



ANNUAL REPORT 2018-19

LT Foods

TOMORROW STARTS TODAY



**CREATING A SUSTAINABLE GLOBAL
CONSUMER FOOD BUSINESS**

Read Inside

Corporate Overview

- 02 Corporate Evolution
- 06 Our Strengths
- 08 Our Footprint
- 10 Product Range
- 12 Key Financial Highlights
- 14 Management Message
- 18 Strategic Framework
- 20 Innovation and New Product Development
- 22 Marketing Campaigns
- 28 Procurement and Manufacturing Excellence
- 32 Corporate Social Responsibility
- 34 Board of Directors

Statutory Reports

- 36 Management Discussion and Analysis
- 52 Directors' Report
- 79 Corporate Governance Report

Financial Statements

Standalone Financial Statements

- 098 Independent Auditor's Report
- 106 Standalone Balance Sheet
- 107 Standalone Statement of Profit and Loss
- 108 Standalone Cash Flow Statement
- 110 Standalone Statement of Changes in Equity
- 111 Summary of Significant Accounting Policies
- 121 Notes to the Financial Statements

Consolidated Financial Statements

- 161 Independent Auditor's Report
- 168 Consolidated Balance Sheet
- 169 Consolidated Statement of Profit and Loss
- 170 Consolidated Cash Flow Statement
- 172 Consolidated Statement of Changes in Equity
- 173 Summary of Significant Accounting Policies
- 186 Notes Forming Part of the Consolidated Financial Statements



For further information,
scan the QR code.



World of LT Foods



**CONSISTENT VALUE CREATION
HAS ALWAYS BEEN OUR CORE
STRATEGY, AND WE ARE
AGGRESSIVELY TRANSFORMING
OUR BUSINESS TO BE ONE OF
THE LEADING GLOBAL FOOD
COMPANIES.**

**WE ARE MAXIMISING VALUE BY PROGRESSIVELY
STRENGTHENING OUR SUSTAINABLE BUSINESS MODEL.**

**OUR CUSTOMER-CENTRIC APPROACH, EXCELLENCE IN
OPERATIONS AND INVESTMENTS IN INNOVATION ARE
ENABLING CONTINUED PROGRESS.**



Corporate Evolution

Delighting consumers for decades



We are a leading global consumer food company with strong global brands of basmati and other specialty rice, rice-based convenience products and organic food with a deep and abiding commitment to delighting consumers.

We are one of the very few Indian basmati rice companies with fully integrated operations spanning milling, processing, packaging, distribution and marketing of branded basmati rice, and rice-based convenience food products. Our flagship brand Daawat is India's leading brand and Royal® is the largest selling basmati rice brand in North America. Our global presence spans 65 countries across Asia, Europe, the Middle East and North America.

In step with evolving consumer trends, we have expanded into allied health and convenience food segments across rice-based snacks, organic, ready-to-heat and saute sauces, among others.

The catalyst that drives our growing business and esteemed brands is the experience, expertise and ownership of our people. The objective is to create and strengthen a sustainable food business globally.

Our core purpose

Maximise shareholder return through creating a fully integrated, global, sustainable, predictable, profitable and growing consumer branded business model.

- To give the maximum consumers across the globe the finest basmati and regional specialty rice experience across all price points.
- To help consumers with convenience products which enable them to make delightful rice-based meals without the rigour of cooking from scratch, and which fits in with their current lifestyles.
- To improve their self-esteem and make them feel good about themselves in the trust and belief that they are consuming and serving the finest.

Inspiring timelines

Pre-1980

We commenced our journey by foraying into the high-potential basmati industry



1980-1995

We launched our flagship 'Daawat' brand and focused on business-to-business (B2B) model through a private label

1995-2006

We strengthened our brand portfolio and expanded across the product value chain



2007-2014

We consolidated our global presence by expanding in North America, Europe, the Middle East and other parts of the world

