

# Reinventing the GRM Brand

## Cultivating the future of rice exports



Q4 & Full Year FY2018

## The GRM Brand today

- A leading exporter of rice to the Gulf region, with a majority of exports concentrated in this region
- Exporting high quality traditional basmati varieties of rice to US, UK and other European countries
- Launched own brands during FY2018 which are sold at large retailers like ASDA (Walmart UK) and T.J. Morris in the UK
- Less than 10% of Revenues come from Value Added Products

Moving towards the next phase of growth...

## Reinventing the Business

- Diversifying from traditional basmati rice offerings to high margin own brands, specialized and value added products
- Targeting value added and ready to eat health products in Europe where there is significant demand for such products
- Focus on supplying specialized / rare rice varieties and health oriented ready to eat products with signature recipes



Redefined Value Proposition



Integrated Business Model



Niche Product Market



Increasing Market Traction



Enhanced R&D Capabilities

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## A Wealth of Experience

Over 40 years in the Rice business with a legacy of supplying products of the highest quality

## Export Oriented

Around 90% of our Revenues are generated from exports to the Middle East; we are also focused on exports to US & UK

## Global Standards

Stringent proactive quality control procedures in place which are in accordance with International requirements

## Moving up the Value Chain

Focused on high quality value added offerings such as branded rice varieties, branded basmati, organic rice products and ready-to-eat

## Diversified Basket of Rice Products

A variety of rice offerings catering to a mix of consumer preferences basmati, specialised products and value added products

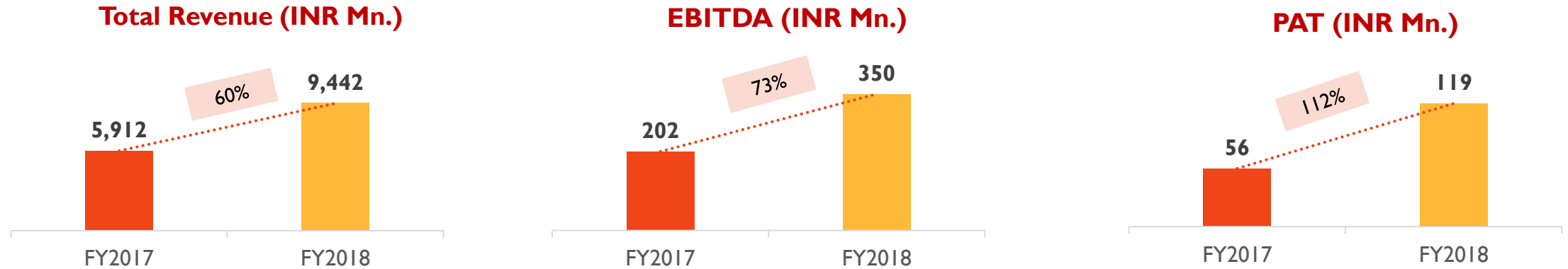
## Robust Financial Performance

Revenues of INR 9,442 mn in FY2018, an increase of 60% YoY, Net Profit of INR 119 mn, growth of 112% YoY.

“GRM has always believed in delivering the best. We are constantly focused on raising the standards...”



## Strong growth in revenues and profitability...



Commenting on the results and performance, **Mr. Rohit Garg, MD, and Mr. Atul Garg, Joint MD** said:

“During FY2018, GRM continued to grow its market share in the gulf region with high quality products and strong customer relationships. As a part of our growth strategy, we have expanded exports to 25 new countries and have made noteworthy progress in the UK market where we are now selling our own brands in large retail stores like ASDA (Walmart UK).

