

CMP: INR 366

Rating: Buy

TP: INR 589

Stock Info

BSE	530813
NSE	KRBL
Bloomberg	KRB:IN
Reuters	KRBL.NS
Sector	FMCG
Face Value (INR)	1
Equity Capital (INR cr)	22.89
Mkt Cap (INR Bn)	84
52w H/L (INR)	405/226
Avg Yearly Volume (in 000')	650

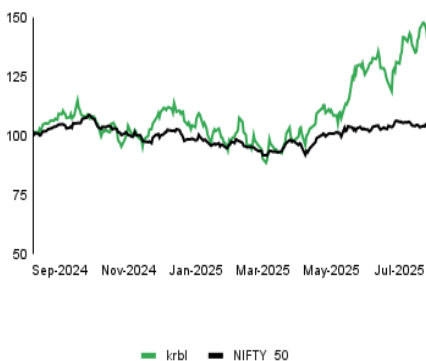
Shareholding Pattern %

(As on Mar 2025)

Promoter & Promotor Group	60.2
FII	5.1
DII	6.6
Public & Others	28.1

Stock Performance (%)

	1m	6m	12m
KRBL	8.06	44.4	52.8
Nifty 50	(4.3)	4.5	1.29



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KRBL Ltd, established in 1889, is India's largest rice processing and exporting company and the world's largest rice miller by capacity. Best known for its flagship brand India Gate, India's leading Basmati rice brand, KRBL operates a fully integrated value chain covering seed development, contract farming, milling, processing, packaging, and marketing. With a strong domestic presence and exports to over 90 countries, particularly the Middle East, KRBL combines scale, brand strength, and operational excellence to maintain leadership in premium and mass rice markets.

Investment Rationale:

Market Leader with Strong Brand Equity and huge room for growth in Unorganized Markets: KRBL, through its India Gate brand, holds a leadership position in India's basmati rice market. Its strong brand equity and premium pricing allow the company to tap into India's large unorganized market as consumers shift toward branded products, this will drive volume and profitability growth.

Industry-Leading Rice Processing with Cutting-Edge Mills and the Biggest Network of Contract Farmers in India: The company is operating the world's largest rice milling facility and backed by India's biggest contract farming network, KRBL ensures superior quality control, cost savings through renewable energy use, and a stable, integrated supply chain that strengthens its competitive moat.

Increasing Product Variety and Strategic Diversification Outside of Basmati: KRBL is expanding into health foods, regional rice varieties, ready-to-cook masalas, and edible oils, positioning itself to capture growth in adjacent, premium, and health-focused food segments amid changing consumer preferences, the company will do 10% revenue after some years beyond basmati rice.

Opportunities for Growth are Enhanced by Strong Industry Positive trends and Policy Support for export: Supported by rising incomes, population growth, premiumization trends, and the removal of basmati export restrictions, KRBL is well-placed to benefit from favorable government policies and strong global demand, especially with India's dominance in basmati cultivation.

Particulars (INR Cr)	FY24	FY25	FY26E	FY27E	FY28E
Revenue from Operations	5384.7	5593.8	6148.0	6854.3	7656.8
YoY	0.37%	3.88%	9.91%	11.49%	11.71%
Gross Profit Margin	25.72%	24.66%	26.00%	27.00%	28.00%
EBITDA Margin	14.90%	12.06%	13.37%	14.33%	15.30%
Adj. Net Profit	595.9	476.0	588.5	715.8	863.7
YoY	-15.0%	-20.1%	23.6%	21.6%	20.7%
Adj EPS (INR)	26.03	20.80	25.71	31.27	37.73
P/E	14.5	18.1	14.7	12.1	10.0
P/B	1.8	1.6	1.5	1.3	1.2
Debt / Equity	0.10	0.07	0.04	0.02	0.00
Net Debt (includes lease liabilities and excludes investments)	482.2	222.5	-223.2	-706.8	-1317.6
ROE	12.26%	9.08%	10.10%	10.94%	11.66%
ROCE	14.44%	11.01%	12.27%	13.41%	14.43%

Outlook & Valuations:

KRBL Ltd enters FY26 with strong growth visibility, led by a sharp rebound in export demand from key geographies such as Saudi Arabia, the US, and Europe. Branded basmati rice exports are expected to outperform, supported by robust offtake in Saudi Arabia and management's plans to resolve ongoing distribution challenges within the fiscal year. Domestically, KRBL derives ~73.5% of its revenue and commands a 42% market share, anchored by a wide network of 850+ dealers and access to over 4.09 lakh retail outlets.

The company aims to expand its branded basmati rice market share to 60% over the next 3–5 years by aggressively competing with regional brands and driving conversion from loose to packaged rice. KRBL is well-positioned to tap into India's highly fragmented rice market, where most of the market remains unorganized, and only a few are part of the organized segment. Rising consumer preference for hygienic, packaged products, alongside increasing penetration in modern trade and e-commerce, creates a strong tailwind for branded rice growth.

On the margin front, KRBL is likely to benefit from a 20% YoY decline in paddy prices, better realization from aged/branded rice, and normalization of high-cost inventory. Q1FY26 gross EBITDA margin is at ~14%, with incremental gains expected through product mix optimization and improved cost efficiencies. The company's foray into high-margin regional rice (targeting INR 250 crore revenue in a few years) and its India Gate Uplife portfolio aligns with the rising demand for wellness and convenience-based products. Though niche, this category offers attractive long-term potential.

Exports are expected to gain momentum following the removal of the MEP, with India's dominant position (85% of global basmati production) supporting sustainable volume growth. KRBL's focused approach on key markets such as Saudi Arabia, with minimal Iran-linked geopolitical exposure, should help recapture the share lost to Pakistan. We project 4–5% domestic volume growth, 15% export volume growth, and 3–4% realization improvement for FY26, factoring in input cost volatility and pricing normalization.

KRBL's fully integrated operations, strong brand equity, and leadership in both domestic and global markets continue to support premium realizations versus peers like LT Foods. Overall, KRBL remains a structurally strong player in the organized rice sector, offering a compelling investment case backed by improving earnings, expanding market share, and sustaining export strength.

For these reasons, we initiate coverage on KRBL LTD with a Target Price of INR 589, yielding a 'BUY' rating, and an upside of 61% from the CMP of INR 366. We arrive at this value using FY27E EV/EBITDA multiple of 13x.

Q1FY26 Concall KTAs

KRBL delivered a strong Q1 FY26, with robust revenue growth, improved margins, and significant strides in e-commerce and regional rice. The Uplife oil business represents a strategic diversification, though profitability will take time. The company's cautious inventory strategy, premium branding, and real estate monetization plans position it well for sustained growth, with FY26 guidance signaling confidence in achieving INR 6,000 crores+ in revenue and improved margins.

Financial Performance

- Consolidated total income reached INR 1,617 crores in Q1 FY26, up 32% YoY, driven by robust export and domestic volume growth.
- Gross margins improved to 25.7% from 23.2% YoY due to lower basmati COGS; EBITDA margins rose to 13.9% from 11.4%. QoQ gross margin declined due to higher bulk export sales.
- Other expenses stable at INR 141–145 crores quarterly run rate.
- Average inventory costs are expected to decline over the next two quarters, supporting margin expansion.

Guidance

- **Revenue Target:** Expects revenue to exceed INR 6,000 crores in FY26, driven by strong export and domestic demand.
- **Uplife Oil Business:** Targets INR 40 crores in FY26, scaling to INR 150 crores in FY27, with a long-term goal of INR 300 crores in 3–5 years. EBITDA positivity anticipated by mid-to-end year three.
- **Gross Margins:** Projected to improve in FY26 from FY25's 25% level, led by higher export contributions and favorable sales mix.
- **Inventory Strategy:** Plans to build significant inventory if basmati paddy prices open 5–10% lower in October 2025 to leverage price volatility.

Operational Highlights

- Inventory at INR 2953 crores (INR 354 crores paddy, INR 2438 crores rice) as of June 30, 2025. Paddy volume at 91,000 tons, rice at 392,000 tons.
- Export revenue nearly doubled YoY, driven by private label/bulk sales (10 kg+ packs), though lumpy orders impact margins.
- Domestic sales grew 16% YoY, with realizations up 1% despite a 15% YoY basmati price decline.
- E-commerce market share at 44% (up 200 bps YoY), with 34% volume growth and 70% in quick commerce.
- Uplife oils (Weight Watcher, Gut Pro) captured 5% modern trade share in Q1 FY26.
- India Gate's new packaging (Jan 2025) received 95% positive response; Ready-to-Cook Biryani Masala grew 33% QoQ.
- Regional rice achieved 77% YoY value growth, targeting 100,000 metric tons by FY28 or FY29.

Strategic Initiatives

- No major capex planned; milling capacity (207 metric tons/hour) sufficient.
- Establishing a Saudi Arabia subsidiary for direct distribution; already a market leader in Australia.
- Stable freight rates despite geopolitical tensions; backward integration for rice bran oil, outsourcing refining/packaging.
- KRBL Ltd plans to monetize its 150-acre Ghaziabad land, valued at INR 1,000 crores, by developing it into a township with a potential valuation of INR 7,500 crores within 2–2.5 years, in collaboration with a developer where KRBL will retain the majority share, as part of an enabling resolution pending shareholder approval, with the project structure (main entity or subsidiary) still under evaluation, aligning with the company's strategy to relocate its Ghaziabad plant to Meerut and enhance financial flexibility while mitigating development risks through the partnership model.

Market Dynamics

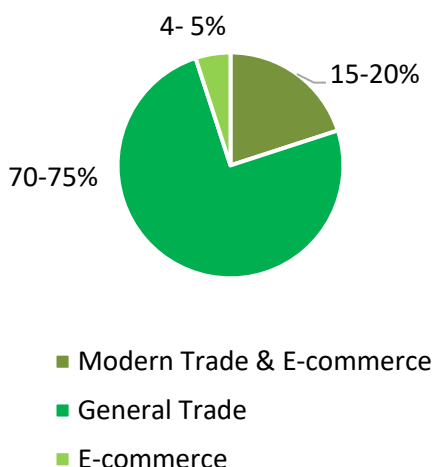
- Global rice production flat at 542 million metric tons, consumption up to 541 million metric tons. India's production at 151 million metric tons; consumption to rise by 4.5 million metric tons.
- India's basmati exports reached 6 million metric tons, up 10% YoY, with stable paddy prices and slight softening in some regions.
- Modern trade faces challenges with packaged basmati down 22% YoY; private labels exert pressure.

Risks and Challenges :Margin pressure from bulk exports, rising private label rivalry, Pakistan's tariff edge in the US, and execution risks in Uplife oil due to high marketing spend and strong competition.

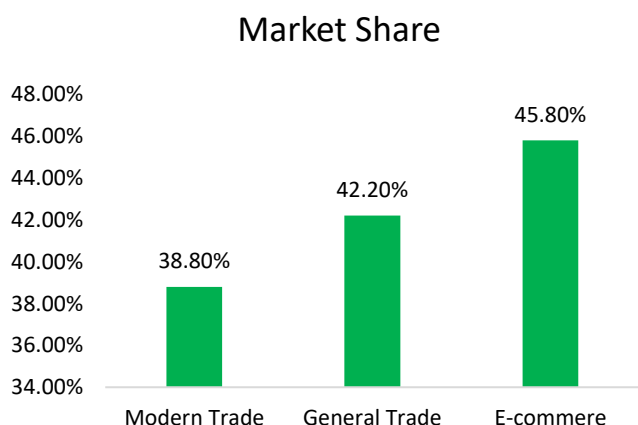
Market Leader with Strong Brand Equity and huge room for growth in Unorganized Markets:

- **Dominant Market Position Across Channels:** KRBL is a leader in general trade, modern trade, e-commerce, and emerging quick-commerce channels in the domestic market. Its extensive distribution footprint enables it to effectively tap into diverse consumer segments.
- **Strong Brand Equity and Premium Positioning:** The company's flagship brand, India Gate Basmati Rice, is synonymous with high-quality basmati rice in India. With superior product consistency, aging of paddy, and a premium brand image, KRBL consistently commands better realizations compared to the industry average. The endorsement by a prominent brand ambassador, Mr. Amitabh Bachchan, and ongoing brand campaigns further strengthen KRBL's top-of-mind awareness among consumers.
- **High Revenue Concentration from Basmati:** Approximately 95% of KRBL's revenue is generated from its Basmati rice portfolio, underlining its market dominance in the segment. Its strong brand loyalty and broad product range position the company to continue benefiting from premiumization trends.
- **Extensive Retail Reach and Household Penetration:** As of FY25, KRBL's products are available in over 409,604 retail outlets across India. India Gate is consumed by more than 1.1 crore households, with 1 in every 10 households preferring the brand for basmati rice, reflecting strong brand pull and repeat purchases.
- Growing distributor networks in Tier 1 and Tier 2 cities are driving demand, with modern trade and e-commerce channels expected to grow automatically alongside distributor expansion.

