E:KRBL/BIBHU/STK_EX_1920/59
4 November 2019

KRBL Limited

	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.**

Dear Sir/Madam,

Sub: Investor Communication on Unaudited Financial Results for the Second Quarter (Q2) and Half Year ended 30 September 2019

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 ("Listing Regulations"), we are pleased to enclose herewith Investor Communication of the Company on Unaudited Financial Results for the Second Quarter (Q2) and Half Year ended 30 September 2019.

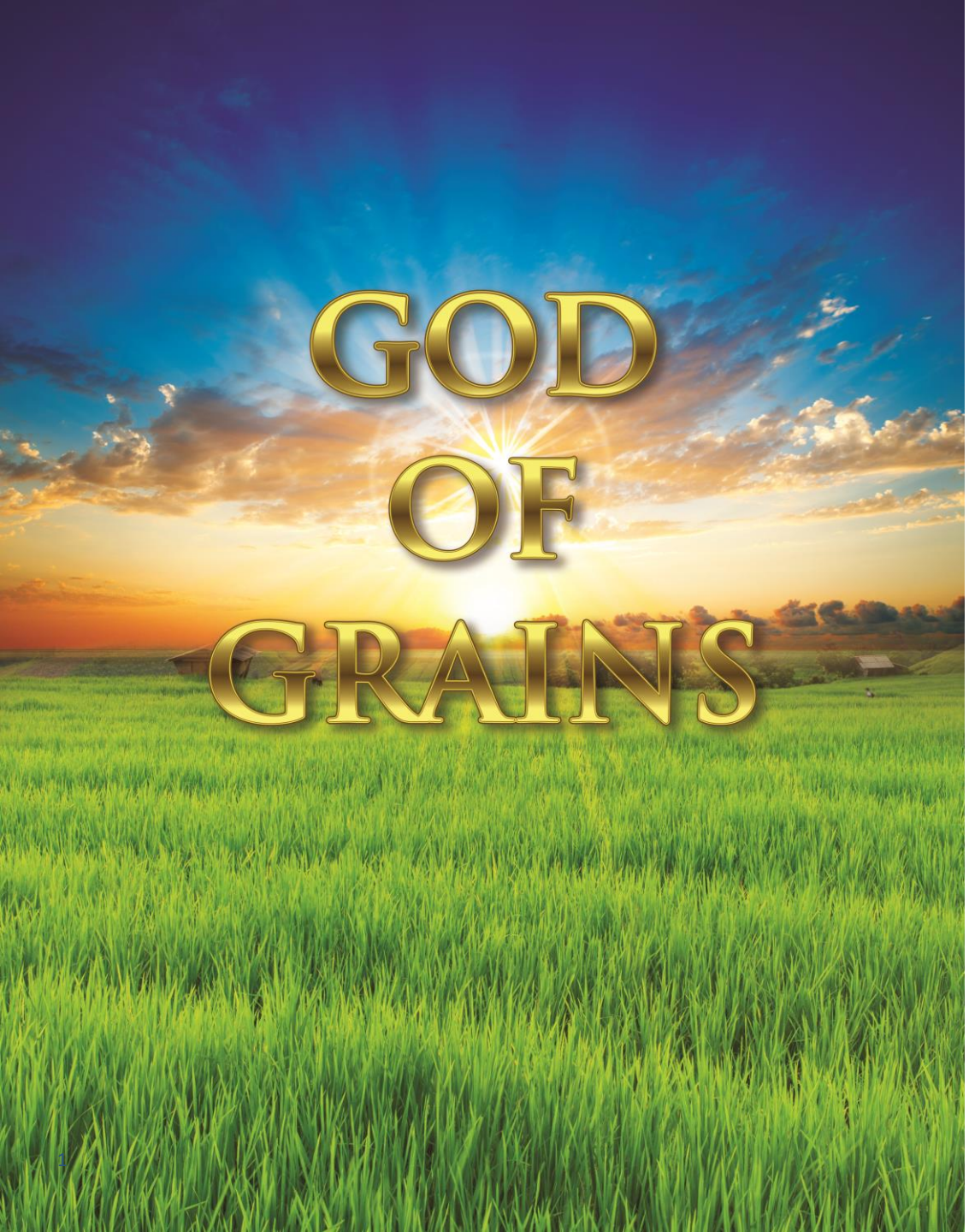
This is for your information and records.

Thanking you,

Yours Faithfully,
For KRBL Limited

Raman Sapra
Company Secretary

Encl.: As Above



KRBL Limited

Investor Presentation
Q2 and H1FY20

INDIA GATE BASMATI RICE

Taj Mahal Basmati Rice

Unity BASMATI RICE

Al Wisam BASMATI RICE

INDIAN FARM BASMATI RICE

Nur Jahan BASMATI RICE

Necklace Premium Rice

https://www.youtube.com/watch?v=ftO8luxERI0

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.

KRBL Limited

Q2 and H1FY20 Performance

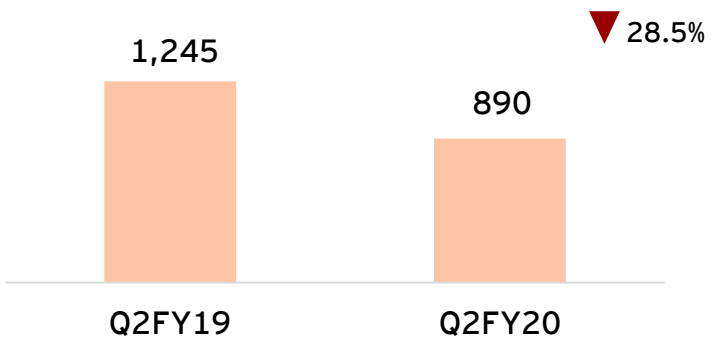
https://www.youtube.com/watch?v=ftO8luxERI0