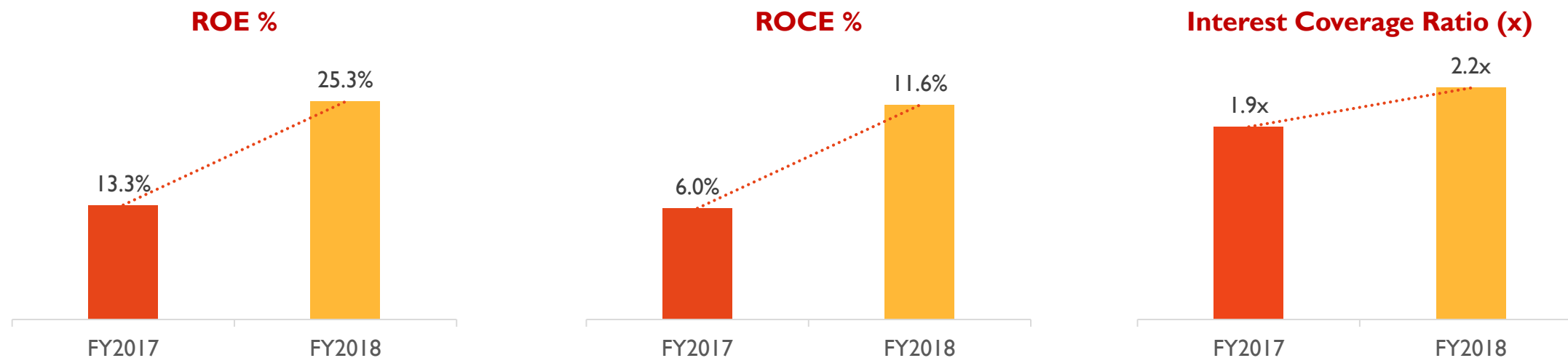
We are very pleased with the strong financial performance achieved during the year with revenue growth of 60% and net profit growth of 112% y-o-y. The underlying growth was primarily driven by a combination of both, higher volumes and increased price realizations.

Going forward, GRM will focus on diversifying from traditional basmati rice offerings to high margin own brands, specialized and value-added products, and adding value through product differentiation. Taking the momentum forward with a clear strategy in mind, GRM is poised to enter into a new era of growth and to create maximum value for all our stakeholders.”

Building momentum for the next phase of our growth story...



Continuous focus on enhancing shareholder's return...



During the year, management continued its focus on penetrating new markets with value added products

Strong improvement in return ratios



- 60% y-o-y revenue growth leading to more than doubling PAT
- Achieved a new milestone in our 40 year history by starting supply of own branded products to European retailers
  - Our customers currently include ASDA (Walmart UK), T.J. Morris and B&M in the UK; Albert Heijn in Holland and Metro in Poland
- Expanded exports to more than 25 new countries
- Technology tie up with a leading organic products company to develop specialized organic food products

Launching value added products and expanding business to new countries to drive future growth



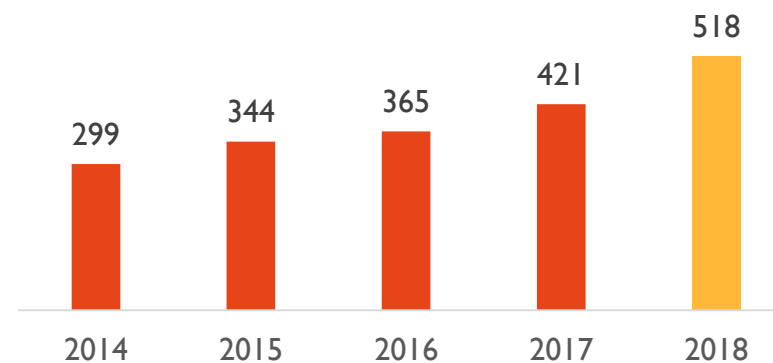
(INR Million)	Q4 FY2018	Q4 FY2017	Y-o-Y %	FY2018	FY2017	Y-o-Y %
<b>Total Income from Operations</b>	<b>2,653</b>	<b>2,175</b>	<b>21.9%</b>	<b>9,442</b>	<b>5,912</b>	<b>59.7%</b>
<b>EBITDA</b>	<b>210</b>	<b>136</b>	<b>54.1%</b>	<b>350</b>	<b>202</b>	<b>73.1%</b>
<i>EBITDA Margin</i>	7.9%	6.3%		3.7%	3.4%	122.5%
<b>EBIT</b>	<b>206</b>	<b>133</b>	<b>55.0%</b>	<b>330</b>	<b>183</b>	<b>80.7%</b>
<i>EBIT Margin</i>	7.8%	6.1%		3.5%	3.1%	135.1%
<b>PBT</b>	<b>102</b>	<b>58</b>	<b>75.0%</b>	<b>183</b>	<b>85</b>	<b>116.0%</b>
<i>PBT Margin</i>	3.8%	2.7%		1.9%	1.4%	194.2%
<b>PAT</b>	<b>64</b>	<b>38</b>	<b>66.4%</b>	<b>119</b>	<b>56</b>	<b>112.2%</b>
<i>PAT Margin</i>	2.4%	1.8%		1.3%	0.9%	187.9%
<b>Basic EPS</b>	<b>17.22</b>	<b>10.35</b>	<b>66.4%</b>	<b>32.13</b>	<b>15.14</b>	<b>112.2%</b>



