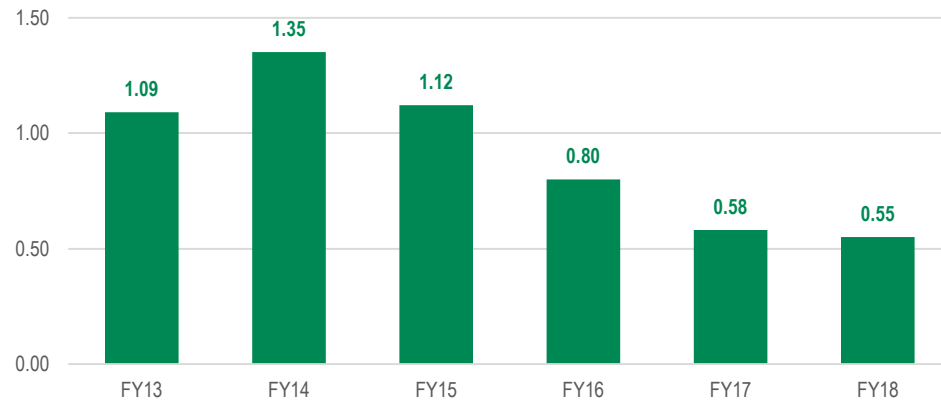
2 Based on revenue from operations which does not include other income

3 Indicates capacity utilisation of the rice business. Calculated basis the plants running on an average for 300 days a year and on an average of 20 hours per day

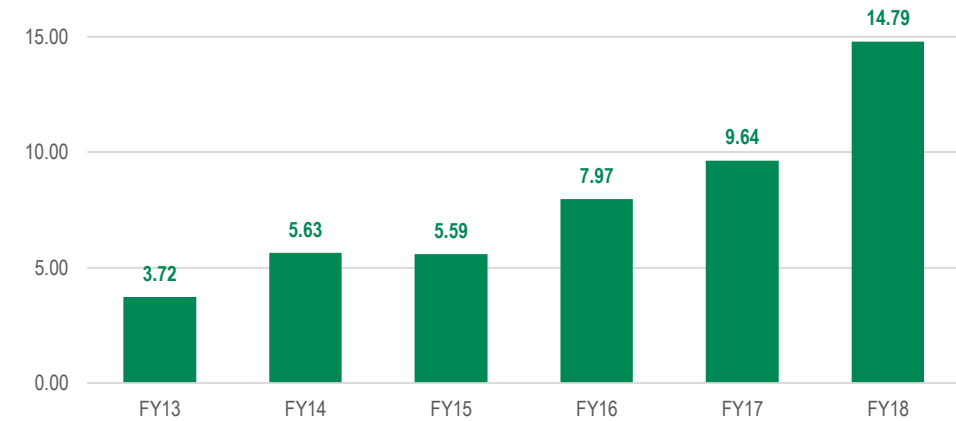
4. ROACE: Return on average capital employed (EBIT / Average of previous and current fiscal year's capital employed). ROAE: Return on average equity (PAT / Average of previous and current fiscal year's equity capital)