Q2FY20 Performance Highlights – Consolidated Financials

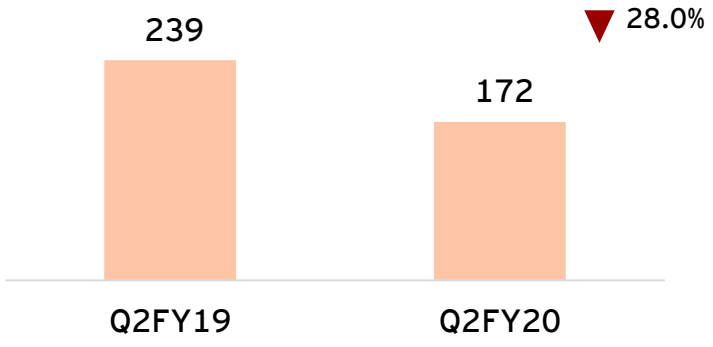
KRBL Limited

(in INR cr)

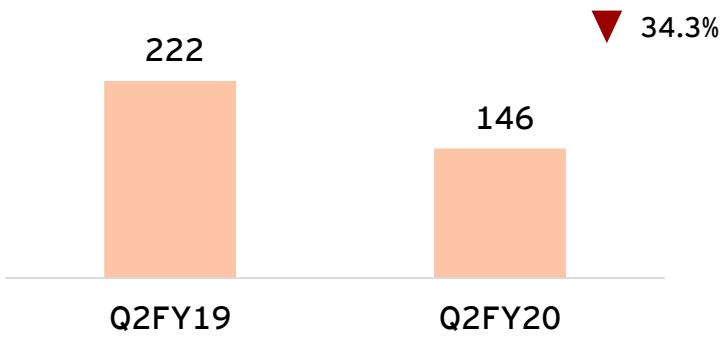
Revenue from Operations



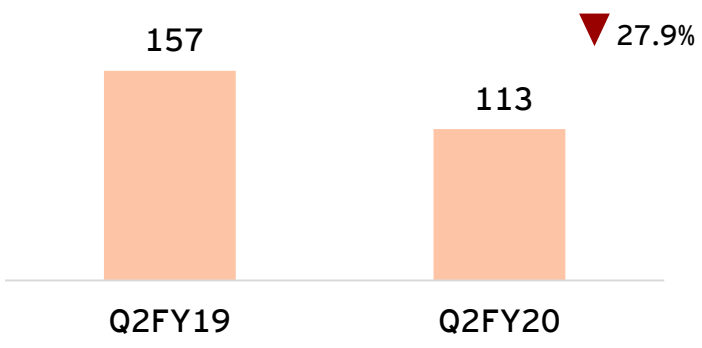
EBITDA



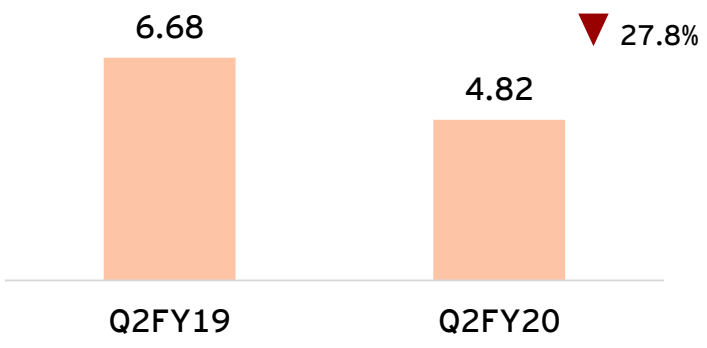
PBT



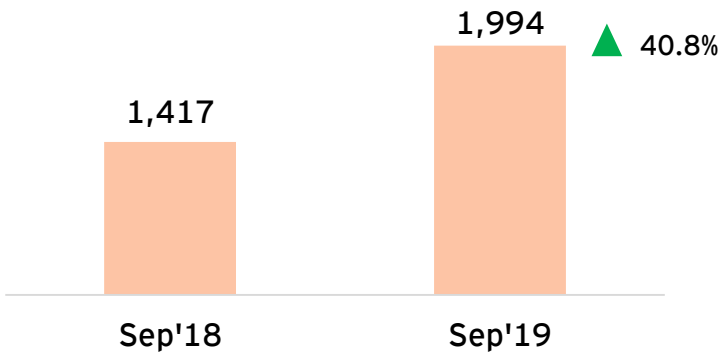
PAT



EPS (in INR)



Inventory Position

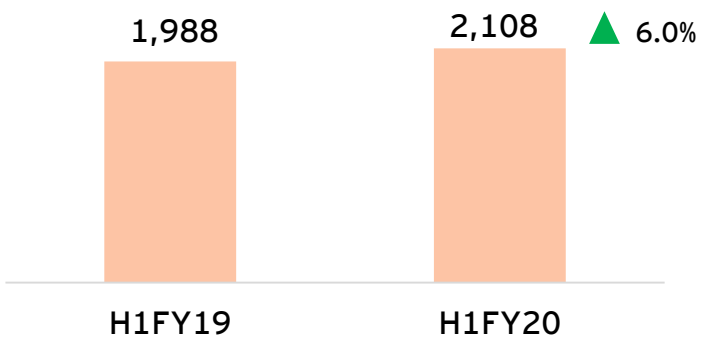


H1FY20 Performance Highlights – Consolidated Financials

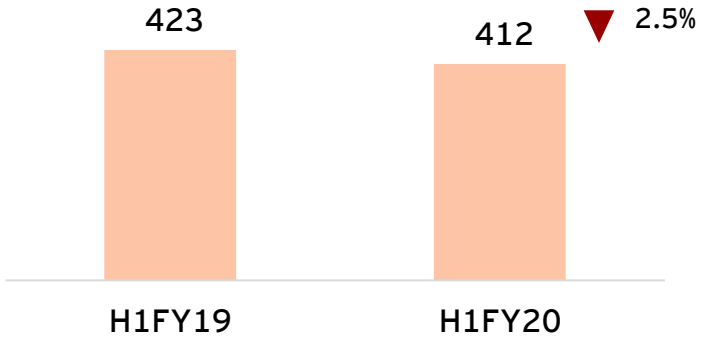
KRBL Limited

(in INR cr)