Domestic Revenue Split (FY24)



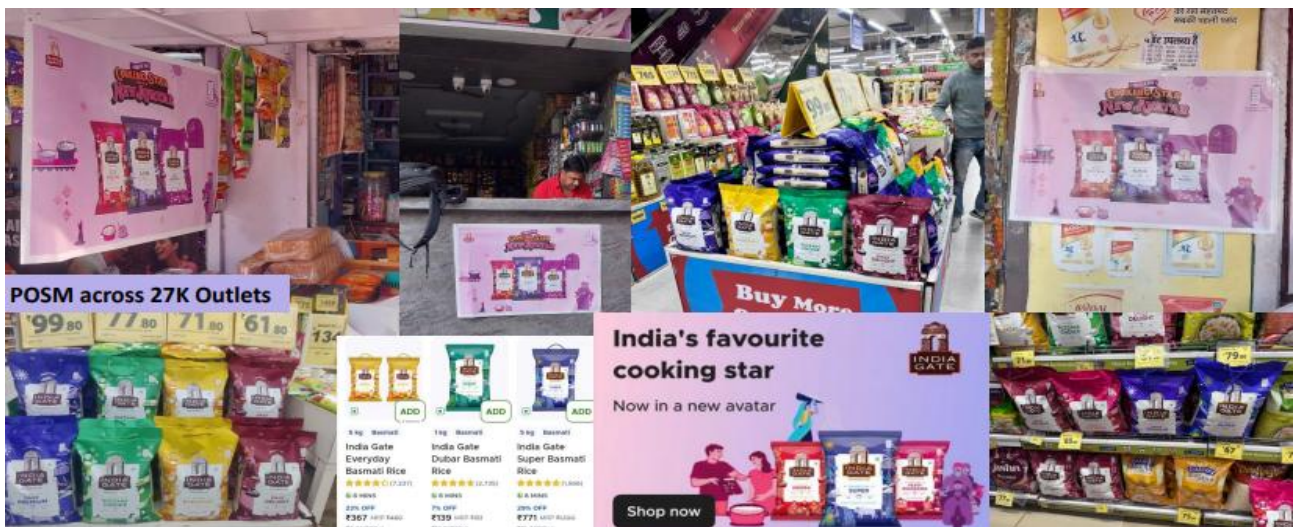
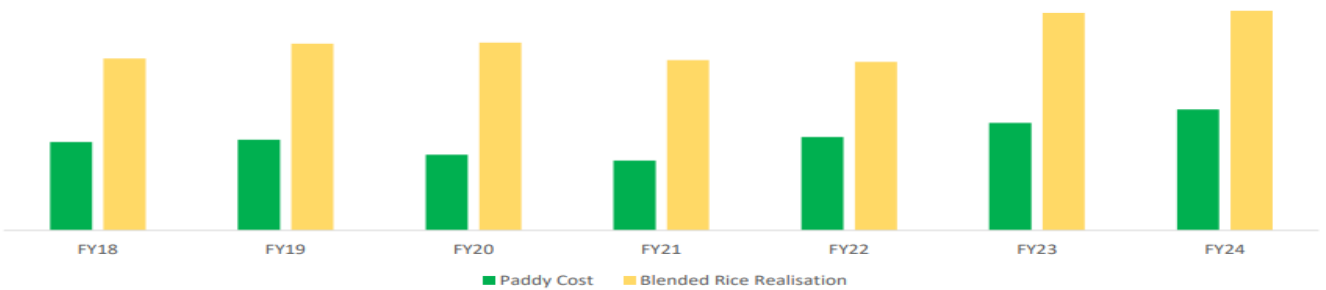
Highest Market Shares across all channels FY25



Source: IBEF, Company Report, Aриhant Capital Research

- **Strategic Advantage in the Shift Towards Organized Markets:** The ongoing transition from loose to packaged rice, driven by increasing consumer preference for hygiene, quality assurance, and brand trust, provides a significant growth runway. Post-COVID, the surge in demand for packaged staples has further accelerated this trend.
- In India, while the organized basmati rice sector captures 60-70% of the market value, a sizable 30-40% remains unorganized, presenting KRBL with substantial untapped potential.
- Internationally, organized players dominate 80-90% of basmati exports, with scope to consolidate further.
- **Opportunity to Capitalize on Formalization Trends:** Rising disposable incomes, greater health awareness, and growth in modern retail/e-commerce are shifting consumer preferences, particularly in Tier II/III cities and rural areas, towards branded packaged rice. KRBL, with its trusted brand and consistent quality, is well-positioned to convert unorganized consumption into organized sales, thereby expanding volumes and enhancing profitability.

Pricing power driven by strong brand



Source: IBEF, Company Report, Aриhant Capital Research

Industry-Leading Rice Processing with Cutting-Edge Mills and the Biggest Network of Contract Farmers in India:

- KRBL Limited stands at the forefront of the global rice industry, powered by India's largest contract farming network and the world's largest rice milling plant located in Punjab. As per its FY24 annual report, the facility boasts a processing capacity of 195 metric tonnes per hour for paddy and 221 metric tonnes per hour for rice. KRBL's fully integrated business model spanning seed development, farming, procurement, milling, storage, branding, and distribution creates high entry barriers, ensures stringent quality control, and drives superior operating margins.

Strong Distribution and Renewable Energy Integration

KRBL's distribution strength is reflected in its expansive network of over 850 dealers and a storage capacity exceeding 1 million metric tonnes. This scale allows for deep market penetration and efficient supply chain execution.

Strategic Contract Farming Model

At the core of KRBL's procurement strategy lies its vast contract farming network. The company provides high-yield breeder seeds, developed in partnership with Indian Agricultural Research Institutes, to farmers, along with expert guidance on sowing practices and crop protection. It also ensures fair pricing for quality produce, fostering long-term farmer relationships. During the harvest season, paddy is sourced through mandi auctions, facilitated by Arhtiyas (commission agents), and tested rigorously for moisture content, yield, and grain quality, ensuring only top-grade input enters the processing pipeline.

- **Premium Product Positioning Through Aged Rice:** KRBL's leadership in the aged rice segment is a key differentiator. Aged rice offers enhanced cooking properties, up to 29% more length and 30% higher volume yield than non-aged rice, with a smoother, fluffier, and more stable texture.
- With sufficient installed capacity to meet existing demand, KRBL is not pursuing large-scale expansion but is targeting growth in market reach, planning to increase its dealer base from 850 to 1,000 by FY26. Capital expenditure is maintained at INR 50 crore annually, reflecting a disciplined and sustainable growth strategy.



Source: IBEF, Company Report, Arihant Capital Research

Increasing Product Variety and Strategic Diversification Outside of Basmati:

- KRBL is evolving from a traditional rice company into a diversified food and wellness brand. Beyond its core Basmati segment, KRBL has successfully entered the regional rice category.
- **Regional Rice High-Potential Growth:** KRBL identified a strong opportunity in regional rice, leveraging the India Gate brand's trust to enter a largely unorganized market. Within just 2.5 years, the company has scaled this vertical from INR 200 crore in FY24 to an expected INR 250 crore in the current year. After experimenting with multiple varieties, KRBL has strategically focused on high-margin segments like **Gobindobhog** from West Bengal's Burdwan region, **Jeera rice / Wada Kolam** prominent in southern and western markets, and **Sona Masoori** from Gangavathi (Karnataka and Andhra Pradesh). These have shown strong traction and align with the company's priority to maintain or exceed basmati-level margins. **With a target of building a 1 lakh MT business over the next 3 years.**
- The company is expanding its portfolio of healthy foods like quinoa and healthy oils.
- KRBL's ready-to-cook Biryani Masala and the launch of India Gate Uplife, a new health-centric brand, mark significant steps toward capturing the growing demand for healthy and convenient food products. **Uplife's edible oils Lite** (for weight management) and **Gut Pro** (for digestion) have been launched under the trusted India Gate umbrella.
- **With the healthy edible oil market growing by over 20% annually and valued at INR 1,800 crore, KRBL is targeting INR 300 crore in this segment.** Over the next 3–5 years, the goal is to build Uplife into a full-fledged health and wellness platform.
- By deepening consumer engagement, scaling innovation, and entering adjacent high-growth categories, KRBL is positioning itself as a future leader in India's packaged food and wellness space.



Source: IBEF, Company Report, Arihant Capital Research

Opportunities for Growth are Enhanced by Strong Industry Positive trends and Policy Support for export:

The company is supported by favorable government policies, such as the removal of the minimum export price (MEP) for Basmati rice. This move has improved the competitiveness of Indian rice in global markets. In addition, India's strength in Basmati cultivation and improvements in agriculture and irrigation help create a positive business environment for exporters like KRBL.

In FY25, KRBL's export revenue increased by 104 % due to the strong performance of its branded and private label business. The company has resumed exports to Saudi Arabia through wholesale channels. Looking ahead, KRBL expects to reach more than INR 500 crores in exports to Saudi Arabia by FY2026. This growth is also supported by expansion into new markets, stronger demand in existing ones, and continued success in private label exports.

Export margins are higher compared to the domestic market. KRBL exports aged rice that is one to two years old, which allows them to charge premium prices. The removal of the minimum export price has helped KRBL stay competitive globally, even though there was a 7% drop in export prices during Q3FY25 due to international price pressures. Despite this, the company expects a stronger export performance in Q4 and beyond.

KRBL has grown into one of the leading exporters of Basmati rice from India. The company has built a strong presence across key global regions.

Middle East and GCC Region

The Middle East accounts for 74% of India's total Basmati rice exports. KRBL earns about 58% of its export revenue from this region. Growth has been especially strong in Kuwait, Bahrain, and Oman.

Europe

KRBL's exports to Europe have grown by 400%. Europe now contributes 11% to KRBL's export revenue. Key markets include Belgium, France, the Netherlands, and the UK.

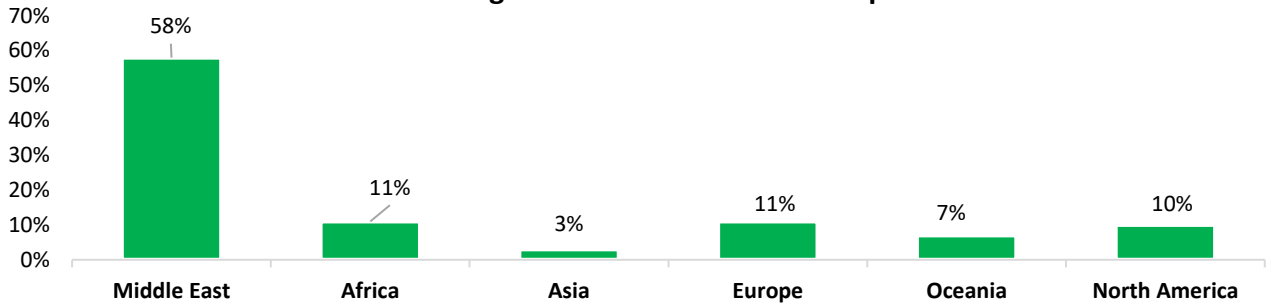
North America

KRBL has maintained steady growth in North America, contributing 10% to its export revenue. The company saw a 7% increase in sales YoY, with the USA and Canada as key markets.

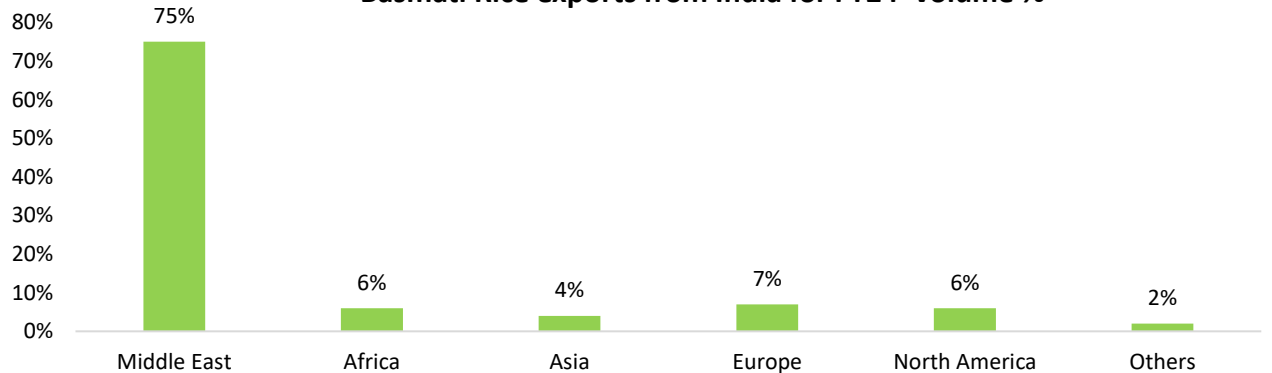
Rest of the World

KRBL is expanding its presence in both Oceania and Africa. Africa recorded 13% growth in Basmati rice exports, with Algeria and South Africa being major markets. In Oceania, countries like Australia and New Zealand are showing strong potential.

