

# **Agro Tech Foods Limited**

20<sup>th</sup> October 2023

The Manager,  
BSE Limited,  
Floor 25, Pheroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.  
Ph. No. 022- 22721233 / 22721234  
Fax No. 022-22723121 / 22721072

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051.  
Ph.No. 022- 26598100 / 26598101  
Fax No. 022-26598237 / 26598238

**Codes:** BSE Scrip code 500215, Co. code 1311  
NSE Symbol ATFL, Series EQ-Rolling Settlement

Dear Sirs,

## **Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Further to our earlier letter dated 10<sup>th</sup> October, 2023 regarding hosting of an analyst call on the unaudited financial results for Q2 and half year ended September 30, 2023 on Friday, 20<sup>th</sup> October, 2023, we are enclosing a copy of the presentation proposed to be shared to analysts and investors at the said Call. The presentation would also be placed on the website of the Company.

You are requested to take this on record.

Thanking you,

Yours faithfully

For Agro Tech Foods Limited

**JYOTI**

**CHAWLA**

Jyoti Chawla

Company Secretary and Compliance Officer

Encl. a/a.

Digitally signed by JYOTI  
CHAWLA  
Date: 2023.10.20 12:41:19  
+05'30'

ATFL an affiliate of



**Corp. Office:** 15<sup>th</sup> Floor, Tower 'C', Bldg # 10, Phase II, DLF Cyber City, Gurgaon-122002. Tel: 91-124-4593700, Fax: 91-124-4593799

**Regd. Office:** 31, Sarojini Devi Road, Secunderabad – 500 003, India. Tel: 91-40-66650240, Fax: 91-40-27800947 Web: [www.atfoods.com](http://www.atfoods.com)

CIN: L15142TG1986PLC006957

# **Agro Tech Foods Limited**

## **Quarter 2 Update**

**October 20<sup>th</sup> , 2023**



## Company Strategic Vision

---

**The Best Performing  
Most Respected  
Foods Company in  
India**

# Quarter 2 FY'24 – Key Performance Highlights

## No Foods Growth – Strong Margins in Staples

---

- Soft Quarter with no Foods Growth – most likely due to unusual phasing by Quarter in PY (Q2 > Q3 by 7%, different from Prior Years)
- YTD Foods Volume Growth of 6% (4% in Value) more representative of current growth rates. Actions underway for taking this back into double digit space.
- Gross Contribution (NS-RM-PM) at 40% for Total Company - Foods at historical level of 46%.
- Strong GC improves Gross Margin by 500 bps to 24% (+Rs. 4.5 crore).
- Incremental GM largely invested in A&P across 4 categories.
- Other Expenses increase due to higher Freight & Travel.
- Q2 PBT & PAT are Rs. 2.5 crore & Rs. 1.9 crore respectively.
- YTD PBT and PAT are at Rs. 8.7 crore and Rs. 6.4 crore respectively.

# Performance Highlights by Category



1. *Ready to Cook*  
(Rs. 18,000 crore)



2. *Ready to Eat - Western*  
(Rs. 28,500 crore)



3. *Spreads*  
(Rs. 3400 crore)



4. *Breakfast Cereals*  
(Rs. 3500 crore)



5. *Chocolate Confectionery*  
(Rs.13,600 crore)



6. *Staples*  
(N.A.)

# Ready to Cook

RTC	Q1, FY'24	Q2, FY'24	YTD, FY'24
Volume	+4%	+1%	+2%
Value	+4%	-4%	-0%

- Low single digit Revenue Growth in RTC Popcorn driven by a mid single digit Volume Growth in Instant Popcorn & Pricing in Microwave Popcorn.
- Steady levels of Media continue to help drive Instant Popcorn Growth to desired growth levels.
- Microwave Popcorn to benefit from Pop-Up Box being rolled out in October.
- Increased focus on non-Popcorn business currently trailing PY by 49% (Sweet Corn & Pasta).
- Plant Meats & Cocoa Based products launch in Q3, FY'24.