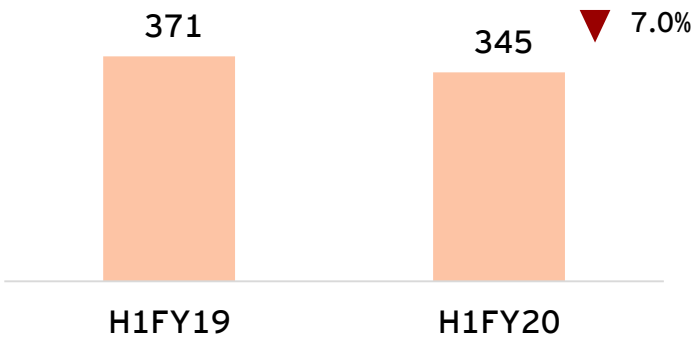
Revenue from Operations



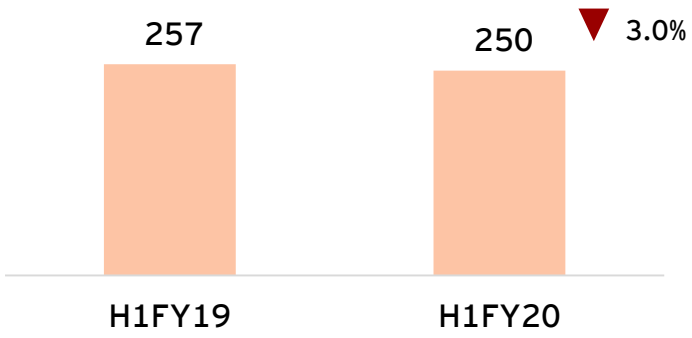
EBITDA



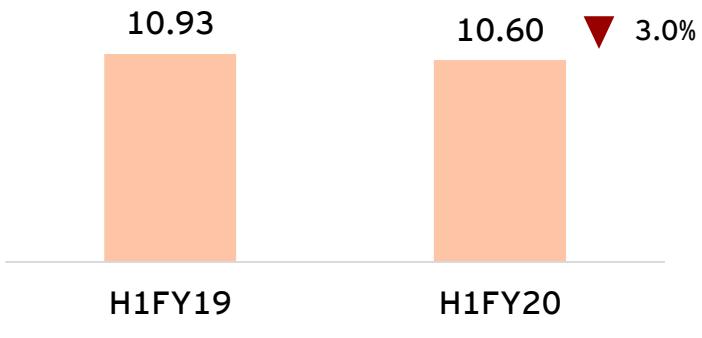
PBT



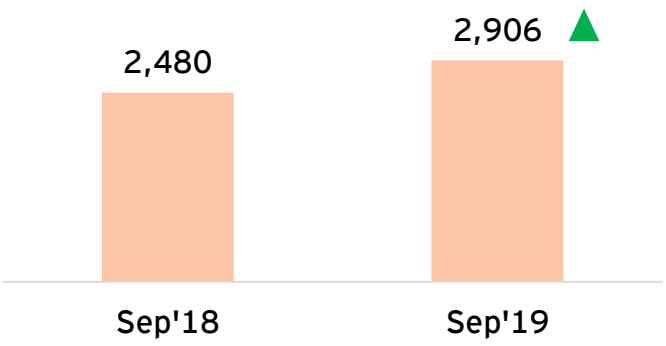
PAT



EPS (in INR)