Region Wise KRBL'S Basmati Exports



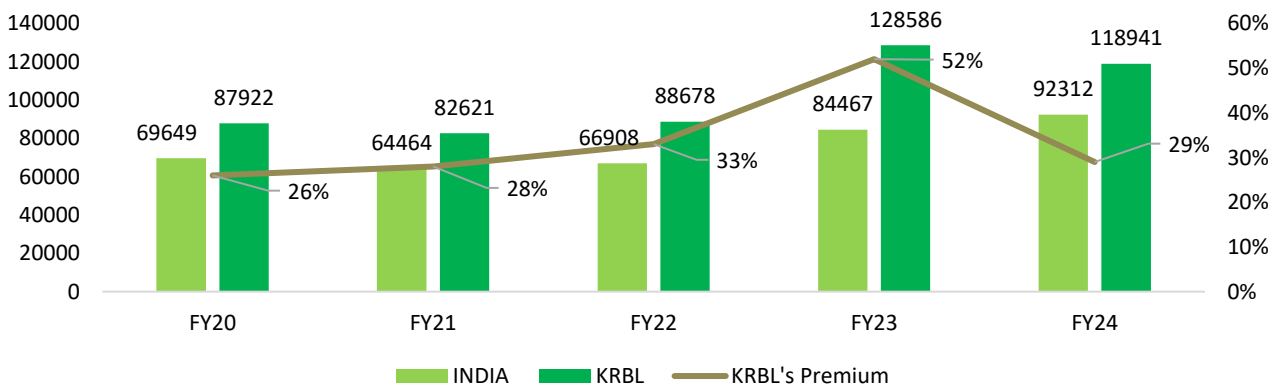
Basmati Rice exports from India for FY24 Volume %



KRBL now has approximately 40% market share in five of the 150 countries that import Indian Basmati rice. It holds around 20% market share in six countries and 10% in twelve countries.

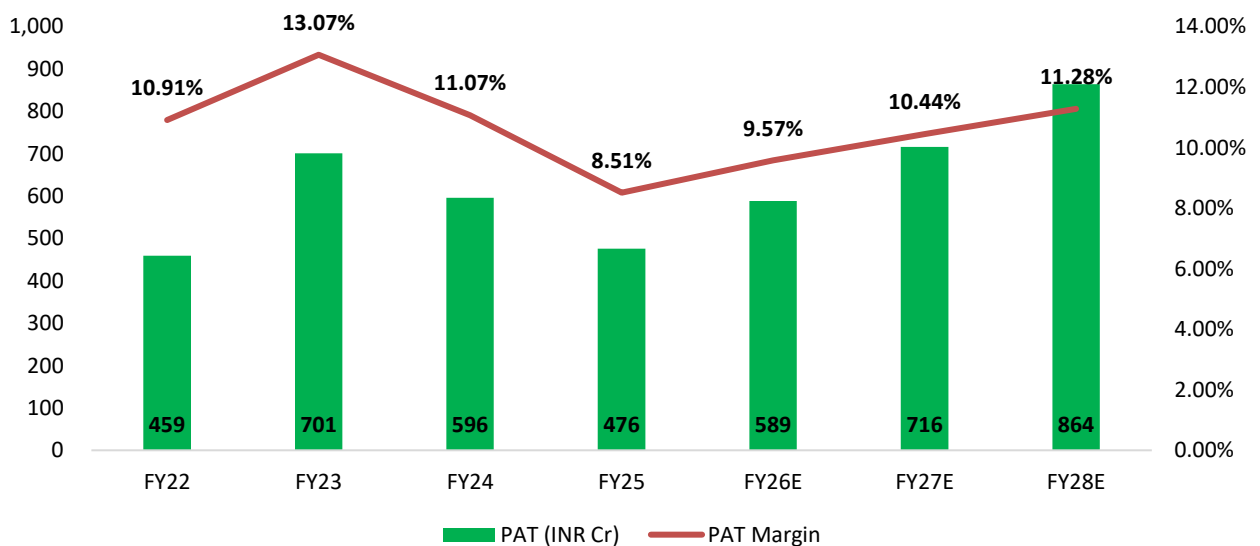
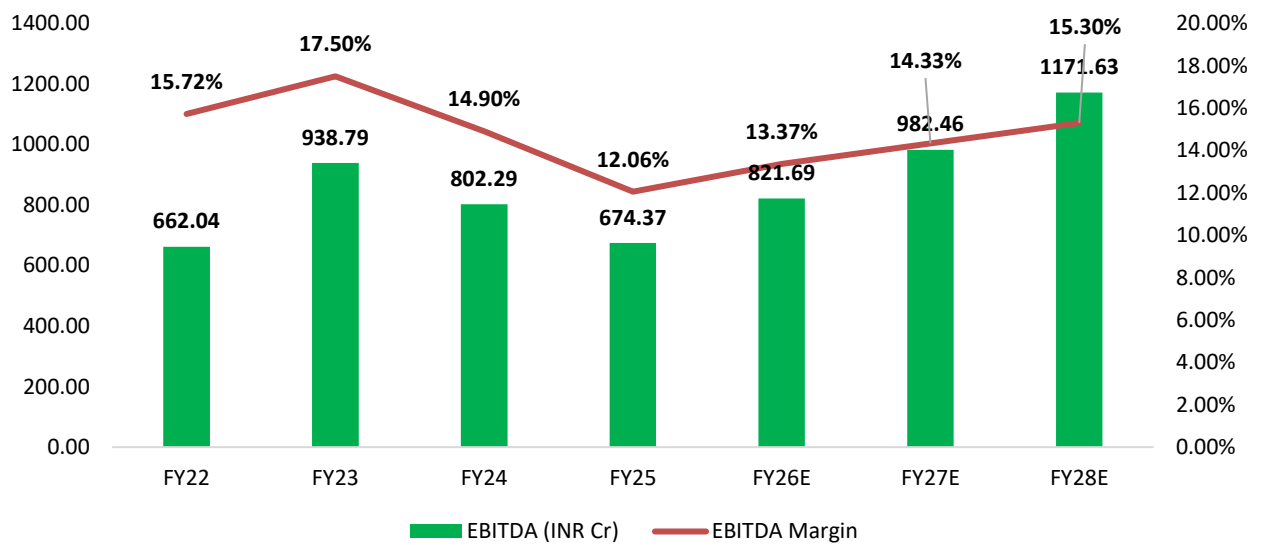
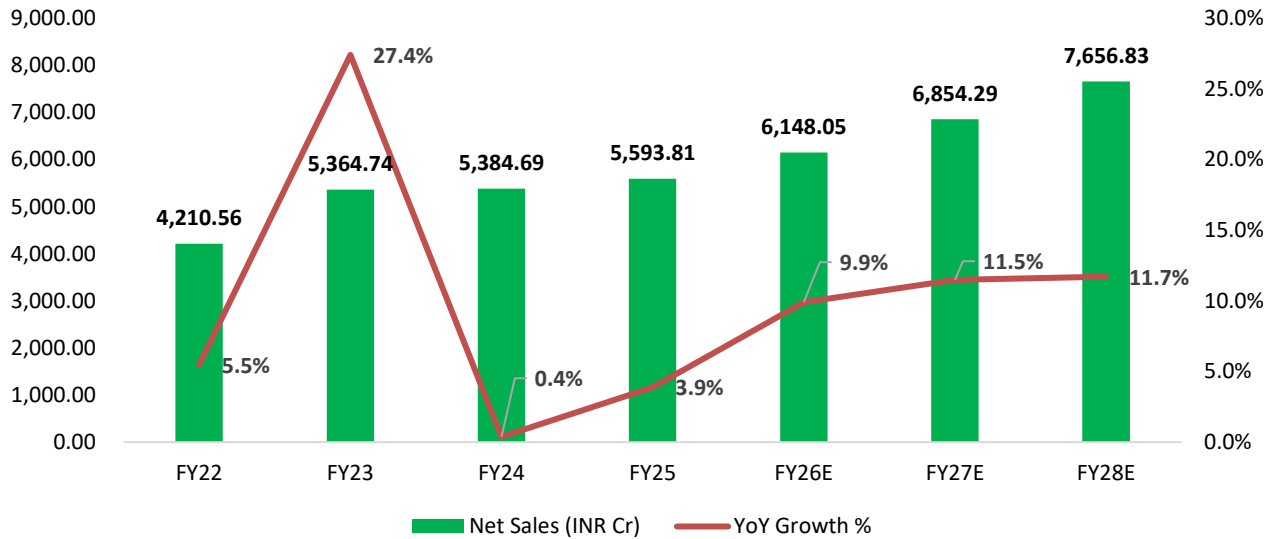
In FY24, KRBL faced several challenges that impacted its export operations. Distribution issues in a key market affected both revenue and profitability, though efforts are underway to resolve them. The Red Sea crisis led to increased transit time and shipping costs for exports to Europe, West Africa, and North America, but the overall financial impact remained limited. Additionally, export restrictions on premium aged non-Basmati rice impacted a part of the company's portfolio.

KRBL'S EXPORT REALISATION / MT

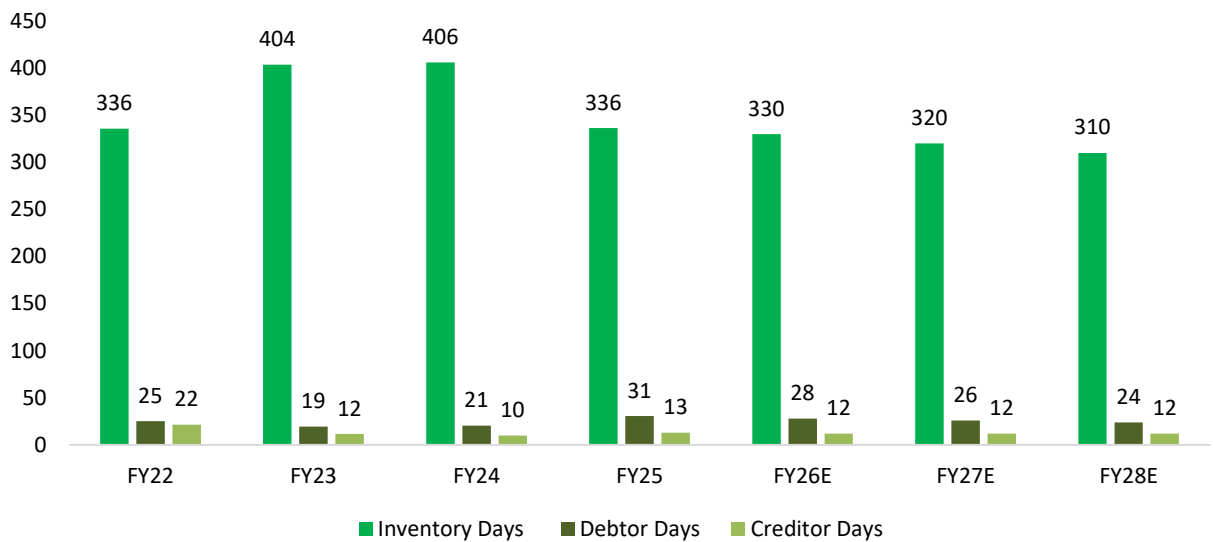
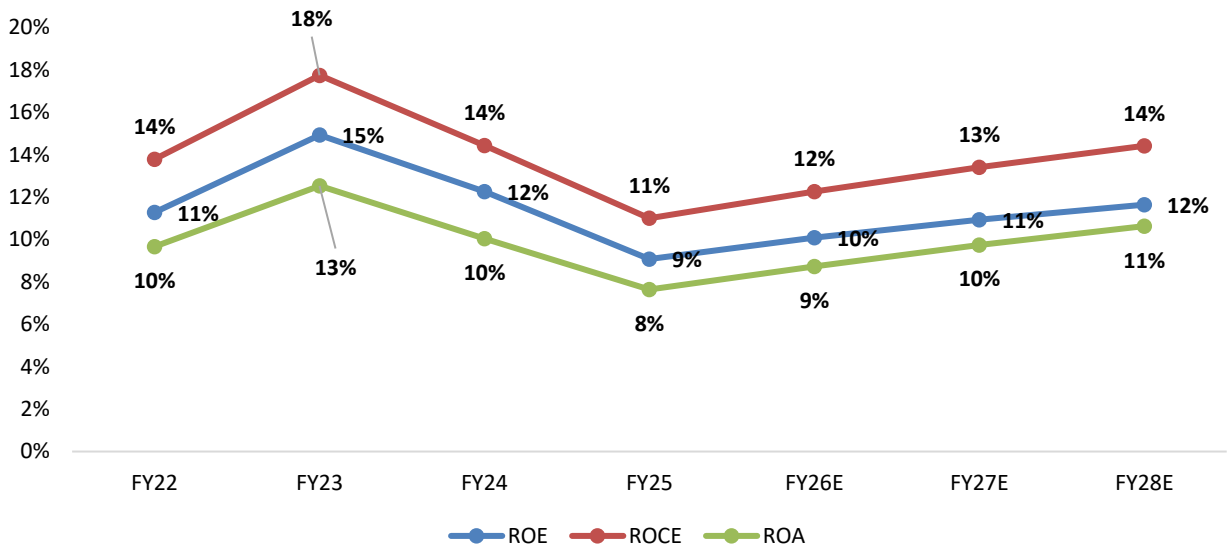