# Ready to Eat

RTE	Q1, FY'24	Q2, FY'24	YTD, FY'24
Volume	+35%	+15%	+24%
Value	+32%	+15%	+23%

- Steady Volume growth in Popcorn drives Category Growth.
- Sweet Snacks continue to make progress - YTD Sweet share of RTE at 8% compared to 4% in PY.
- Roll out of Gift Packs leveraging Sweet Portfolio commencing Q3, FY'24.
- Strengthening of Rs. 5 portfolio underway to support next phase of ATFL Coverage Expansion to 1 MM stores.
- Continue to leverage the Scale of Savory & the Margin of Sweet to create a profitable “Sweet & Salty Snacks” business.



# Spreads & Dips

Spreads	Q1, FY'24	Q2, FY'24	YTD, FY'24
Volume	+0%	-4%	-2%
Value	-2%	-7%	-5%

- Media shift towards 300 gm Pack commenced along with Sweet PB. ATFL already dominates large pack.
- Above action should address likely loss of Share in mid sized packs.
- Roll out of new Rs 10 blister pack underway.
- Limited impact of Rs. 140 crore spend by competition.
- ATFL 3year CAGR of PB Volume of 17%. This implies an exit Volume 4 years after HUL launch = 2X of Pre-Launch Volumes.
- Continue to work on Protein segment for PB, Chocolate Spreads, On the Go Packs and Dips.





# Breakfast Cereals

Cereals	Q1, FY'24	Q2, FY'24	YTD, FY'24
Volume	+40%	+43%	+41%
Value	+49%	+45%	+47%

- Popz Center Filled Cereals power growth for ATFL – clearly benefiting from RTE Snacks Supply Chain.
- Rewired architecture for Popz Shells well accepted & Total Cereals distribution reflects steady growth.
- 4 months of continued media investment behind Popz now completed (June to September).
- Launch of 2 new products in Q3 and Q4 to complete portfolio in breakfast cereals.
- Continue delivering strong Category Volume Growth - achieve segment leadership in Center Filled Cereals.



# Chocolates

Chocolates	Q1, FY'24	Q2, FY'24	YTD, FY'24
Volume	+38%	+9%	+20%
Value	+37%	-1%	+14%

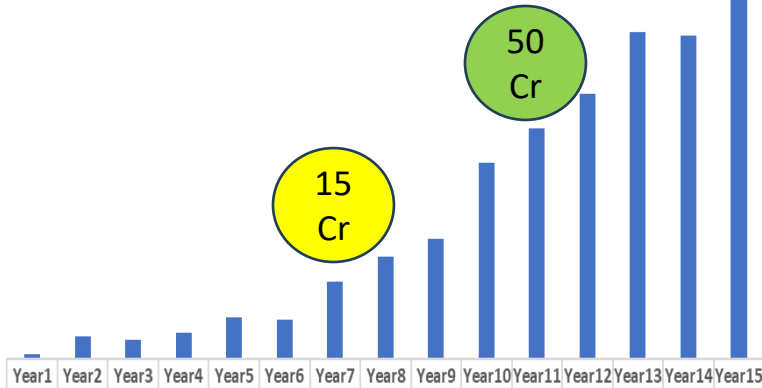
- Duo continues to steadily gain distribution.
- Media investment started in August 2023 to support the task of consumer acquisition.
- Roll out of the Rs. 5 pack underway to further expand distribution.
- Increase share of the Rs. 1000 crore Gifting Market with the “Moments” pack priced at Rs. 100.
- On track for capacity expansion in FY'24 capable of supplying volumes for a Rs. 100 crore+ business.