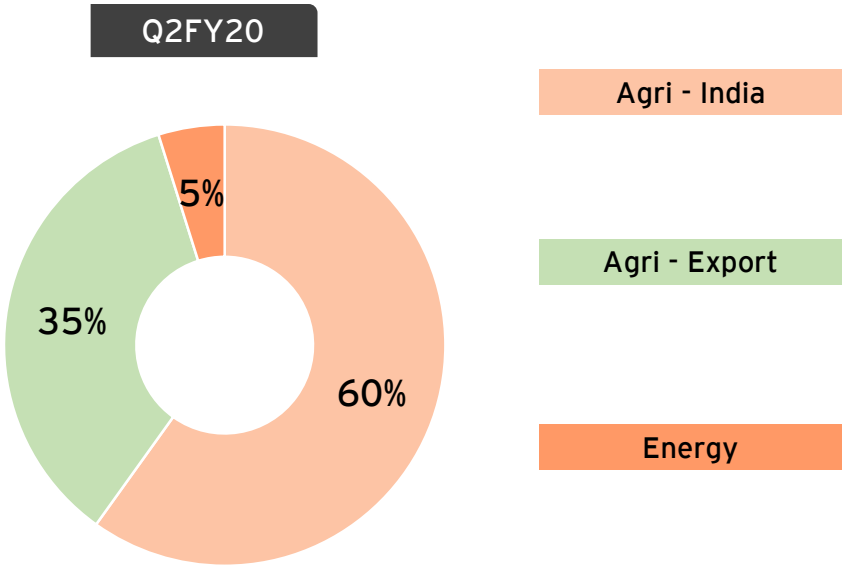
Net Worth

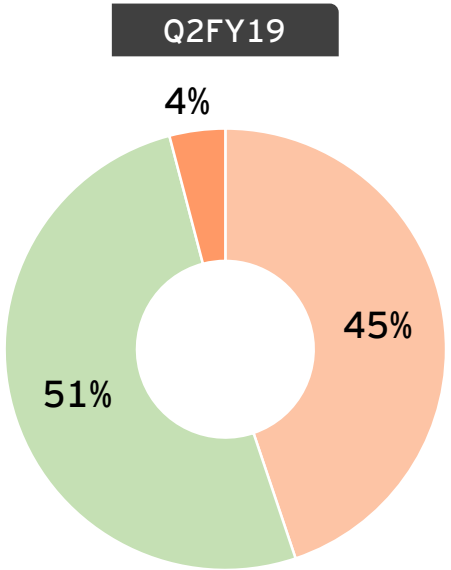


Q2FY20 Business Update

Rice Sales*	Q2FY20			Q2FY19			% change		
	Qty (in MTS)	Rate (in Rs./Mt)	Value (in Rs. Cr)	Qty (in MTS)	Rate (in Rs./Mt)	Value (in Rs. Cr)	Qty (in MTS)	Price Realization	Value
Indian Market Sales	84,082	57,933	487.11	98,538	52,171	514.08	-14.67%	11.04%	-5.25%
Export Market Sales	36,342	86,137	313.04	82,810	76,698	635.14	-56.11%	12.31%	-50.71%

Standalone Segment Revenue





Price Realization increased by ~11% in Indian Market Sales and by ~12% in Export Market Sales

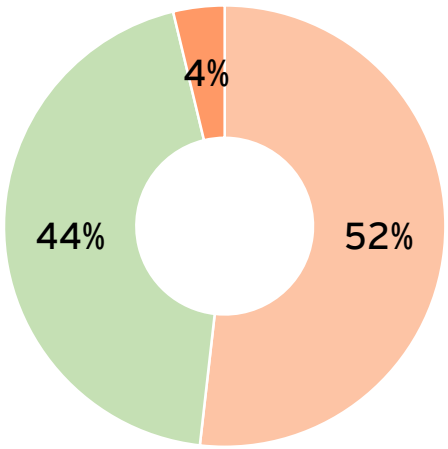
* Details on standalone financials

H1FY20 Business Update

Rice Sales*	H1FY20			H1FY19			% change		
	Qty (in MTS)	Rate (in Rs./Mt)	Value (in Rs. Cr)	Qty (in MTS)	Rate (in Rs./Mt)	Value (in Rs. Cr)	Qty (in MTS)	Price Realization	Value
Indian Market Sales	1,69,381	58,280	987.15	1,69,183	52,822	893.65	0.12%	10.33%	10.46%
Export Market Sales	1,09,553	85,318	934.68	1,11,826	80,767	903.19	-2.03%	5.63%	3.49%

Standalone Segment Revenue

H1FY20

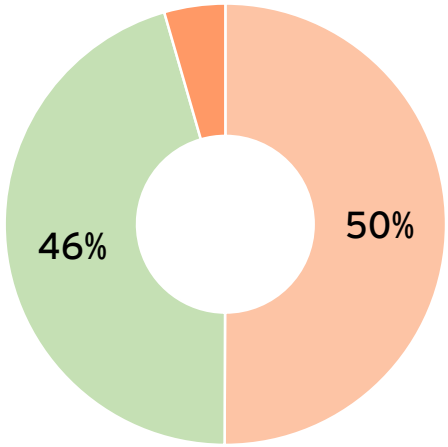


Agri - India

Agri - Export

Energy

H1FY19



Price Realization increased by ~11% in Indian Market Sales and by ~6% in Export Market Sales

* Details on standalone financials

Understanding the Corporate Tax Rate cut...

KRBL Limited

Amendments to the Income-tax Act,1961

Basic Corporate Tax Rate @22%

TO **OPT** FOR THE PROVISION

- Avail **no other exemption/ incentive**
- Effective tax rate **at 25.168%** (inclusive of Surcharge & Cess)
- Provision with **effect from FY 2019-20**
- Once option is exercised, it **cannot be subsequently withdrawn**

TO **NOT OPT** FOR THE PROVISION

- Continue to pay tax at pre-amended rate.
- Can opt for concessional tax regime **after expiry of tax holiday/ exemption period**
- MAT reduced from **18.5% to 15%**

KRBL opts for lower tax regime and its impact..

Current Scenario

- Covered under tax bracket of 30%. **Current effective tax rate (after availing all tax exemptions) at 32.20%**
- **Availing deductions u/s 80IA. Eligible deduction for FY 2019-20 estimated at INR 82 cr**
- **Additional Depreciation at 20% available u/s 32(1)(iia) on investment in new plant & machinery**

If new tax rate of **25.168%** is availed

Revised Scenario

- Forego **~INR 85 cr** of exemption/ deduction for FY 2019-20
- Net Tax gain to be **~6%**
- With **Net Income Tax Savings of ~INR 45 cr for FY 2019-20**

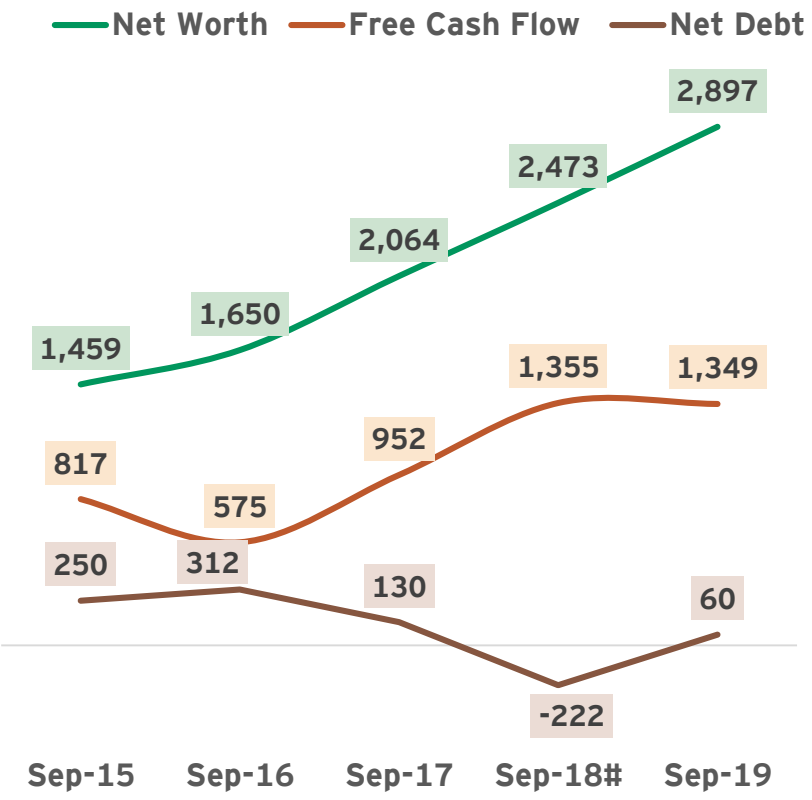
Key Financial Indicators and Free Cash Flows...