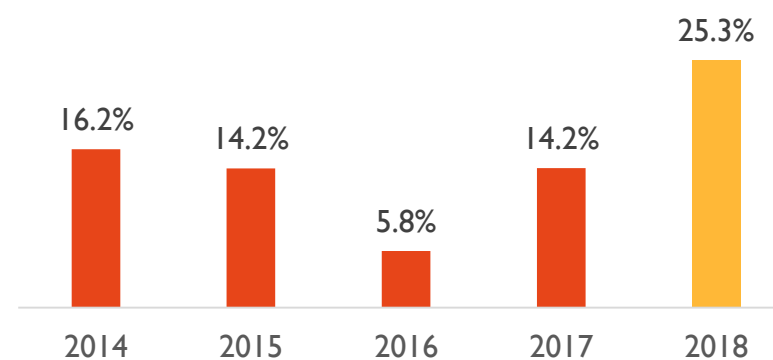


(INR Million)	FY2018	FY2017
Short Term Debt	2,335	1,496
Long Term Debt	583	484
<b>Total Debt</b>	<b>2,918</b>	<b>1,980</b>
Cash and Cash Equivalents	11	18
<b>Net Debt</b>	<b>2,907</b>	<b>1,963</b>
<b>Total Shareholder Equity</b>	<b>518</b>	<b>421</b>
<b>Net Debt to Equity (x)</b>	<b>5.6x</b>	<b>4.7x</b>
<b>Interest Coverage Ratio (x)</b>	<b>2.2x</b>	<b>1.9x</b>

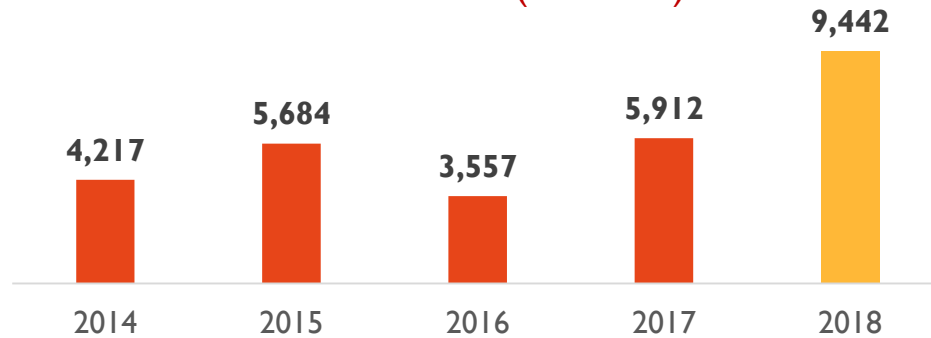
### Total Shareholders' Funds (INR Mn.)