Continuous deleveraging, improving profitability

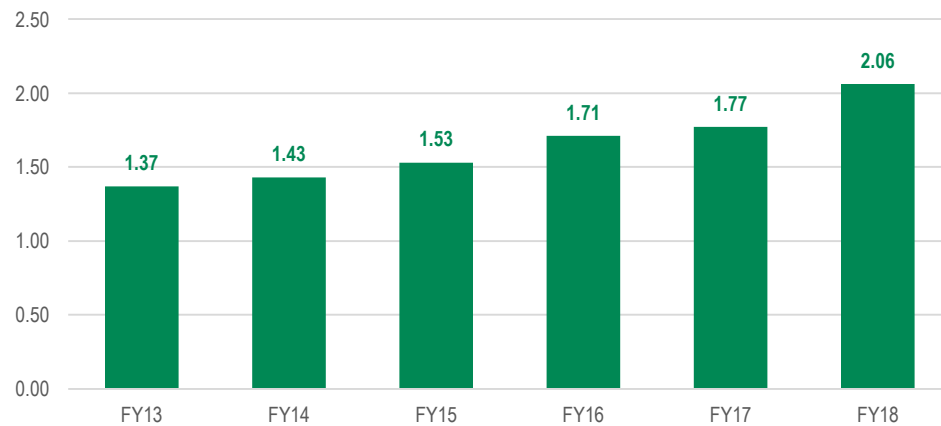
Total Debt to Equity Ratio



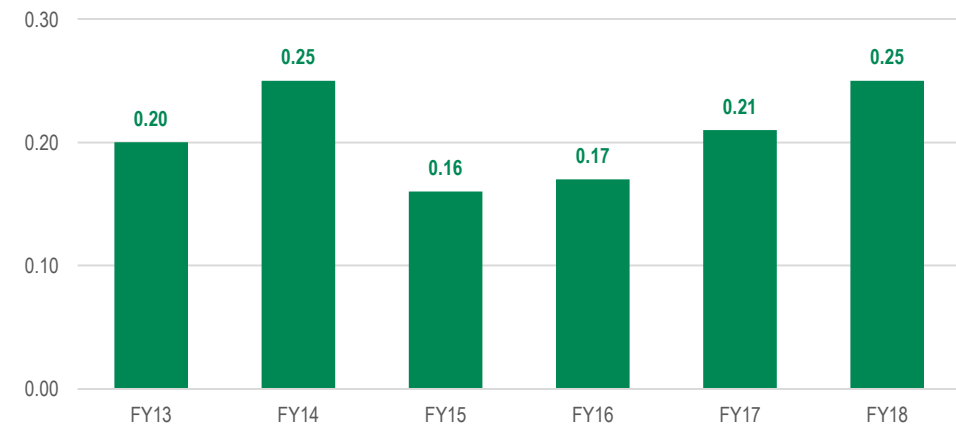
Interest Coverage Ratio



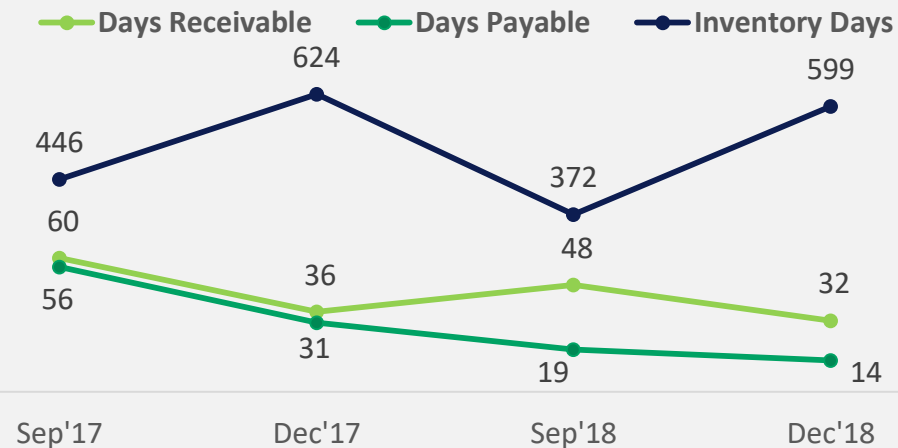
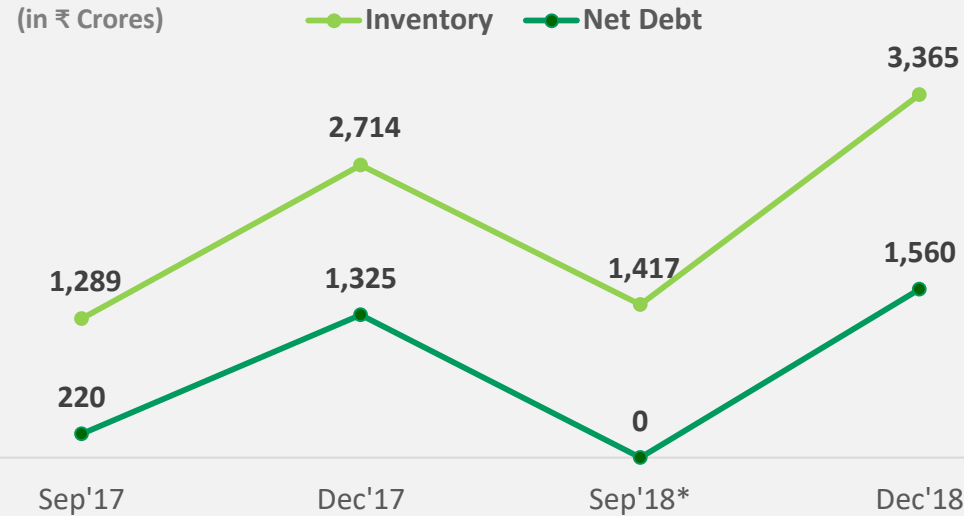
Current Ratio