KRBL Limited

(in INR cr)

PARTICULARS	SEP-15	SEP-16	SEP-17	SEP-18	SEP-19	
Total Income/ Revenue	1,950.13	1,440.78	1,618.32	1,994.17	2,115.74	
EBITDA	306.85	295.85	423.04	417.58	411.01	
OPERATING CASH FLOW	**875.99**	**724.98**	**970.06**	**1,365.68**	**1,365.40**	
Net Worth	1,458.83	1,650.43	2,063.63	2,472.56	2,896.63	
Inventory	1,300.70	1,325.12	1,287.43	1,415.80	1,993.79	
Net Debt	249.80	312.07	130.12	-222.26	59.82	^
Fixed Assets	784.32	985.90	988.00	949.36	1,007.21	~
Capex (net) during the year	59.17	149.65	17.97	10.68	22.78	
FREE CASH FLOW	**816.82**	**575.33**	**952.09**	**1,355.00**	**1,349.34**	

~Fixed Assets include INR 85.14 cr as at 30th September, 2019 towards leased assets as per IND AS 116
^Net Debt = short-term bank borrowings - cash & cash equivalents and investments in liquid funds



As on Sep'18, KRBL is at zero debt with a cash surplus.

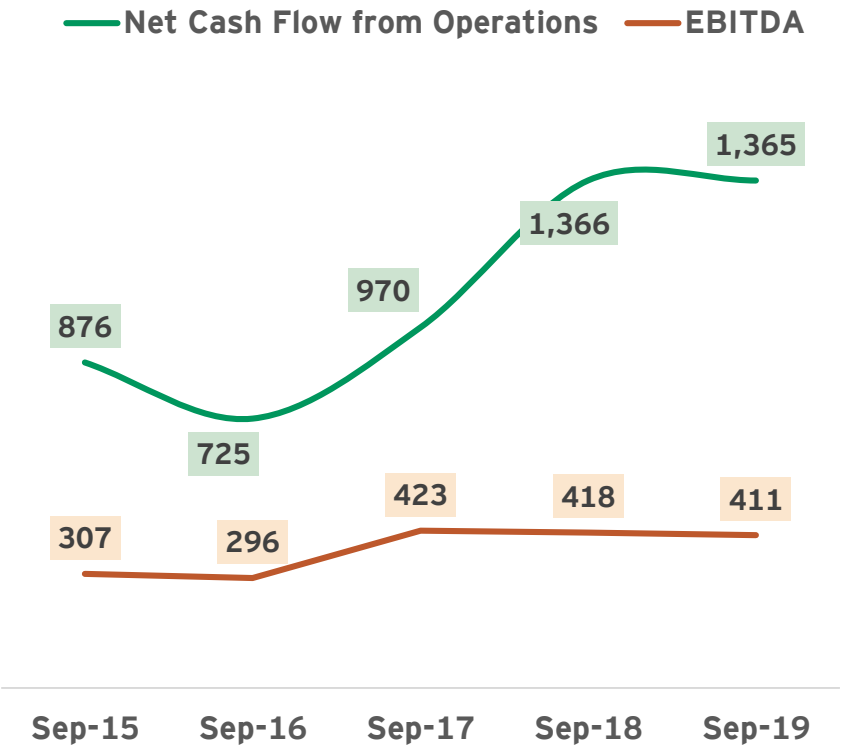
* Details on standalone financials

Consistently improving Operating Cash Flows

KRBL Limited

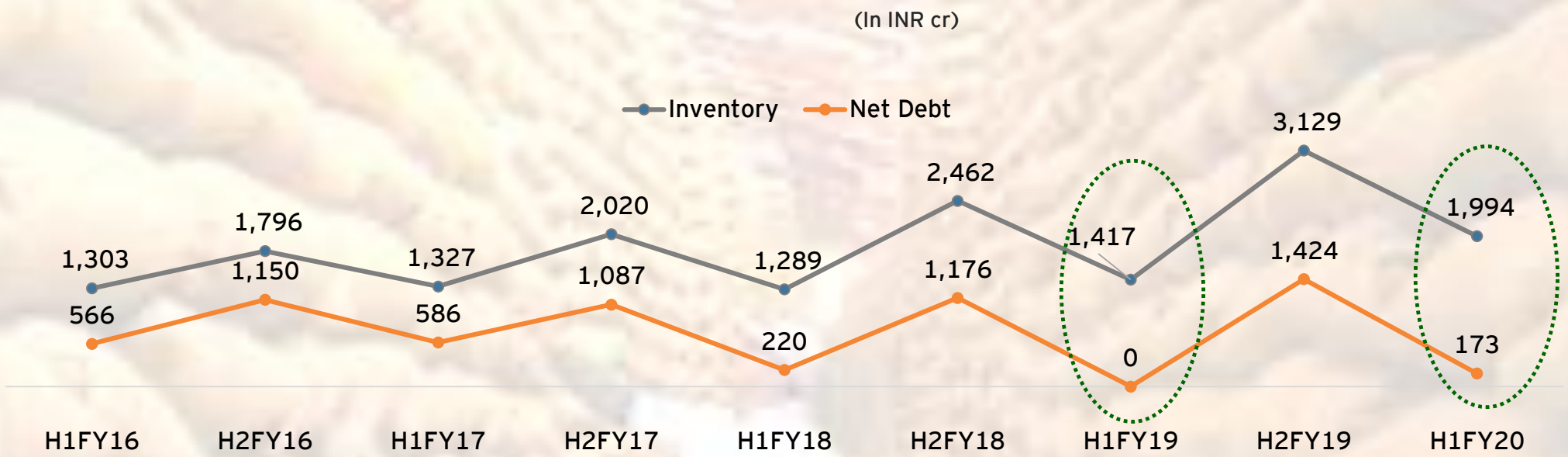
(in INR cr)