2015-2018

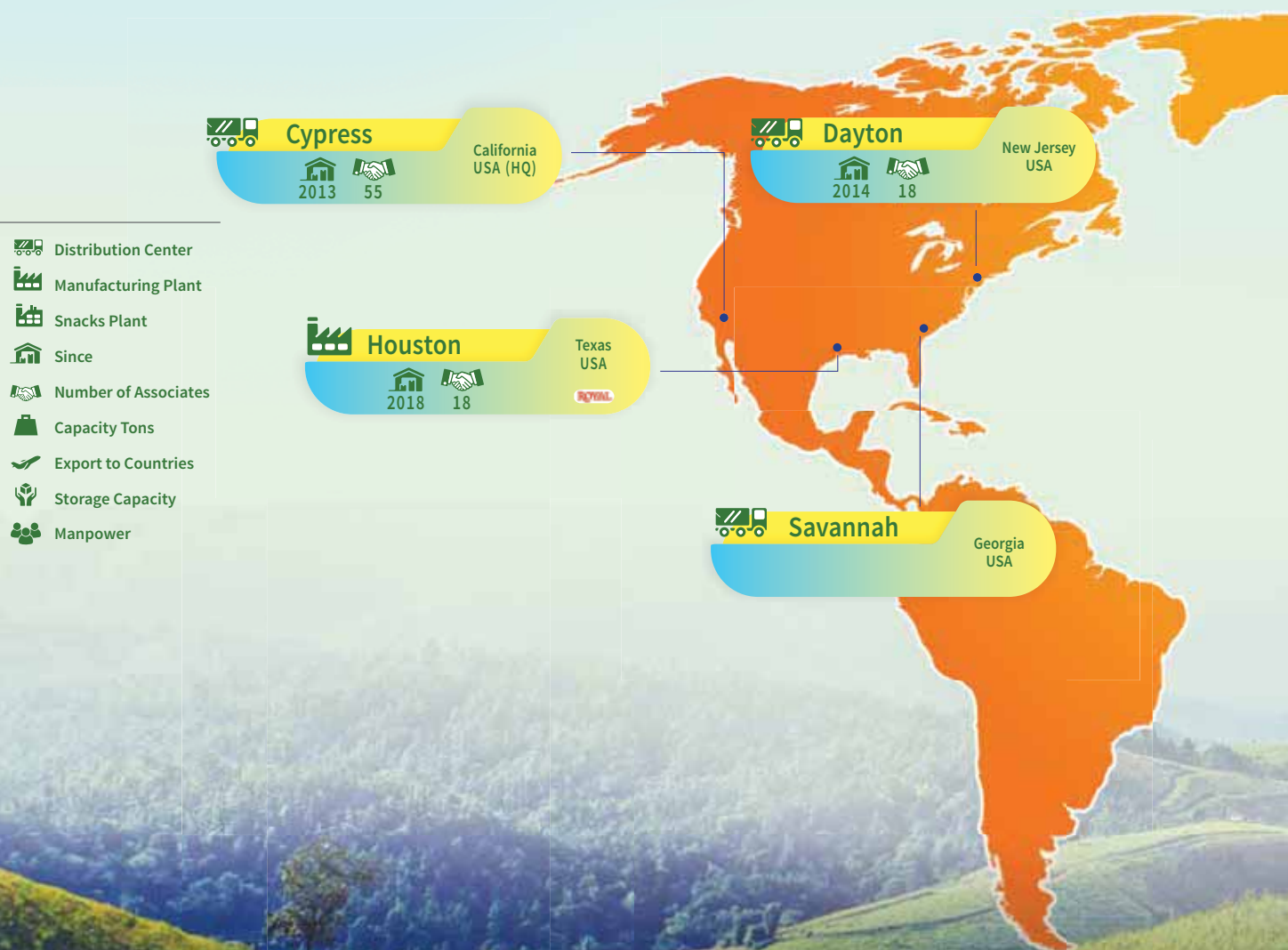
We undertook several strategic acquisitions to widen our offerings. With more capacities, a broader product portfolio and a wider reach, we strengthened our global ambition to touch and delight more customers



Next level of growth

To outperform the industry, we are driving our next growth stage to become a preferred brand for our consumers and become the category leader in key markets

Creating flavours and happiness from past five decades



Our progress



Fully integrated

From just a rice trader to a leading global consumer food company with an end to end control on the complete value chain



Sustainable

Consistent growth with profitability underlies the fundamental strength of the business



Predictable

From a B2B and trading business to a brand-driven business is an exciting evolution for us that creates predictable and tangible value



Trusted

From a closely held to a publicly listed company with esteemed investors and global partners



Fully integrated

From just a rice trader to a leading global consumer food company with an end to end control on the complete value chain



Sustainable

Consistent growth with profitability underlies the fundamental strength of the business



Predictable

From a B2B and trading business to a brand-driven business is an exciting evolution for us that creates predictable and tangible value