Source: IBEF, Company Report, Arihant Capital Research

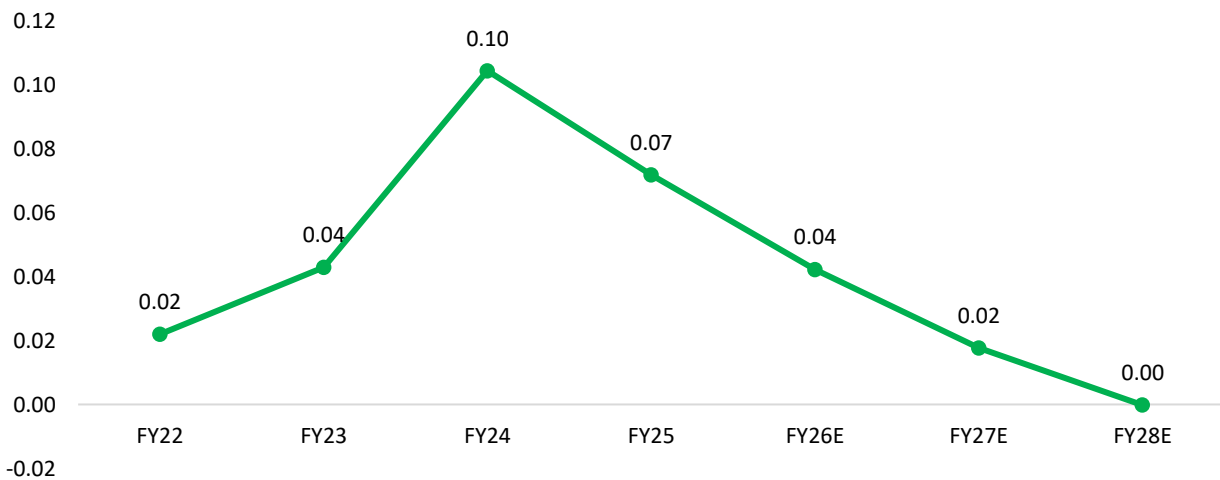
Story in Charts



Source: Company Filings & Aриhant Capital Research

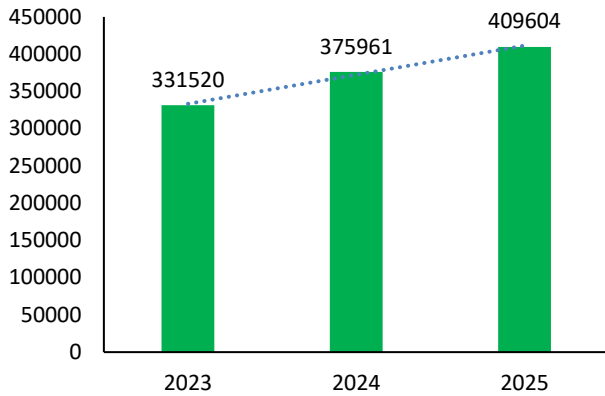


Debt/Equity

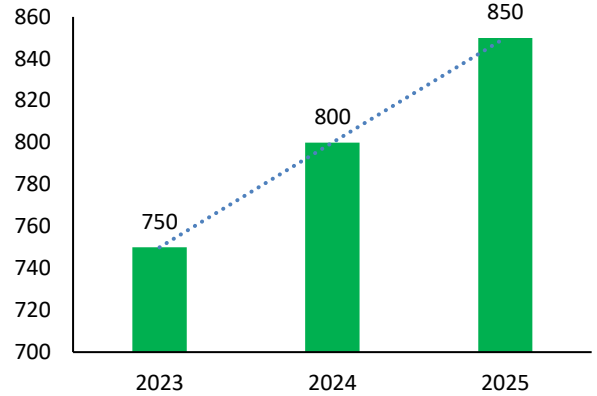


Source: Company Filings & Arihant Capital Research

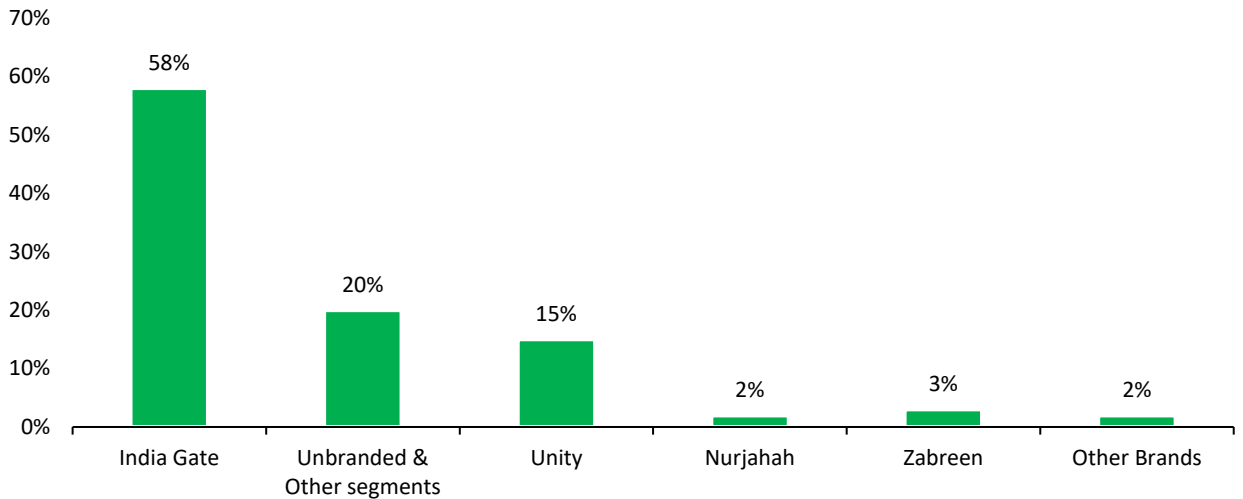
Retail Presence Outlets



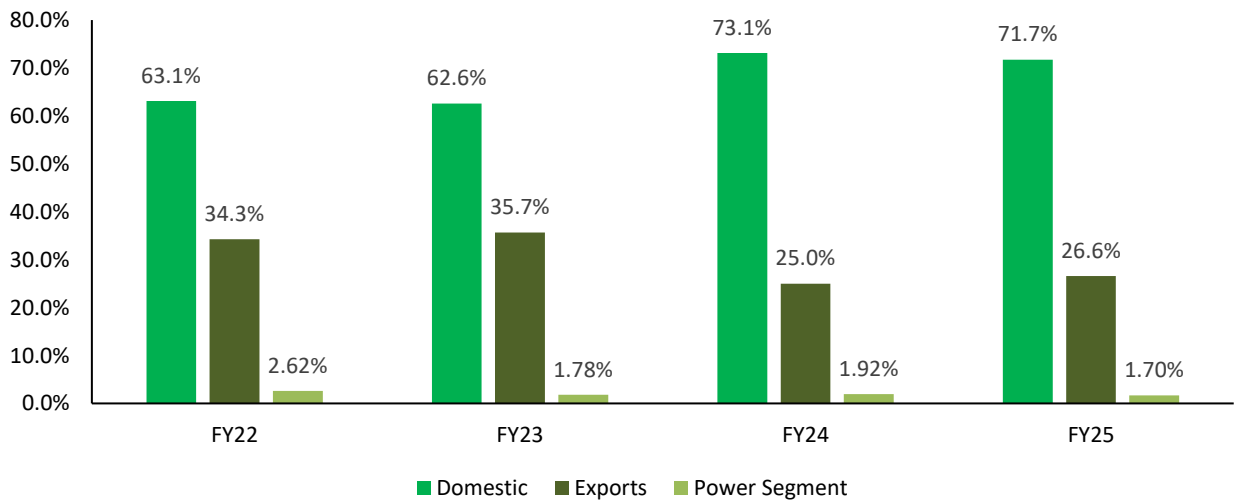
Distributors



Brand Wise Revenue Contribution

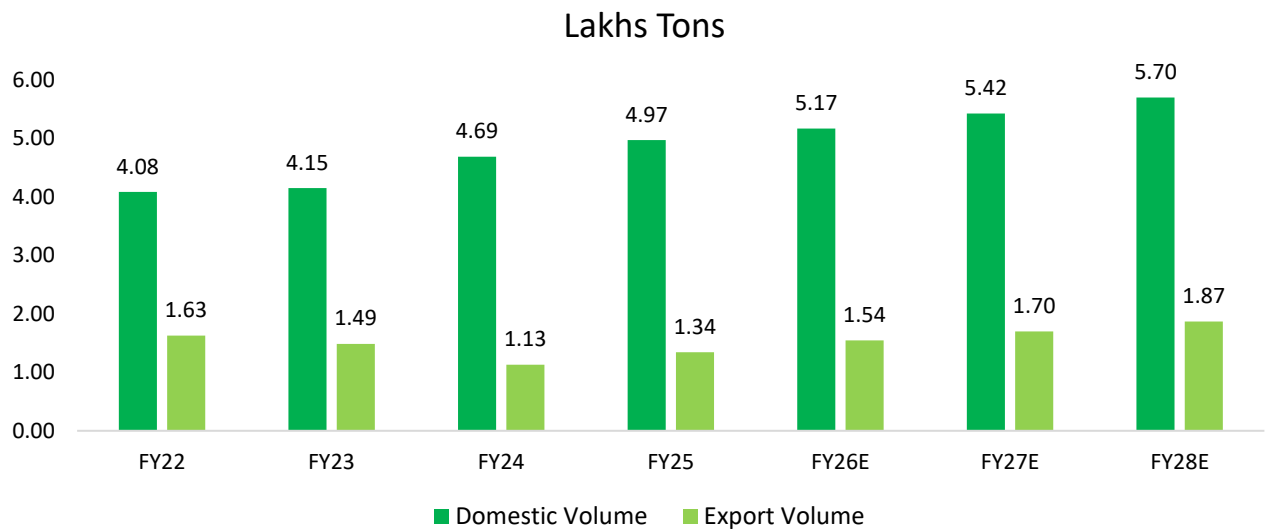
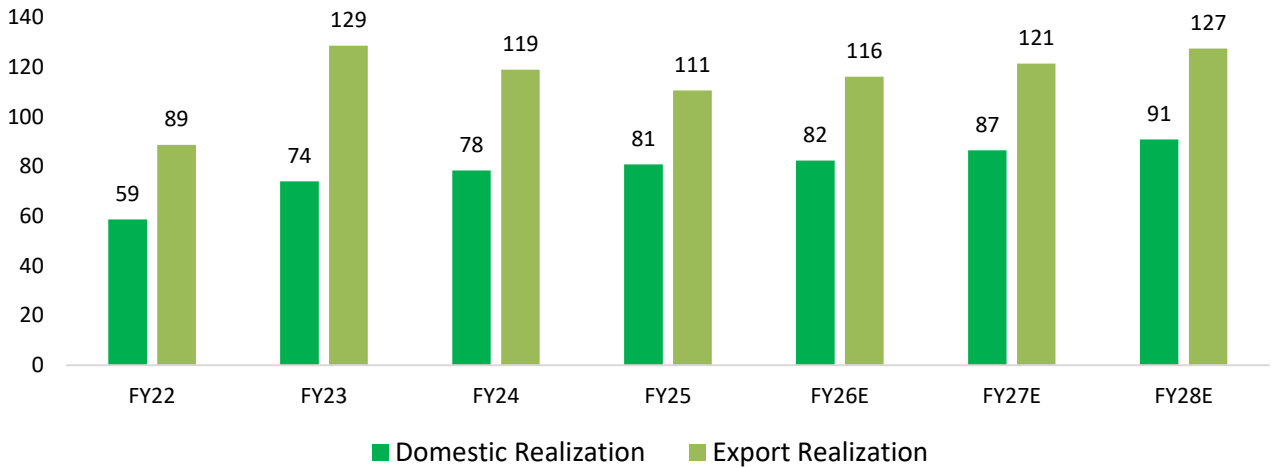


Segment Breakup



Source: Company Filings & Arihant Capital Research

(000' Tons / INR per KG)



This information isn't available elsewhere; we've analyzed all the transcripts and arrived at this conclusion.