PARTICULARS	SEP-15	SEP-16	SEP-17	SEP-18	SEP-19
OPERATING PROFITS BEFORE WORKING CAPITAL CHANGES	**306.01**	**295.20**	**423.04**	**417.58**	**411.01**
Adjustment for working capital changes:					
(Increase)/ decrease in financial and other assets	-11.89	-18.42	28.89	1.73	-76.37
(Increase)/ decrease in inventories	557.78	467.93	731.21	1,045.83	1,135.06
(Increase)/ decrease in trade receivables	-15.93	-42.29	-31.16	-4.25	80.25
(Increase)/ decrease in trade payables	44.39	37.39	-170.47	-54.28	-138.77
(Increase)/ decrease in liabilities and provisions	22.12	25.23	55.92	51.23	59.39
CASH GENERATED FROM OPERATIONS	**902.48**	**765.04**	**1,037.43**	**1,457.84**	**1,470.57**
Income Tax paid (Net)	-26.49	-40.06	-67.37	-92.16	-105.17
NET CASH FLOW FROM OPERATING ACTIVITES	**875.99**	**724.98**	**970.06**	**1,365.68**	**1,365.40**



* Details on standalone financials

Efficient working capital management with near-zero, long-term debt

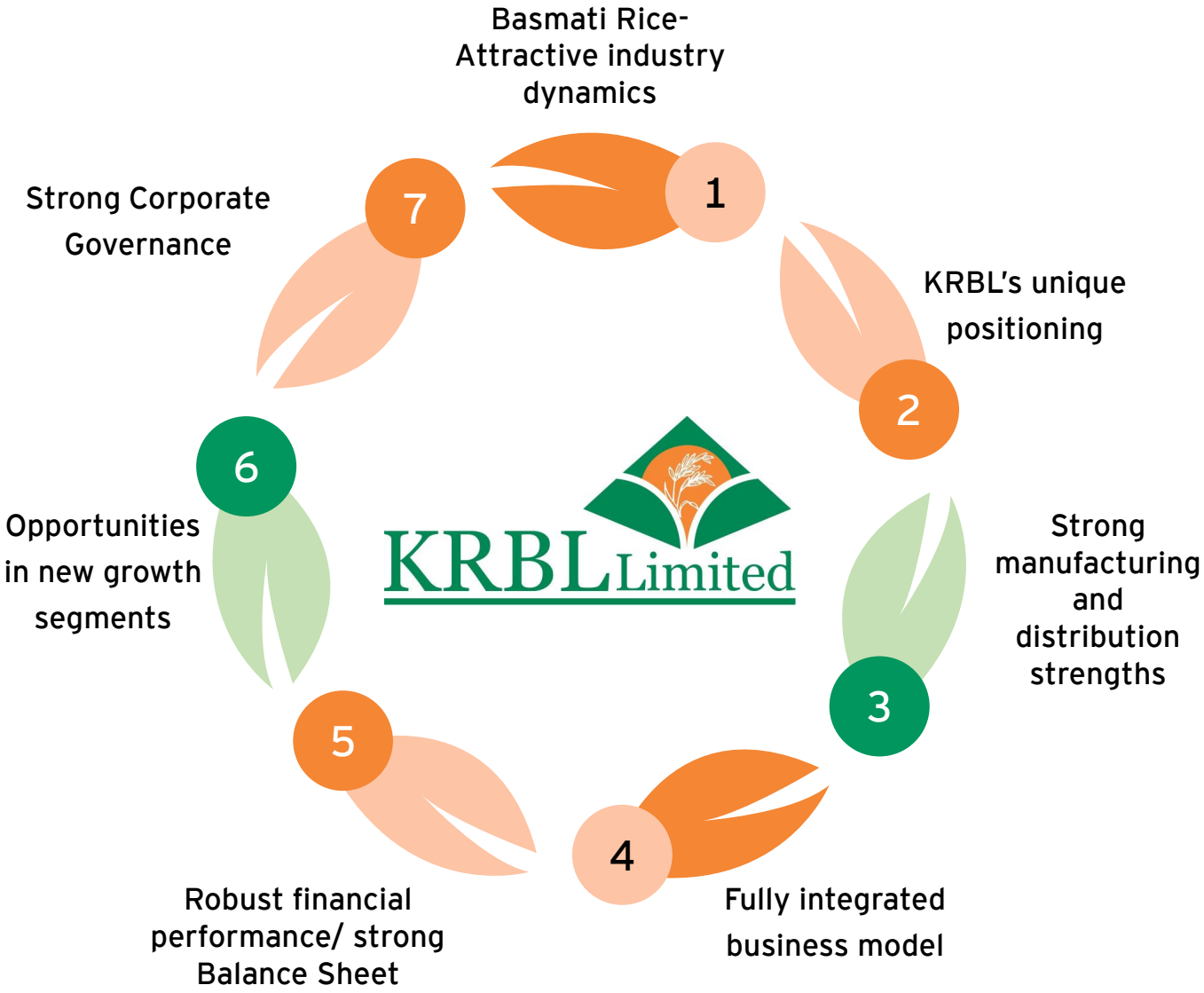


- Most of the debt for the Company is in the form of working capital, which starts rising with the commencement of procurement of paddy in H2 every year and becomes insignificantly low by end of H1 of the next financial year.
- This is a cyclical phenomenon which results in **near zero debt at the end 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.

