





Sabyasachi Majumdar +91 124 4545 304 sabyasachi@icraindia.com Anupama Arora +91 124 4545 303 anupama@icraindia.com Sheetal Sharad +91 124 4545 374 Sheetal.sharad@icraindia.com



# **CONTENTS**

1.	Executive Summary	04
2.	Industry Trends	07
	Basmati rice exports moderate in current fiscal, realisations to remain under pressure	08
	nCovid-19 outbreak in key export destinations a cause for concern	09
	India and Pakistan dominate international basmati rice trade	11
	Ambiguity over Iran demand revival a key concern for the Indian basmati sector	12
	New import regulations by Saudi Arabia to take time to adopt	14
	Decline in exports to EU moderates in current fiscal	15
	Paddy prices have corrected in current procurement season given weak demand outlook	16
3.	ICRA Outlook & Estimates	17
4.	Consolidated Financial Analysis	20
5.	ICRA Ratings in Basmati Rice Sector	24
6.	Industry Peer Comparison	29
7.	Company Section	30
	KRBL Limited	31
	LT Foods Limited	32
	Chaman Lal Setia Exports Limited	33





## **ABOUT ICRA**

ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange.

## Alliance with Moody's Investors Service

The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder. The participation of Moody's is supported by a Technical Services Agreement, which entails Moody's providing certain high-value technical services to ICRA. Specifically, the agreement is aimed at benefiting ICRA's in-house research capabilities, and providing it with access to Moody's global research base. The agreement also envisages Moody's conducting regular training and business seminars for ICRA analysts on various subjects to help them better understand and manage concepts and issues relating to the development of the capital markets in India. Besides this formal training programme, the agreement provides for Moody's advising ICRA on Rating-products strategy, and the Ratings business in general.





#### **Business Contacts**

Mr. L. Shivakumar E-mail: shivakumar@icraindia.com Tel: +91 22 6114 3406 / +91 98210 86490

## Media and Public Relations

Ms. Naznin Prodhani E-mail: communications@icraindia.com Tel: +91 124 4545 860

## **Registered Office:**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi - 110 001 Tel: + 91 11 2335 7940-45

## Bengaluru 2

2nd Floor, Vayudooth Chamber, 15-16, Trinity Circle, M.G. Road, Bengaluru - 560 001 Tel: +91 80 4922 5500

#### Kolkata

A-10 & 11, 3rd Floor, FMC Fortuna 234/3A, A.J.C. Bose Road, Kolkata -700 020 Tel: +91 33 7150 1100/01

Email: info@icraindia.com Helpdesk: 124 3341580

Website: www.icra.in/ www.icraresearch.in

## **Corporate Office:**

Building No.8, 2nd Floor, Tower A, DLF Cyber City Phase II, Gurgaon- 122 002 Tel: +91 124 4545300

Mr. Jayanta Chatterjee

E-mail: jayantac@icraindia.com

Tel: +91 80 4332 6401/ +91 98450 22459

## Chennai

5th Floor, Karumuttu Centre, 634, Anna Salai, Nandanam Chennai - 600 035 Tel: +91 44 4596 4300

#### Mumbai

3rd Floor, Electric Mansion Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025 Tel: +91 22 6169 3300

#### Ahmedabad

907 & 908, Sakar – II, Ellisbridge, Opp. Town Hall, Ahmedabad - 380 006 Tel: +91 79 4027 1500/01

## Hyderabad 1

No. 7-1-58, 301, 3rd Floor, 'CONCOURSE', Above SBI-HPS Branch, Ameerpet, Hyderabad - 500 016 Tel: +91 40 4920 0200

#### Pune

5A, 5th Floor, Symphony, S. No. 210 CTS 3202 Range Hills Road, Shivajinagar,Pune - 411 020 Tel: +91 20 2556 1194

## Bengaluru 1

'The Millenia', Tower- B, Unit No. 1004, 10th Floor,1 & 2 Murphy Road, Bengaluru - 560 008 Tel: +91 80 4332 6400

## Hyderabad 2

4A, 4th Floor, SHOBHAN, 6-3-927, A&B Somajiguda, Raj Bhavan Road, Hyderabad – 500082 Tel: +91 40 40676500