Our Strengths

Market leading brands across the globe



Market share



~27%

Share in branded rice market in India



~35%

Share in premium segment in India

~45%

Share in US basmati rice segment

~39%

Share in branded segment in US

Other global brands



Devaaya



Infrastructure

India

Five integrated and automated facilities in Punjab, Haryana and Madhya Pradesh

US

Three packaging units and a ready-to-heat facility in US

Europe

One processing and packaging unit in Rotterdam

Organic

One 100% organic food facility with cold and CO₂ treatment in Sonapat, Haryana

Distribution

65+

Countries

100+

Distributors for international markets

800+

Distributors in India

6,000+

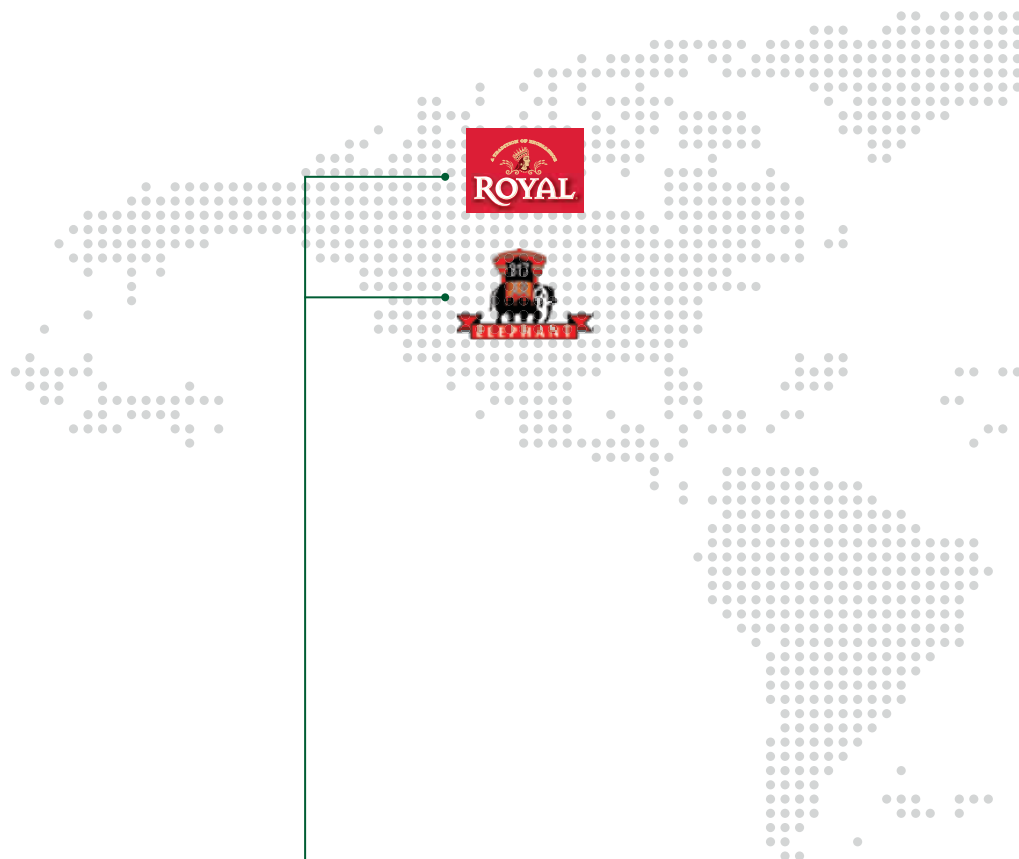
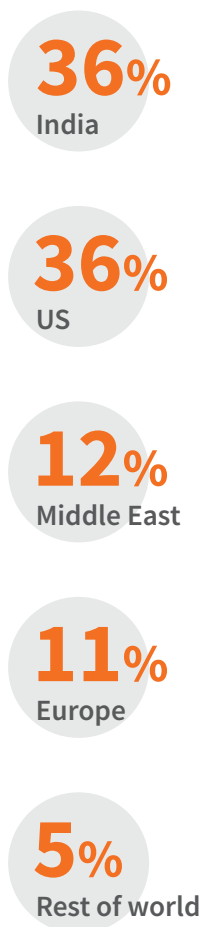
Food service outlets in India

Our Footprint

Transcontinental reach

We have a diversified geographic portfolio with substantial business contributions from all key markets of LT Foods.

Region-wise revenue contribution



US and Canada

- #1 with 45% market share in US and leading player in Canada
- Presence with flagship brand 'Royal' and acquired brand '817 Elephant'