What Went Wrong and Recovery: India's Rice Export Policies

Evolution of India rice export restrictions

Description	Type of restriction	Date implemented	Date removed
Rice in the husk	20% export duty	09-Sep-22	23-Oct-24
Rice, husked(brown)	20% export duty	09-Sep-22	23-Oct-24
Rice, parboiled	20% export duty	25-Aug-23	28-Sep-24
Rice, parboiled	10% export duty	28-Sep-24	23-Oct-24
Basmati rice	MEP	27-Aug-23	14-Oct-24
Rice, non-basmati (ex parboiled)	20% export duty	09-Sep-22	27-Jul-23
Rice, non-basmati (ex parboiled)	Ban	27-Jul-23	28-Sep-24
Rice, non-basmati (ex parboiled)	MEP	28-Sep-24	14-Oct-24
Rice, Broken	Ban	09-Sep-22	Still in place

Source: Company Filings & Arihant Capital Research

What went wrong?

Middle East Distributors(Saudi Arabia): The Middle East, which accounts for more than two-thirds of KRBL's export revenue, saw weakened demand for basmati rice. Specifically, Saudi Arabia, a significant market contributing 17–18% of KRBL's exports, faced distribution challenges in the branded export segment, impacting export volumes and revenue.

India's rice export policies have seen several changes in recent years, leading to both domestic and global consequences. While the restrictions aimed at stabilizing domestic prices and food security, they also had unintended negative effects such as:

Global Market Disruptions

- The ban on broken rice exports (September 2022) and the ban on non-basmati white rice exports (July 2023) led to a shortage in international markets, causing global rice prices to surge. However, the ban on non-basmati white rice exports has removed on oct 2024.
- Import-dependent countries faced food security issues due to reduced supply from the world's largest rice exporter.
- Pakistan and other competitors gained a temporary advantage as buyers sought alternative sources.

Domestic Inflation Concerns

- Despite restrictions, domestic inflation remained a concern due to unfavorable weather conditions affecting rice production.
- The policy of setting a high Minimum Export Price (MEP) of \$950 per metric ton for basmati rice led to pricing distortions in the market.
- Farmers and exporters faced challenges due to inconsistent policy shifts, impacting long-term trade relationships.

Loss of Market Share

- With India limiting its exports, nearly half a million tons of rice demand shifted toward Pakistan and other suppliers.
- India's reputation as a reliable rice supplier was affected due to frequent policy reversals and export bans.
- The sudden imposition of export duties, followed by reductions, created uncertainty for exporters and global buyers.

Geopolitical Tensions & Global Disruptions

- The Russia-Ukraine war, Red Sea crisis, and rising freight costs further disrupted supply chains and trade flows.

Recovery: How India is Regaining Its Position

Recognizing the challenges, the Indian government has made strategic changes to regain its market position while ensuring domestic stability:

Policy Reversals and Trade Facilitation

- Removal of the \$950 per metric ton MEP of basmati rice (September 2024) allowed Indian exporters to compete effectively in the global market. And introduced a Minimum Export Price (MEP) of \$490 per metric ton for semi-milled or fully milled rice, irrespective of whether it is polished or glazed. However, this MEP policy was removed on October 24 on non-basmati white rice of MEP \$490 per metric ton helped stabilize global supply chains and restore buyer confidence.
- Reduction in export duties:
 - **Parboiled rice export duty cut from 20% to 10%/ Husked (brown) rice and paddy rice export duty reduced to 10%.**

Regaining Lost Market Share

- India aims to export plus 5 million tons of basmati rice, capitalizing on strong global demand.
- Exporters are actively working on rebuilding trade relationships and securing long-term contracts.
- Competitive pricing and increased production efforts are expected to shift demand back to India.

Strengthening Domestic Production

- Investments in agriculture and improved irrigation techniques are being encouraged to mitigate weather-related disruptions.
- Policy stability is being emphasized to provide exporters with clearer guidelines and reduce uncertainties.
- Expanding trade agreements with new markets to diversify export destinations and prevent over-reliance on traditional buyers.
- With the removal of export restrictions, basmati rice exports from India have started rising again, and industry experts predict double-digit growth in exports in FY25. Basmati paddy prices have seen a 20% decline compared to last year driven by strong production and a stable supply demand balance, making Indian rice more competitive globally. Additionally, favorable monsoon predictions for 2025 suggest a strong production season, ensuring high-quality rice for both domestic consumption and exports.
- Moreover, rising demand from Africa and Southeast Asia presents new export opportunities. The Indian government, through organizations like APEDA and BEDF, is also investing in promoting basmati rice cultivation and improving export transparency to regain its dominant position in global markets.

Opportunities for KRBL

- Expanding Packaged Rice Market – As urbanization increases, there is growing demand for high-quality packaged basmati rice.
- Technology in Agriculture – New high-yielding rice varieties and modern farm management practices can improve output.
- Growing Global Demand – Emerging markets in Africa and Southeast Asia are showing increased demand for basmati rice.
- Government Support – The potential removal of remaining export restrictions in FY25 could boost exports significantly.

Basmati Rice Market: Global vs. India

Global Basmati Market

The global basmati rice market continues to expand, with India and Pakistan being the leading exporters. In 2023, the basmati market was valued at USD 13.08 billion in 2024 and will be USD 14.7 Bn in 2025 at CAGR of 12.4% and is projected to reach USD 23.38 billion by 2029. The primary drivers of this growth include rising consumer demand for premium rice varieties, increasing preference for brown basmati rice, and the growing adoption of basmati rice in international cuisine. The Middle East, USA, and Europe remain the largest consumers of basmati rice.

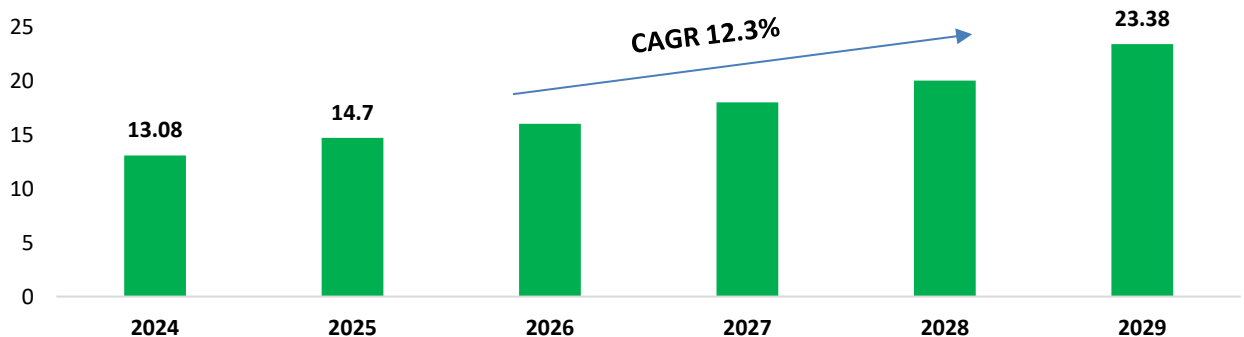
Indian Basmati Market

Basmati rice production in India has hit an all-time high, exceeding 16 million tons of paddy harvested. India produces approximately 10 million tonnes of basmati rice annually earlier, of which 5.2 million tonnes were exported in 2023-24, marking a 26% increase in exports compared to the previous year. In FY25 India exported 5.9 MMT basmati rice. The primary export destinations include Saudi Arabia, Iran, Iraq, UAE, the US, and Yemen. However, the market faced a temporary setback due to government-imposed MEP restrictions (\$950 per tonne), which initially limited exports and allowed Pakistan to capture a portion of India's market share.

Following the removal of the MEP in October 2024, India's basmati rice exports have rebounded, and double-digit export growth is expected. The upcoming monsoon season is predicted to be favorable, which is likely to improve production and quality. With India's re-entry into key markets, the country is expected to regain its lost market share, with export volumes potentially exceeding 5 million tonnes in the coming year.

Additionally, domestic consumption of basmati rice is rising, particularly in urban areas. According to a Kantar Household Panel report (March 2023), only 19.1% of Indian households consume packaged basmati rice, presenting a significant opportunity for market expansion in the packaged rice segment.

Basmati Rice Global Market Report 2025 Market Size (USD Billion)



Source: Company Filings & Arihant Capital Research, The Business research company

Industry Overview

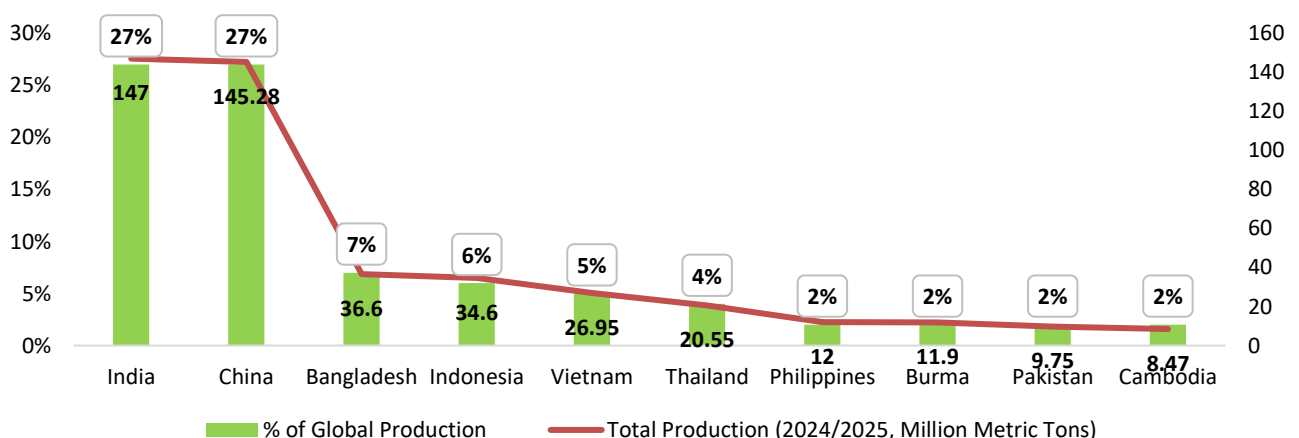
Global Rice Market Overview

The global rice industry has experienced fluctuations in production, consumption, and trade due to various geopolitical and climatic factors. In recent years, global rice consumption has surpassed production, leading to a depletion in rice stocks and an increase in rice prices worldwide. As per USDA, global rice production reached to a record 537.72 Million MT in 2024-2025 above the estimates, with India and China contributing the most, driven by increasing demand in regions such as South Asia, the Middle East, and Sub-Saharan Africa.

India remains the largest rice exporter, having exported 19.86 million tonnes till March 25 of FY25, followed by China, Vietnam, Thailand, and Pakistan. However, the global rice trade has faced multiple challenges, including climate change impacts such as El Niño, geopolitical tensions like the Russia-Ukraine conflict, and export restrictions imposed by India, which alone accounts for nearly 40% of global rice exports. The Red Sea crisis has further strained the global supply chain, affecting transportation and pricing.

Despite these challenges, the global rice market is projected to expand significantly. In 2023, **the global basmati rice market was valued at USD 13.5 billion, and it is expected to grow at a CAGR of 9%, reaching USD 26.89 billion by 2032**. The rising demand for long-grain rice, high-yielding varieties, and increased health consciousness among consumers are the key factors driving this growth.

India, the second-largest consumer, is set to reach a record consumption level of 120 million tonnes due to continued government distribution programs. Meanwhile, China, the top rice-consuming country, is expected to see a decline in consumption for the third consecutive year due to reduced use of rice as an alternative feed grain. Consumption is projected to grow in Sub-Saharan Africa, South Asia, and the Middle East, driven by population growth.