Quick Ratio



Reduction in cash conversation cycle despite heavy procurement



- Net debt starts rising with the commencement of procurement of paddy in Q3 every year and becomes insignificantly low by September of the next year. This is a cyclical phenomenon which results in near zero debt every September for the company. The Inventory days follows the above trend.

- Additionally, payable days has also reduced from 56 days to 14 days.
- Receivable days has also improved to 32 days.

Capitalising on opportunities in new growth segments



- Constantly innovating on our offerings to the ever changing consumer preferences.
- Moving up the brand value chain. Launch of new products in **'Super Premium', 'Health food'** and **'Specialised'** categories.
- Evolving into a maker of 'healthy' and consumer centric food products.
- Producer of 'healthy' food products to meet the increasing trend of consumers wanting to have healthy and nutritionally superior food.



Awards and accolades

2018

The Agriculture Leadership Award for dominant position in agro exports, pioneering work in establishing the Indian brand globally and support and financial empowerment of farmers

2017

Golden Trophy by APEDA for outstanding export performance for the year 2015-16

2016

Guinness World Record for display of the heaviest bag of India Gate Basmati Rice (weighing 557 kg) in Gulf Food Exhibition at Dubai World Trade Centre, Dubai, UAE

2015

World Greatest Brand 2015, ASI, & GCC, awarded by URS and Process reviewed by PWC

2015

Mr. Anil Kumar Mittal was awarded the prestigious Silver Jubilee Award by the National Academy of Agricultural Sciences, India

2010-14

Recipient of the Concor Exim Star Award in the northern region for exceptional financial performance and an extensive export network

1997-2017

APEDA's prestigious Export Award for many years

2010

Emerged as the Top Green Company in the list of 25 most popular food companies in India by Greenpeace, according to their policy on Genetically Modified (GM) foods

2007, 2008

Business Sphere Award for the World's Largest Rice Miller

2005-08

Awarded "Mera Brand", by Consumer World Awards as India's most preferred Basmati brand

Note:

1 APEDA - Agricultural and Processed Food Products Export Development Authority

Highly experienced leadership team recognised by industry



Anil Kumar Mittal
Chairman and Managing Director

- Visionary of the company, provides strategic direction to all aspects of the business
- Over 44 years of experience in the rice industry
- Founder and former president of All India Rice Exporters Association
- Arts graduate from Delhi University
- Recipient of the Silver Jubilee Award from the National Academy of Agricultural Sciences, India



Arun Kumar Gupta
Joint Managing Director

- Expert on Basmati paddy supply chain management and paddy milling technology
- Over 36 years of experience in the rice industry
- Executive member of the Basmati Rice Farmers & Exporters Development Forum
- Commerce graduate from Delhi University



Anoop Kumar Gupta
Joint Managing Director

- Oversees strategy and financial operations
- Over 34 years of experience in the rice industry
- Former Executive Committee Member of the All India Rice Exporters Associations
- Science graduate from Delhi University



