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BSE Limited

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Ref : Scrip Code: 513713

Sub : Business Updates

White Organic Agro Limited (BSE: 513713), the only listed Company in India in the agriculture organic segment which providing exclusively Organic products from farms to home. Currently the company's business includes many verticals, out of which wholesale trade of agri commodities contributes as one of the major one, with enormous scope of expansion and scalability. The disinvestment in the subsidiary company has helped the company's cash flow and focused accelerated overall growth in the all the verticals of the company.

Union Budget 2022 : Despite the unprecedented global pandemic, the Indian agricultural sector was among the few segments that managed to remain robust even amidst the uncertainties of the pandemic. Keeping in mind that agriculture is a fundamental part of India's recovery process and a crucial sector of the Indian economy, the *Union Budget 2022*, indicates the government's resolve to further boost the sector. The government looks at agriculture as an important part of its growth under the pillar of "Inclusive Development".

Recently, chemical-free agriculture, often known as organic agriculture, has been gaining ground in India. The phrases 'organic' and 'natural' farming are often used interchangeably. When the majority of agricultural inputs are controlled within the farm system or from neighbouring local ecosystems, the phrase "natural farming" is frequently used. The government is all set to further it's aim of moving towards natural and chemical-free farming throughout the country with a special focus on farmer's lands in five kilometre wide corridor along the river ganga.

On the other hand, consumers in India are becoming increasingly health conscious, which has resulted in a change in their preferences. Consumers are choosing to prefer consumption of organic food instead of conventional food, because of its chemical-free production and preservation. However, the market for organic food is not yet ready to deal at such large measure. Many upper-middle-class sections are choosing to settle for pure organic food and are willing to pay a premium of 20-30% for organic food products. While the potential and evaluated future growth will surely be at par with the high demand of products, for the market to thoroughly contribute to the economy, the organic food market will give us a great opportunity going ahead.

Post pandemic as the things is getting back to normal and disinvestment from the retail division the company will focus on catering the masses and aggressively expand its organic agro product lines and related activities and wholesale trading for all kind of volume-based crops. The management envisions that there is enormous opportunity in agriculture commodity trading and farming activity where the company has expertise and experience of many years now. To explore many unidentified avenues in the agriculture

commodity trading, expanding horizons, exploring research and development for minimizing the logistic cost and penetrating to rural organic farm lands and different activities the company would need additional liquidity and the same shall be generated by disinvestment in the subsidiary.

The company through its strong presence in Mumbai, Rajkot and Delhi have deepened the roots with the local farmers and have established a full proof procurement system. Today awareness of food security and nutrition is at its peak. Responses need to be well coordinated across the country and beyond, to limit impacts, end the pandemic, and prevent its recurrence.

In May 2021, the company has disinvested in the subsidiary of the company (i.e.:- White Organic Retail limited - WORL). The subsidiary company as well as the parent company has performed well in past few years and the management at the right time grasped the opportunity to disinvest in the subsidiary and focus on the core activities of the company. The cash flow generated through the disinvestment has helped the management to expand its horizons in terms of geography expansion, increasing acreage and bulk procurement and agri warehousing.

With enhanced liquidity farming and cultivation would be the core focus of the company for next years and focusing on organizing organic certification to the farms owned by farmers and cultivated by White Organics. Organic certification for each land is an investment for a farmer, however the company would help them get their farms certified and sign buy out lease pacts with them.

Future Developments FY 22-23:

- Company plans to signed leased pacts for farming and cultivation of various vegetables and fruits in Maharashtra, Gujarat and Haryana and increased acreage for cultivation of for summer season 2022.
- Company expects exponential growth in into indirect farming business in the northern states of India in business of basmati rice. The Company shall increase the capacity in New Delhi and Karnal from which it carries on the basmati rice business.
- Company having strong presence in western and northern India, is exploring setting up bulk procurement and distribution hub in southern India for sourcing the best quality grains at very competitive rates.

Note: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.