Source: IBEF, Company Report, Arihant Capital Research, USDA, Economics Time

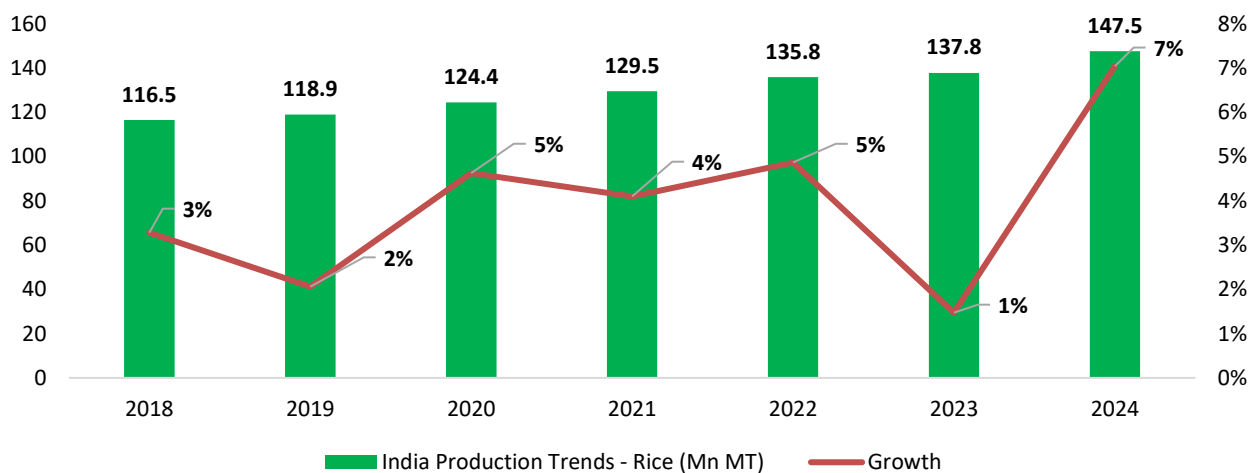
Indian Rice Market Overview

India is the second-largest rice producer in the world and the largest exporter, accounting for nearly one-fourth of global rice production. **India's rice production is estimated to reach a record 147 million metric tons in 2024-25, up from 138 million tons last year, In terms of value market size of rice in 2025 is USD 54.09 Bn and expected to reach USD 60.90 Bn by 2030 according to Morder Intelligence report at a CAGR of 2.4%.**

Domestically, demand for packaged rice is increasing as urban households shift from loose to branded rice due to quality assurance and rising disposable incomes. Additionally, the hospitality and food service sector (HoReCa) is expected to drive further demand, supporting steady price levels in near terms.

As per data from Ministry of Commerce & Industry, Rice exports increased by 19.73% from US\$ 10.42 Billion in FY 2023-24 (April-March) to US\$ 12.47 Billion in FY 2024-25 (April-March).

Marketing Year - October - September



Edible oil Market in India

Revenue in the Edible Oils market amounts to INR 3.08 tn in 2025. The market is expected to grow annually by 4.25% (CAGR 2025-2030). In the Edible Oils market, volume is expected to amount to 7.99 bn kg by 2030. The Edible Oils market is expected to show a volume growth of 1.3% in 2026. India is one of the largest producer of oilseeds in the world and this sector occupies an important position in the agricultural economy, accounting for the estimated production of 41.66 million tons of nine cultivated oilseeds during the year 2024-25. India contributes about 5-6% of the world oilseeds production. Export of oil meals, oilseeds and minor oils was about 5.44 million tons in the financial year 2023-24 valued at INR 29,587 crores. Every Indian now consumes 24 kg edible oil a year, triple the 2001 level. The India edible oil market size reached 25.0 Million Tons in 2024. Looking forward, IMARC Group expects the market to reach 28.2 Million Tons by 2033, exhibiting a growth rate (CAGR) of 1.31% during 2025-2033.

Source: Company Filings & Arihant Capital Research, USDA

Company Overview

KRBL Limited, recognized globally as a leader in the Basmati rice industry, is an integrated agribusiness company with operations spanning the entire value chain of rice production. This includes seed development, contract farming, procurement, processing, storage, packaging, and marketing. KRBL is known for its flagship brand, India Gate, which is regarded as the world's No. 1 Basmati rice brand. The company is committed to innovation and sustainability while maintaining its strong brand presence in both domestic and international markets.

Headquartered in India, KRBL Limited has a unique and fully integrated business model that helps ensure efficiency and resilience across its operations. The company's manufacturing capabilities are substantial, with the largest rice milling plant in the world, located in Punjab, India, and a vast contract farming network that extends across the country.

Market Presence:

KRBL's products are available in over 90 countries worldwide, and it maintains a robust export business, primarily catering to markets in the Middle East, North America, Africa, and Europe. The company has made significant inroads into markets in Saudi Arabia, Iran, and other Middle Eastern countries, where its rice products are highly popular.

The domestic market remains strong for KRBL, particularly due to the ongoing transition from loose to packaged rice, expanding the company's market share and driving higher sales in the premium rice category.

Historical Background:

KRBL was founded in 1889 in Lyallpur (now Faisalabad, Pakistan) by two brothers, Khushi Ram and Behari Lal. The company name is an acronym of their names. Initially set up as a cotton-spinning (or possibly cotton ginning) business, it also had business interests in edible oils, wheat, and rice. After the Partition of India in 1947, the family relocated to Delhi and began again from scratch, working as trade agents of rice and oil in the Naya Bazaar area of the city.

By the 1970s, KRBL was focused exclusively on producing rice and began supplying local exporters, including the Zee Group. The company made the shift to exporting rice directly under its own name in 1985. This marked the beginning of KRBL's journey into the international market. In 1992, the company set up its first rice processing unit in Ghaziabad, Uttar Pradesh, on the outskirts of Delhi, which was primarily for sorting, grading, and packaging rice.

In 1995, KRBL went public by issuing its initial public offering (IPO). By 1998, the company launched its own flagship brand, **India Gate**, in the Indian market and inaugurated a second processing plant in Alipur, Delhi, for sorting, grading, and packaging. In 2001, a third plant was established in Gautam Buddha Nagar, Uttar Pradesh, continuing the company's expansion into new facilities near Delhi.

The company's key strategic priorities include:

- **Customer Centricity:** Ensuring that products and services align with the needs of consumers.
- **Innovation:** Expanding product offerings into new segments such as edible oils and spices.
- **Digitization:** Enhancing operational efficiency through technology integration across its value chain.
- **Sustainability:** Investing in renewable energy, waste reduction, and sustainable farming practices.

Industry-Leading Rice Milling & Processing, Unmatched Processing Capacity & Strategic Presence:

KRBL Limited operates the largest rice milling plant in Punjab, India, with a paddy processing capacity of 195 tonnes per hour and rice processing capacity of 221 tonnes per hour as per FY24 annual report. As one of the world's largest rice millers and India's first integrated rice company, KRBL maintains a strong domestic network of 850+ distributors and a strategically located manufacturing & procurement infrastructure.

State-of-the-Art Manufacturing Facilities

The company operates five facilities across key locations (As per Q3FY25 Presentation):

- **GB Nagar, Uttar Pradesh** – Paddy Milling: 57 MT/Hr | Grading, Sorting & Packaging: 30 MT/Hr.
- **Alipur, Delhi** – Established in 1993.
- **Sonipat, Haryana** – Grading, Sorting & Packaging: 32 MT/Hr.
- **Dhuri, Punjab** – Paddy Milling: 150 MT/Hr | Grading, Sorting & Packaging: 126 MT/Hr.
- **Anjar, Gujarat** – Grading, Sorting & Packaging: 30 MT/Hr.

Manufactured Capital & Sustainability Initiatives

- 2 Integrated Manufacturing Units & 3 Rice Processing Units.
- Total Installed Renewable Energy Capacity: 146 MW, offsetting approximately 2 lakh tonnes of CO₂.
- The energy portfolio includes 112.25 MW from wind power, 17 MW from solar projects, and 17.59 MW from biomass. The generated power is used captively, with any excess sold to the Punjab State Electricity Board.
- 100% In-House Storage with 1 million+ MT capacity, ensuring quality preservation and risk mitigation.

Commitment to Quality & Product Excellence

- **Grading** - Rigorous testing ensures only the finest paddy is selected.
- **Ageing** - Rice is aged for 1 to 2 years to enhance aroma, texture, and taste.
- **Storage** - Large-scale storage infrastructure safeguards quality and freshness.

Product Portfolio:

KRBL's product range goes far beyond Basmati rice. The company has developed a diversified product portfolio that includes:

- Basmati Rice (Flagship brand: India Gate), Regional Rice , Quinoa and Brown Rice, Rice Bran Oil (natural and unrefined), Furfural Oil (byproduct of rice husks used in various industries), Mixed Spices (India Gate biryani masala), Pulses (under the India Gate brand), Other Agricultural Commodities like bran and rice by-products and clean energy. This include both domestic and international product range.

Agri Business

Basmati Rice Portfolio

- The Basmati Rice Portfolio includes a diverse range of offerings under various brands. **The India Gate(Flagship Brand)** Basmati Portfolio features a Premium Range consisting of Classic, Traditional, and Super, along with a Daily Premium Basmati category that includes Tibar, Select, Dubar, and Daily Premium. Additionally, the Daily Regular Basmati range comprises Feast Rozzana, Regular Choice, Everyday, Daily Delight, Mogra, Mini Mogra, and Mini Mogra - II.
- The portfolio also includes specialized varieties such as the India Gate Golden Sella Range and India Gate White Sella Range.
- Under the **Unity Basmati Rice** Portfolio, the options include Super, Tibar, Dubar, Mini Dubar, Mogra, and Mini Mogra.
- Other distinct basmati rice offerings come under **the Nurjahan, Doon, Bemisal, and Zabreen Basmati, Lion, Rameez, Necklace and Aarati Ranges**, providing a wide selection to cater to different consumer preferences.

Non-basmati Rice Portfolio

- The non-basmati rice portfolio consists of regional varieties such as Sona Masoori, Surti Kolam, Wada Kolam, Jeera Rice, Ambemohar, and Gobindobhog which is of India Gate brand.

Health food segment and Rice Adjacencies

- Expanding beyond rice, the brand offers health-focused foods like India Gate Brown Rice, Quinoa, Flax Seeds, Chia Seeds, and a specialized India Gate Weight Watchers Special range.
- In rice adjacencies, India Gate also produces mixed spices such as Hyderabad Classic Biryani Masala, Lucknowi Classic Biryani Masala, and Kolkata Classic Biryani Masala.

Energy Business

Power Generation

- Additionally, the company contributes to sustainable energy with power generation through biomass, wind, and solar energy.

Some Famous Varieties of Basmati Rice

Pusa 1509 – Average precooked length – Min 8.4 mm , Average post cooked – Min 22 mm (more post cooking breakages) having strong demand domestically and globally due to its high yield, early maturity, and premium quality.

Pusa 1121 - Average precooked length – Min 8.4 mm , Average post cooked – Min 22 mm (less post cooking breakages). Strong domestic and global demand for its long grains and aroma but faces competition WITH 1509.

Pusa 1401 - Average precooked length – Min 7.7 mm , Average post cooked – Min 16.22 mm. It has steady demand for its long, aromatic grains but is less competitive than 1509 or 1121 due to stickiness and longer maturity.

PB 1 - Average precooked length – Min 7.4 mm , Average post cooked – Min 14. 8 mm.



Pusa 1121



PB 1



Pusa 1509



Pusa 1401

Some of KRBL's product offerings to consumers and institutions with price range:



Premium Rice Range

Classic MRP: INR 252/KG approx.
Unity MRP: 189/KG approx.
 There are 0.5/1/2/5/10/30 kg packets.



Daily Premium Rice Range

Unity Pulav MRP: INR 450/2 kg approx.
Daily premium MRP: INR 630/5 Kg approx.
 There are 1/2/5/10/30 kg packets.



Daily Regular Rice Range

Regular choice MRP : INR 515/5kg approx.
Feast Rozana MRP: INR 585/5kg approx.
 There are 1/2/5/10/30 kg packets.



Economy Rice Range

Daily delight MRP : INR 405/5kg approx.
Mini Mogra MRP: 378/5 kg, 735/10 KG.
krbl doon price: INR 65/kg approx.
 There are 1/5/10/30 kg packets.



Regional Rice Range

Sona Masoori MRP : INR 935/10kg approx.
Jeera rice MRP: INR 193/kg approx.
Idly rava: MRP 60/kg approx.
 There are 1/5/10/30 kg packets.



Health Range

Weight watcher MRP : INR 152/kg approx.
Quinoa MRP: INR 225/500 Gm approx.
 There are 250gm/500 gm/1/5 kg packets.