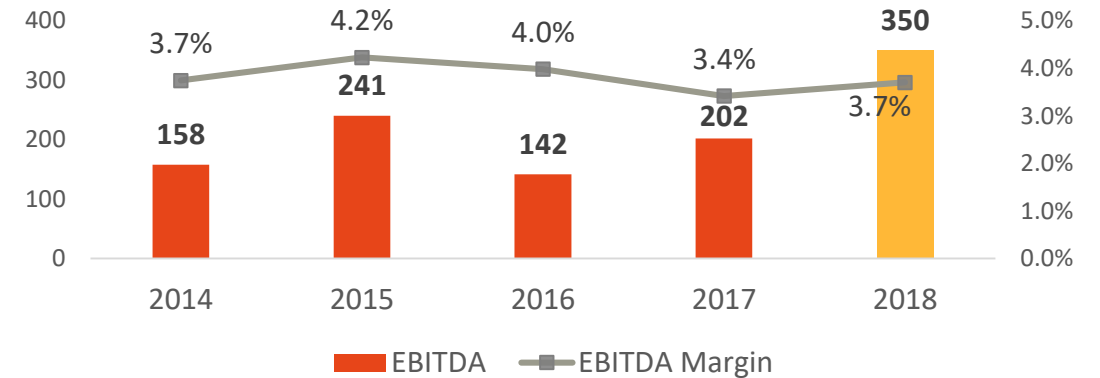
### Return on Equity (ROE %)



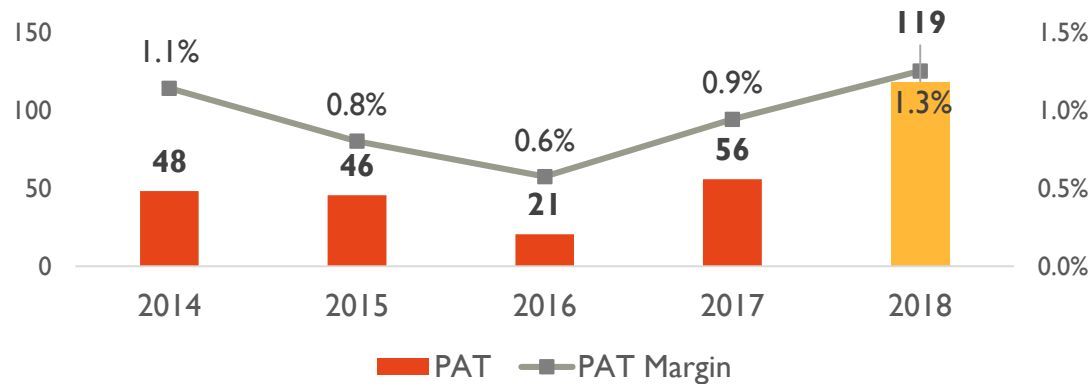
### Revenue (INR Mn.)



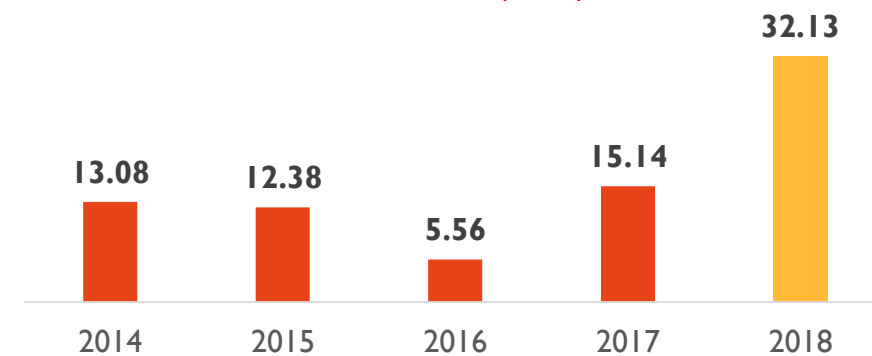
### EBITDA (INR Mn.)



### PAT (INR Mn.)



### Basic EPS (INR)



This presentation contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to GRM Overseas’ 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.

GRM Overseas undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

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