Note: Based on standalone financials

*As on Sep'19, Net Debt excludes Financial Lease Liabilities of Rs. 77.5cr.
*As on Sep'18, KRBL is at zero debt with cash surplus of INR 107cr.

Aim to grow revenues to ~INR 8,000 cr in 4-5 years on compelling growth drivers...



Market Leader, high growth FMCG Company

KRBL Limited

1 LEGACY

130 years of rich industry experience

2

#1 Largest exporter of Branded Basmati Rice from India

#1 World's largest rice milling plant in Punjab, India

3 PRESENCE

82 countries across **6** continents

Exports to **82** countries

4 NETWORK

484 dealer and distributor network in India

250,000 acres contract rice farming network

5 BRAND

#1 Largest selling brand in India

Well established in Indian and International markets

6 OFFERINGS

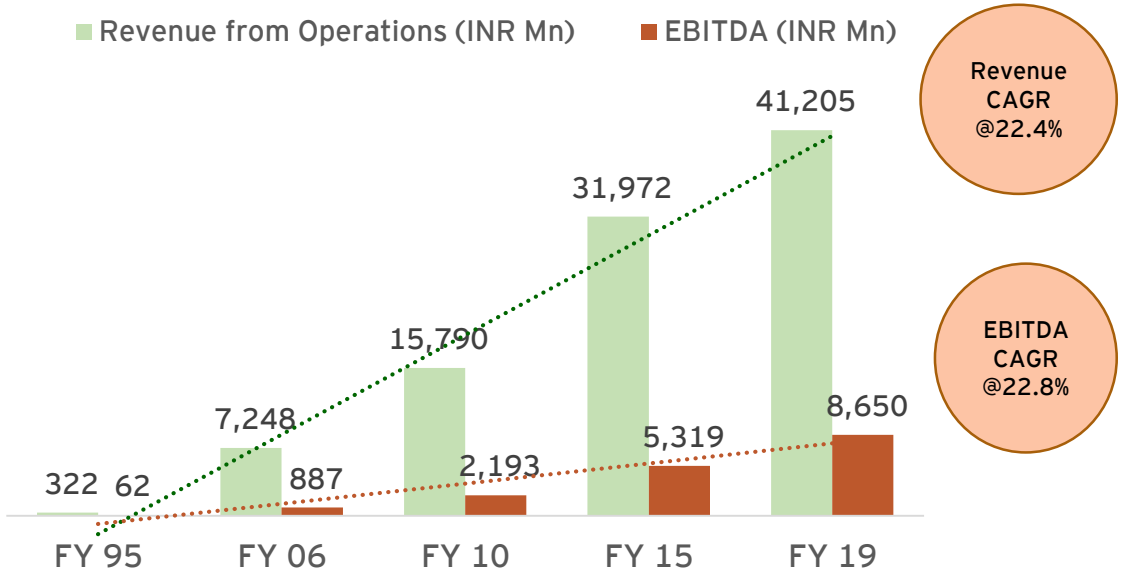
#14 rice brands sold under the banner of KRBL

INDIA GATE – The flagship brand

A leading branded FMCG company - India's largest producer and exporter of branded 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 – Branded Basmati rice producer in India, Basmati rice exporter, Rice miller.

Our History since Listing in 1995 ...



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 and furfural alcohol, and de-oiled cakes.

Markets

- India - 35% market share in the branded Basmati rice segment (value).
- Exports to 82 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.

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

KRBL Limited

1889
KRBL–Incorporated in 1889 at Lyallpur, Pakistan

Shifted focus from oil, wheat and cotton to rice and shifted base from Lyallpur to Lahori Gate, Delhi

1992
Established state of the art Basmati processing plant at Ghaziabad Uttar Pradesh

1993
Registered as a Public Limited Company

1995
Listed at BSE, Delhi Stock Exchange & Ahmedabad Stock Exchange

1998
Received ISO-9002 for the Alipur, Delhi plant and entered the Indian Market with India Gate and Doon

2001
Received ISO-9002 for the Gautam Budh Nagar Plant

2003
First company to receive FDI in the Indian rice industry

2004
Set up the processing, grading and packaging facility at Dhuri, Punjab

2004
Received the HACCP & SQF Certification

2006
GDR Issue of US$12m

2009
Crossed the INR 10bn revenue mark

2010
Stock split. Face value divided from Rs. 10 to Rs. 1 per share

2013
Crossed the INR 20bn revenue mark

2016
Set up the fourth facility at Barota

Received the Halal certification

2017
Strengthened its green energy portfolio with total capacity of 114.35 MW in wind power, 15 MW in solar projects and 17.55 MW in biomass

Rice mill / processing unit certified for complying with SOP for export of rice to China and the US