KRBL offers a wide range of SKUs in its Basmati rice portfolio, with weights including 0.5 gm, 1 kg, 2 kg, 5 kg, 10 kg, 26 kg, and 30 kg. It also sells regional rice, which generated over INR 200 crore in sales in FY24. **The company is targeting sales of 1 lakh metric tonnes of regional rice over the next three years.** Varieties like Gobindobhog from the Burdwan region, also known as jeera rice or kaima rice in the South, along with Wada Kolam and Sona Masoori from the Gangavathi area, are gaining strong traction and offer a healthy gross margin.

Peer Comparison:

KRBL generates most of its revenue from basmati rice, a staple in many households. While numerous sellers operate in both organized and unorganized sectors, KRBL's India Gate brand stands out. According to industry research and data, India Gate is the leading basmati rice brand in the domestic market and holds a strong position in export markets as well.

Some Unorganized players:-

DD International Pvt Ltd (Flagship brand - Golden Grain)- The company established in 1979, is a leading exporter of premium Basmati Rice from India, with exports surpassing 375,000 tons in 2024. The company serves markets across the globe-including the U.S., U.K., Europe, the Middle East, Africa, and Asia-while also expanding into India's domestic market. With a focus on customer satisfaction and global growth, it operates modern facilities in Amritsar and Karnal to ensure top-quality service.

Shri Lal Mahal –Founded in 1907 by a farmer in Uttar Pradesh, Shri Lal Mahal has grown into India's largest rice producer through dedication and entrepreneurial spirit. The company now produces 3,000 MT of rice daily, With a global presence in over 44 countries, Shri Lal Mahal supplies rice, wheat, spices, and other agro products worldwide.

Double Chabhi - KS Agro Impax, under the brand Double Chabi, is a prominent exporter, manufacturer, and supplier of premium rice products, with 40% of its output exported globally. Known for exceptional quality, the company ensures high standards through strict quality control and innovation. With a monthly export capacity of 10,000 MT, KS Agro offers a wide range of Basmati and Non-Basmati rice, including Pusa, 1121, Raw Milled, Parboiled, and Brown Basmati varieties.



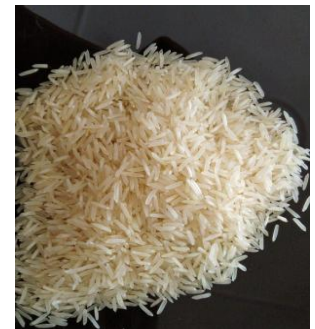
5 Kg MRP – INR 999 (Approx)



5 Kg MRP – INR 1750 (Approx)



5 Kg MRP – INR 800 (Approx)



5 Kg MRP – INR 800 (Approx)

There are many sellers in the unorganized market because the basmati rice market is very crowded. Since rice is the staple people eat daily, most sellers buy it directly from farmers and sell it loose or in sacks. They don't spend money on advertising or other extra costs, so they can sell it cheaper than big brands. That's why there is a lot of competition from unorganized sellers in the basmati rice market.

Some Organized Players:-

<p>LT Foods Limited</p>	<ul style="list-style-type: none"> ➤ LT Foods Limited is a leading global rice and food company with over 70 years of experience, marketing renowned brands like Daawat and Royal across more than 80 countries. The company holds strong market positions worldwide, including a 30% share in India's Basmati rice market, 55% in North America through its Royal brand, around 20% in Europe (including the UK), and a 9.8% share in the premium Basmati segment in the Middle East in Q3FY25 which is declined FY25. LT Foods continues to expand its portfolio of premium rice and specialty food products. ➤ As of FY24, the company has a total manufacturing capacity of 2,190 MT/day with 75% operational capacity utilization. In the United Kingdom, it operates a rice production facility with an annual capacity of 60,000 tonnes. In 9MFY25, LT Foods sold 525,000 tonnes at an average realization of INR 103/kg, with Q3FY25 volumes at 185,000 tonnes and realization improving to INR 105/kg, FY25 Consolidated Volume Growth: ~10% YoY, FY26 Volume Guidance: 7–10% YoY growth expected. ➤ In FY25, revenue from Basmati and other specialty rice reached INR 7,561 crore, contributing 86% of the total revenue. The EBITDA margin stood at 13%, reflecting a marginal decline, primarily due to increased freight costs. ➤ LT Foods' flagship brands include Daawat, a leading Basmati brand in India, and Royal, the market leader in North America. The company's diversified portfolio—comprising brands such as Golden Star, 817 Elephant, Devaaya, Ecolife, Heritage, Leev, Rozana, Kari Kari, and Gold Seal Indus Valley.
<p>AWL Agri Business Ltd</p>	<ul style="list-style-type: none"> ➤ AWL Agri Business Ltd is the market leader in edible oils in India with a 19% market share and ranks No. 3 in basmati rice with a 5.8% - 6% share (across Fortune and Kohinoor brands) as of March. ➤ The Company offers packaged staples, edible oils, wheat flour, rice (basmati and regional varieties like Sona Masoori, Wada Kolam, Banskathi), pulses, besan, and sugar. ➤ Rice sales grew domestically, led by Kohinoor, but overall growth was moderate due to export restrictions. The Fortune Biryani Kit drove over 25% of export rice sales. ➤ Production capacity stands at 600 tons/day of paddy and 500 tons/day of rice. ➤ Basmati segment offerings: Fortune: Classic (INR 225/kg), Special (INR 210/kg), Super Basmati (INR 240/kg), Everyday Basmati (INR 845/5kg), Dabur Basmati (INR 130/kg), Rozana Basmati (INR 130/kg), Hamesha Basmati (INR 465/5kg). Kohinoor: Royale Authentic (INR 1,125/5kg), Authentic Basmati (INR 199/kg), Trophy Royale (premium). <p>Non-basmati offerings include Sona Masoori (INR 1,000/10kg), Wada Kolam, Banskathi, and others.</p> <ul style="list-style-type: none"> ➤ Margins remain under pressure due to volatile edible oil prices, higher operating costs, and unorganized market competition.
<p>Chaman Lal Setia Exports Limited</p>	<ul style="list-style-type: none"> ➤ Chaman Lal Setia Exports Limited, established in 1994, is a leading exporter and miller of Basmati rice, known for its flagship brands Maharani and Mithas. With milling units in Amritsar, Karnal, and Gandhi Dham, the company exports to over 90 countries and is India's largest private-label exporter in the segment. ➤ Its product range under the Maharani brand includes Supreme, 1121, Classic Reserve, Golden Sella, Brown Basmati, Everyday Basmati, and a diabetic-friendly variant. All products are manufactured in India 95% in Karnal and 5% in Gandhi Dham—supported by 13 packaging plants, warehousing capacity of 82,500 MTPA, and a processing capacity of 660 MT/day. The company has over 300 private-label brands globally. ➤ In FY25, the company recorded a revenue of INR 1,495 crore, with exports contributing 84% of total sales, export volume consist of 1,44,000 Tons.
<p>GRM Overseas Ltd</p>	<ul style="list-style-type: none"> ➤ Started in 1995, is a leading company in making and selling Basmati rice, spices, wheat flour, ready-to-cook meals, and edible oils. It sells products in India under brands like 10X and in other countries through brands like Himalaya River and Tanoush. GRM has three modern factories in Haryana and Gujarat, and exports to over 42 countries, making it India's third-largest rice exporter. The company also sells through big stores like Walmart, Carrefour, and Amazon, and is growing its business in both local shops and online markets. The company is doing 95% private level and 5% own brand. Their international business contributed 59% and domestic 41% in FY25.
<p>Patanjali Foods Limited</p>	<ul style="list-style-type: none"> ➤ Patanjali Foods Limited is a top Indian company that also sells edible oil, premium basmati and non-basmati rice, like Special Basmati and Sona Masoori. Sourced from top regions and processed in modern plants, its rice is sold through over 10 lakh stores, online, and exported to Africa and the Middle East. The staples which include rice, atta, pulses, wheat products and couple of other spices, recorded a revenue of INR 1,034.65 crores.

As of June

Company	CMP (INR)	Market Cap (Cr)	PE(x)	EPS (INR)	WC Days	Inventory Days	ROE	ROCE	Sales (FY25) Cr	EBITDA Margin (%)	PAT Margin (%)	FCF (INR Cr)	EV/EBITDA
KRBL Ltd	350	8144	17.1	20.8	282	336	9.43%	11.85%	5,655	13%	8.40%	865.8	12.2
LT Foods	497	17271	25.39	17.43	134	277	16.80%	19.23	8,681	12.20%	6.98%	223.82	16.8
Adani Wilmar Ltd	258	33538	27.3	9.43	11	56	13.90%	20.90%	61,677	4.31	1.97%	1190	12.2
Chamanlal Setia Ltd	370	1916	17.4	19.89	156	136	14.22	16.75	1,495	9.40%	6.90%	55.3	13.2
GRM Overseas Ltd	364	2182	35.59	10.21	187	102	14.30%	23.7%	1,374	7.70%	4.50%	55.87	23.6
Kohinoor Foods Ltd	36	133	0.37	98.4	-224	77		2.11%	86.39	14.32%	422%	440	44.9
Mishtann Foods Ltd	7.17	773	2.31	3.09	262		44.10%	42.20%	1,375	24.60%	24.20%	-48.7	2.42
Sarveshwar Foods Ltd	7.31	716	26.6	0.27	190	183	10%	13.10%	1,136	6.32%	2.40%	13.4	13.2



1 Kg MRP – INR 250 (Approx)



5 Kg MRP – INR 495 (Approx)



1 Kg MRP – INR 210 (Approx)



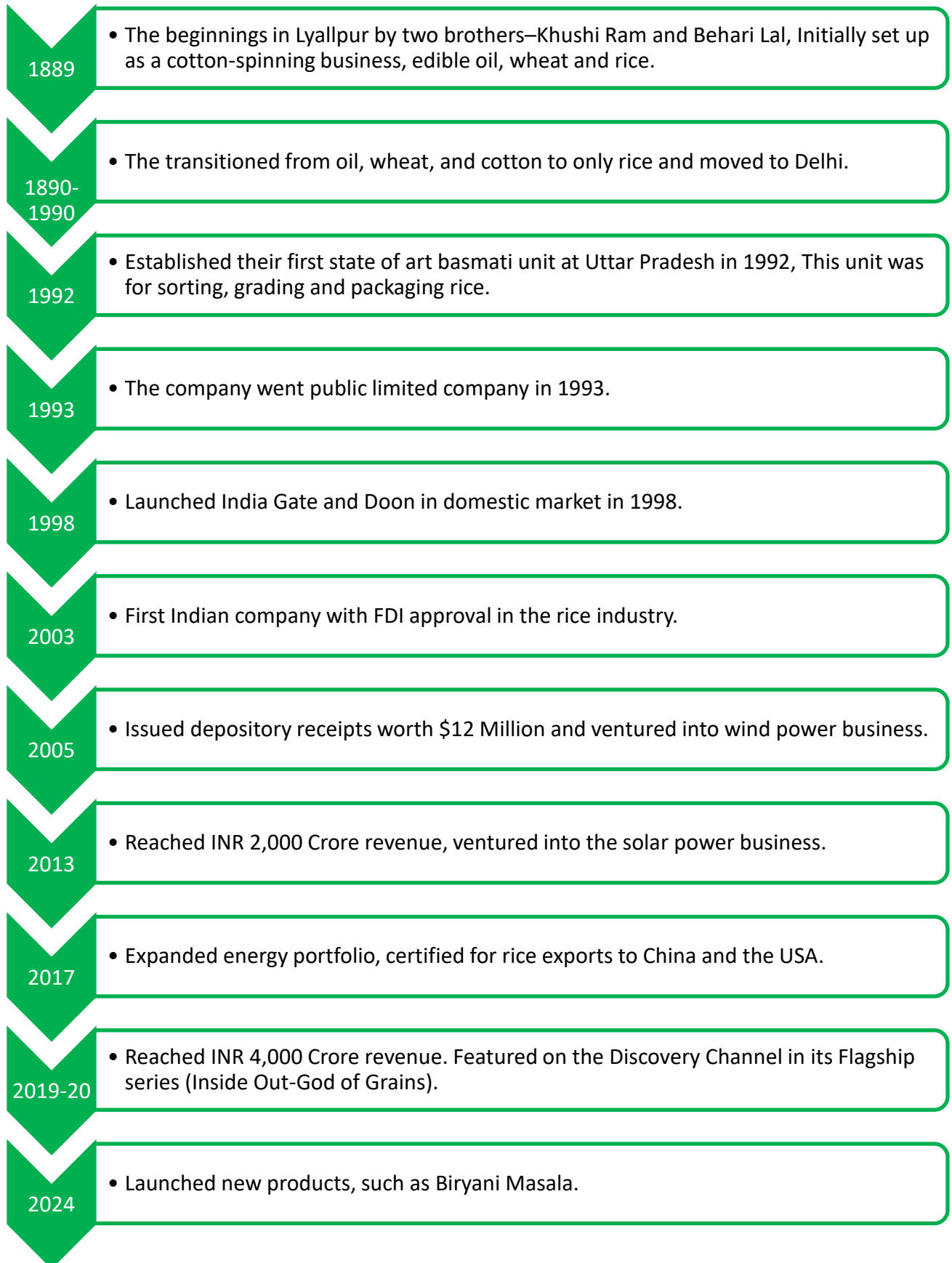
5 Kg MRP – INR 385 (Approx)

Key Risk and concerns

- **Policy Risk** : Frequent, unpredictable government policy changes impact rice trade and profitability. KRBL manages this through legal oversight and market diversification.
- **Distributor Risk** : Dependence on distributors can affect sales if distributors partnership end. KRBL mitigates this via multi-channel distribution (GT, MT, E-commerce).
- **Input Cost & Climate Risk**: Weather issues, protests, and policy shifts raise input costs. Climate changes affect crop quality. KRBL addresses this through timely procurement, inventory planning, and pricing power.
- **Currency Risk**: Export revenue is sensitive to forex fluctuations. A hedging policy helps manage this.
- **Competition Risk**: Intense competition exists, but KRBL's strong brand and market reach provide resilience.
- **ESG Risk**: Paddy is water-intensive and energy-heavy to process. KRBL invests in renewables and utilizes by-products for sustainability.
- **Geographical Risk**: Over-reliance on a few regions may affect earnings. KRBL is present across diverse global markets.