Priyanka Mittal
Whole Time Director

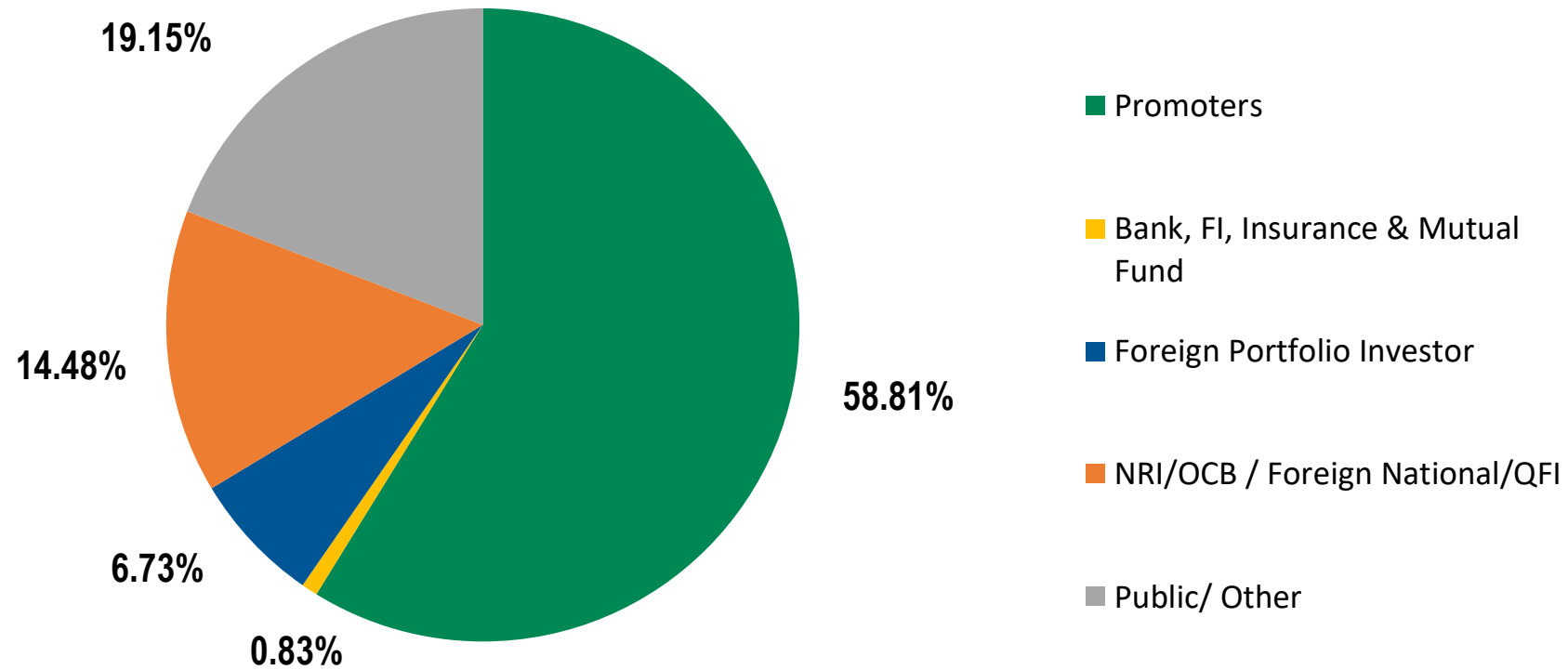
- Oversees brand management of all KRBL brands
- Handles corporate affairs and public engagement at the India and international level
- Over 18 years of experience in the field of international marketing and sales management
- Co-chairperson of Agri Committee, PHD Chamber of Commerce and Industry
- Chairperson of Federation of Indian Export Organizations (FIEO), Northern Region, Ministry of Commerce, and Government of India
- Owner President Management programme from Harvard Business School, BS in Business Management from University of Southern California, LA
- Special Advisor to the Women Political Leaders Global Forum (formally known as Women in Parliament, a European Parliament Initiative)



Rakesh Mehrotra
Chief Financial Officer

- Over 31 years of experience in finance
- Previously worked with some of the leading corporates such as Surya Group, Lakhani Group, Sanjay Dalmia Group, Mafatlal Group and Onida Group
- Chartered Accountant from ICAI and Commerce Graduate from BHU

Shareholding Pattern



Data as of 31 December 2018



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