2018-19
Crossed the INR 40bn revenue mark

Certifications

130-year old legacy, led by a committed management

KRBL Limited

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

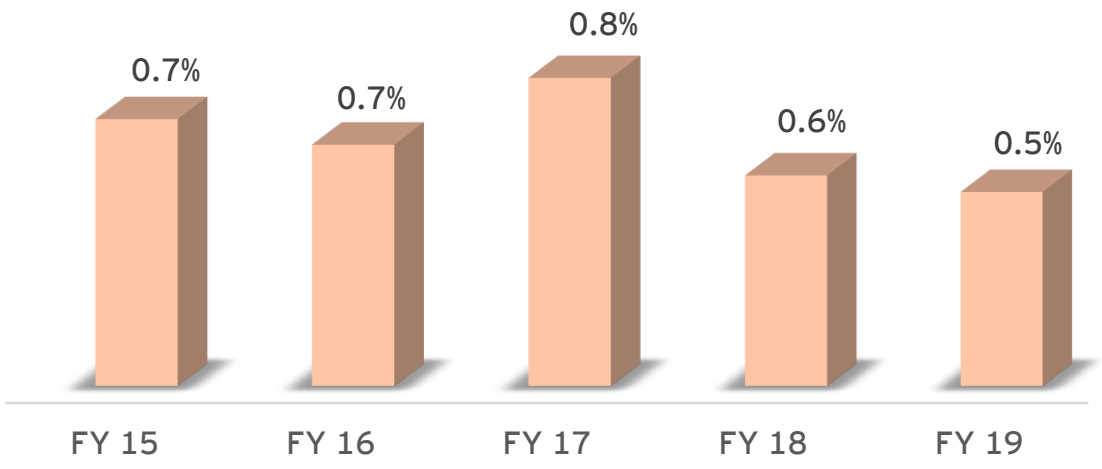
- Oversees brand management of all KRBL brands
- Handles corporate affairs and public engagement at the India and international level
- Over 18 years of experience in the field of international marketing and sales management
- Co-chairperson of Agri Committee, PHD Chamber of Commerce and Industry
- Chairperson 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 35 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

Ploughing back profits consistently to drive growth...

Management remuneration as a % of Profits



The compensation drawn by the Promoter family is less than 1% of the profits before tax.

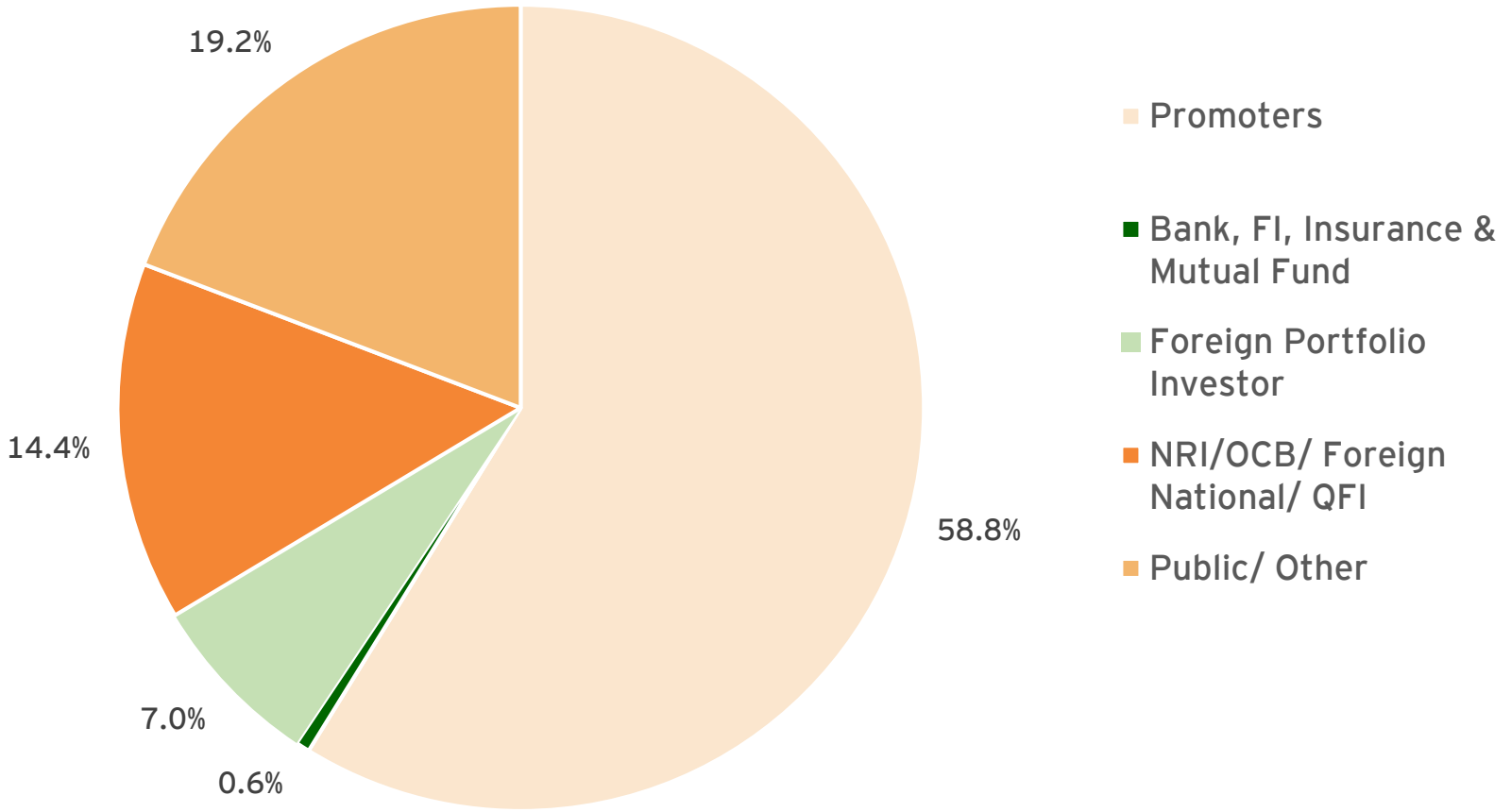
History of three generations perfecting the Basmati grain

Committed to enhancing capacities and introducing latest milling techniques to the Basmati rice industry.

Long-standing relationships with stakeholders.

Unmatched and unparallel experience in the rice industry

Shareholding Pattern as of 30th September, 2019



Awards and accolades

KRBL Limited

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

KRBL Limited
Regd. Office :
5190, Lahori Gate,
Delhi - 110 006,
INDIA.
Tel. : +91-11-23968328
Fax : +91-11-23968327
CIN No.:
L01111DL1993PLC052845
www.krblrice.com
E-mail: investor@krblindia.com

https://www.youtube.com/watch?v=ftO8luxERI0

http://www.krblrice.com/fy-2019/annual-report/KRBL_ANNUAL_REPORT_2018-19.pdf