Source: Company Filings & Arihant Capital Research

Journey Map



Source: Company Filings & Arihant Capital Research

Key Personnel

Name & Designation	Description
Mr. Anil Kumar Mittal <i>Chairman & MD</i>	Mr. Mittal, founder of KRBL, has led its rise as a global Basmati leader. Awarded and widely respected, he aims to make KRBL a global favorite while uplifting communities.
Mr. Arun Kumar Gupta <i>Joint Managing Director</i>	Mr. Arun Kumar Gupta, with 42+ years of experience, is an expert in rice supply chain and milling technology. He has streamlined procurement and advanced milling, ensuring high-quality, cost-effective output.
Mr. Anoop Kumar Gupta <i>Joint Managing Director</i>	Mr. Anoop Kumar Gupta, with 38+ years in strategy and finance, has strengthened the Company's financials and served on the All-India Rice Exporters Association's Executive Committee.
Ms. Priyanka Mittal <i>Whole Time Director</i>	Ms. Mittal heads global sales and marketing with 20+ years of experience. A Harvard OPM and USC graduate, she advocates women's leadership and represents the Indian rice industry on global platforms.
Ms. Priyanka Sardana <i>Independent Non-Executive Director</i>	Ms. Priyanka Sardana, a seasoned lawyer with 20+ years of experience, specializes in civil, criminal, and IPR law. She strengthens the Company's legal governance and serves as Vice-President of the Supreme Court Women Lawyers Association.
Mr. Surinder Singh <i>Independent Non-Executive Director</i>	Mr. Surinder Singh, former Executive Director of FCI, brings 40+ years of experience in operations, finance, HR, and food grain management. An MBA and B.Sc. holder, he serves on the ISSRF Board and is a guest faculty at DSEU.
Mr. Ashok Pai <i>Independent Non-Executive Director</i>	Mr. Ashok Pai, a retired civil servant, has vast experience in administration, public policy, and governance. He has led key reforms and sustainability initiatives, with strong expertise in leadership and resource optimization.
Mr. Anil Kumar Chaudhary <i>Independent Non-Executive Director</i>	Mr. Anil Kumar Chaudhary has 45+ years of leadership experience across steel, oil, and banking. Former Chairman of SAIL and Group MD at Essar, he led major turnaround projects and global steel initiatives. A qualified CS, CMA, and law graduate, he is widely recognized for his contributions to the steel industry.
Mr. Ashish Mittal <i>Head – Paddy Procurement</i>	Mr. Ashish Mittal, with 16 years at KRBL, has led innovations in high-yield seeds, sustainable tech, and pesticide-free farming. He has streamlined operations at the Gautam Budh Nagar facility, enhancing production and procurement.
Mr. Akshay Gupta <i>Head – Bulk Exports</i>	Mr. Akshay is a dynamic leader with 10+ years in commodity sales and FMCG marketing. He drives growth, builds global alliances, and ensures efficient supply chains and inventory management.
Mr. Kunal Gupta <i>Head – Rice Procurement</i>	Mr. Kunal began with supply chain management and drove tech upgrades, helping KRBL lead in rice and milling. He focuses on operations, procurement, and expansion, transforming the Dhuri plant into a cost-efficient, integrated unit.
Mr. Ayush Gupta <i>Head – Domestic Division</i>	Mr. Ayush, with 10+ years of experience, has driven growth, modern trade leadership, and e-commerce expansion at KRBL. He excels in marketing, distribution, and envisions a tech-driven future for the brand.

Source: Company Filings & Arianth Capital Research

Balance Sheet (INR Cr)	FY24	FY25	FY26E	FY27E	FY28E
Sources of Funds					
Equity Share Capital	23	23	23	23	23
Reserves & Surplus/ Other Equity	4835	5217	5806	6522	7385
Networth	4858	5240	5829	6545	7408
Current Borrowings	520	387	256	126	9
Non-Current Borrowings	38	38	38	38	38
Borrowings	558	424	294	163	46
Total Funds Employed	5416	5665	6123	6708	7455
Application of Funds					
Gross block	1743	1851	1901	1951	2001
Less: accumulated depreciation	895	976	1065	1149	1231
Net Fixed Assets	848	875	836	802	770
Capital WIP	13	21	21	21	21
Investments	12	13	13	13	13
Goodwill	3	2	2	2	2
Other non-current assets	38	31	31	31	31
Current assets	4846	4888	5436	6079	6883
Inventory	4451	3885	4113	4387	4682
Days	302	300	300	300	300
Debtors	303	468	472	488	503
Days	21	31	28	26	24
Other Current Assets	62	73	73	73	73
Bank	5	308	308	308	308
Cash	25	154	469	822	1316
Current Liabilities	919	811	731	624	533
Creditors	110	151	202	225	252
Days	315	321	320	318	316
Other current liabilities	289	273	273	273	273
Provisions	111	111	111	111	111
Net Working Capital	3927	4077	4705	5455	6350
Total Liabilities and Capital	5815	6089	6597	7206	7979
Total Assets	5760	5830	6339	6947	7720

Source: Company Filings & Arianth Capital Research

Income Statement INR (Cr)	FY24	FY25	FY26E	FY27E	FY28E
Revenue from Operations	5,384.7	5,593.8	6,148.0	6,854.3	7,656.8
YoY	0.4%	3.9%	9.9%	11.5%	11.7%
COGS	3,999.9	4,214.4	4,549.6	5,003.6	5,512.9
YoY	5.7%	5.4%	8.0%	10.0%	10.2%
Personnel/ Employee benefit expenses	148.9	174.5	193.7	218.1	246.0
YoY	26.6%	17.2%	11.0%	12.6%	12.8%
Manufacturing & Other Expenses	433.6	530.6	583.1	650.1	726.2
YoY	-17%	22%	10%	11%	12%
EBITDA	802.3	674.4	821.7	982.5	1,171.6
YoY	-14.5%	-15.9%	21.8%	19.6%	19.3%
EBITDA Margin (%)	14.9%	12.1%	13.4%	14.3%	15.3%
Depreciation	79.4	81.1	88.4	84.7	81.4
EBIT	722.9	593.3	733.3	897.7	1,090.2
EBIT Margin (%)	13.4%	10.6%	11.9%	13.1%	14.2%
Interest Expenses	24.1	14.6	9.8	4.6	(0.1)
Non-operating/ Other income	97.0	61.3	61.3	61.3	61.3
Extraordinary expense	0.0	0.0	0.0	0.0	0.0
PBT	795.8	640.0	784.7	954.4	1,151.6
Tax-Total	199.9	164.0	196.2	238.6	287.9
PAT	595.9	476.0	588.5	715.8	863.7
Adj. Net Profit	595.9	476.0	588.5	715.8	863.7
YoY	-15.0%	-20.1%	23.6%	21.6%	20.7%
PAT Margin	11.1%	8.5%	9.6%	10.4%	11.3%
Shares o/s paid up equity sh capital	22.9	22.9	22.9	22.9	22.9
Adj EPS (INR)	26.0	20.8	25.7	31.3	37.7

Cashflow Statement (INR Cr)	FY24	FY25	FY26E	FY27E	FY28E
Profit Before Tax	795.8	640.0	784.7	954.4	1151.6
Depreciation & Amortization	79.4	81.1	88.4	84.7	81.4
Interest Expense	24.1	14.6	9.8	4.6	-0.1
Interest Income	97.0	61.3	61.3	61.3	61.3
Tax	199.9	164.0	196.2	238.6	287.9
Extra-ordinary and Other items	0.0	0.0	0.0	0.0	0.0
OCF before WC changes	602.4	510.4	625.5	743.9	883.7
WC changes	144.3	231.2	312.0	397.3	401.3
OCF	458.1	279.2	313.5	346.5	482.5
Capex	97.8	107.5	50.0	50.0	50.0
FCF	360.3	171.7	263.5	296.5	432.5
Change in other Assets	-12.7	-5.1	-0.2	0.0	0.0
Change in Equity	-430.6	-93.7	0.0	0.0	0.0
Change in Debt & other financing activities	53.7	46.1	51.4	56.7	61.3
Net change in cash	-4	129	315	353	494
Opening Cash Balance	29	25	154	469	822
Ending Cash balance	25	154	469	822	1316

Source: Company Filings & Arianth Capital Research

Key Ratios

Solvency Ratios (X)	FY24	FY25	FY26E	FY27E	FY28E
Debt / Equity	0.10	0.07	0.04	0.02	0.00
Net Debt / Equity	0.10	0.04	-0.04	-0.11	-0.18
Debt / EBITDA	0.63	0.56	0.30	0.12	0.00
Net Debt / EBITDA	0.60	0.33	-0.27	-0.72	-1.12
Debt/ Asset	0.09	0.06	0.04	0.02	0.00
Liquidity Ratios (x)					
Current Ratio	5.40	6.26	7.64	9.90	12.94
Quick Ratio	4.62	5.16	5.88	7.03	8.37
Important Metrics					
Net Debt (includes lease liabilities and excludes investments)	482	222	-223	-707	-1317.65
FCF	360	172	263	297	432.45
EV	9112	9112	0	0	0.00
DuPont Analysis					
Sales/Assets (Asset Turnover)	0.91	0.90	0.91	0.93	0.94
Assets/Equity (Equity Multiplier)	1.22	1.19	1.16	1.12	1.10
Net Profit Margin	0.11	0.09	0.10	0.10	0.11
RoE	0.12	0.09	0.10	0.11	0.12
Per share ratios (INR)					
Reported EPS	26.03	20.80	25.71	31.27	37.73
Adjusted EPS	26.03	20.80	25.71	31.27	37.73
Dividend	0.00	0.00	0.00	0.00	0.00
BV	212.27	228.97	254.69	285.96	323.69
Cash & Bank	25.05	168	483	836	1329.72
Revenue	235.24	244.38	268.59	299.44	334.51
Profitability ratios					
Gross Profit Margin	26%	25%	26%	27%	0.28
EBITDA Margin	15%	12%	13%	14%	0.15
EBIT Margin	13%	11%	12%	13%	0.14
PAT Margin	11%	9%	10%	10%	0.11
ROE	12%	9%	10%	11%	0.12
ROCE	14%	11%	12%	13%	0.14
ROIC	8%	7%	9%	11%	0.13
ROA	10%	8%	9%	10%	0.11
Activity ratios					
Inventory Days	406	336	330	320	310.00
Debtor Days	21	31	28	26	24.00
Creditor Days	10	13	12	12	12.00
Days(Cash Cycle)WC Cycle	417	354	346	334	322.00
Valuation ratios (X)					
EV / EBITDA	11.36	13.51	0.00	0.00	0.00
EV / EBIT	12.60	15.36	0.00	0.00	0.00
EV / Net Sales	1.69	1.63	0.00	0.00	0.00
EPS (INR)	26.03	20.80	25.71	31.27	37.73
Adj EPS (INR)	26.03	20.80	25.71	31.27	37.73
CMP	377.00	377.00	377.00	377.00	377.00
P/E	14.48	18.13	14.66	12.06	9.99
P/B	1.78	1.65	1.48	1.32	1.16

Source: Company Filings & Arianth Capital Research

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REDUCE	-5% to -12%
SELL	<-12%

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