# New Business Revenue Trajectory

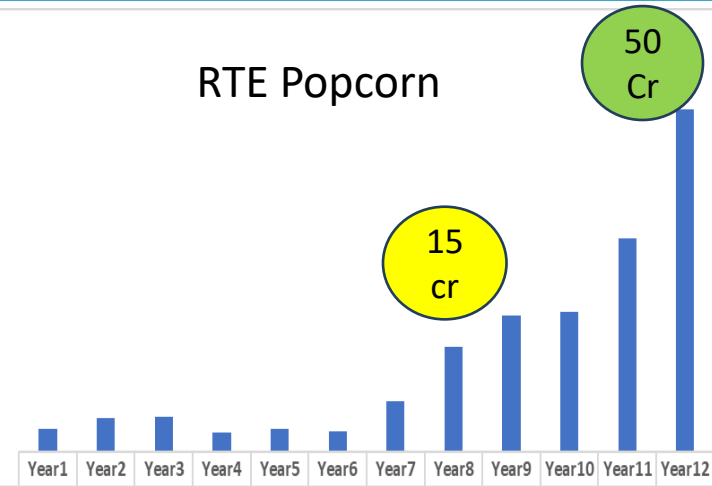
## Peanut Butter

INR Crore



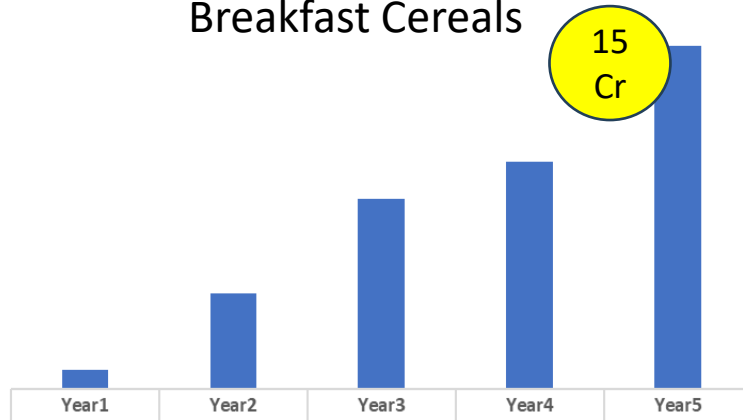
## RTE Popcorn

INR Crore



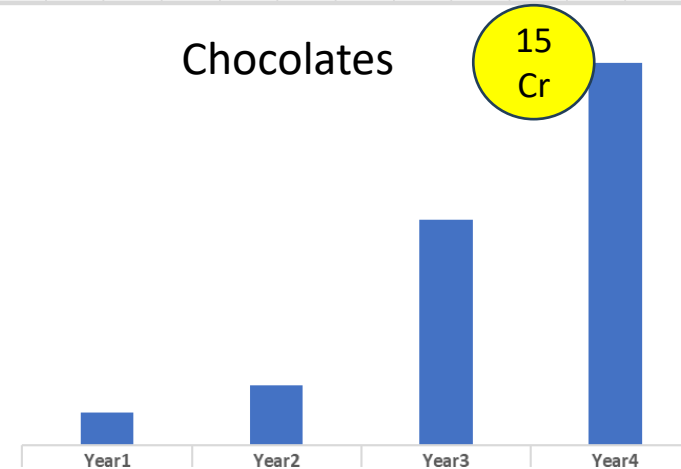
## Breakfast Cereals

INR Crore



## Chocolates

INR Crore



Historically Rs. 50 crore in 11-12 Years & Rs. 15 crore in 7-8 Years. Current Trends are Rs. 15 crore in 4-5 Years.

# Staples

Volume	Q1, FY'24	Q2, FY'24	YTD, FY'24
Premium	+5%	-10%	-3%
Mass	+49%	-10%	+11%
Total	+9%	-10%	-1%
Value	Q1 FY'24	Q2, FY'24	YTD FY'24
Premium	-13%	-31%	-23%
Mass	+38%	-24%	-1%
Total	-8%	-30%	-20%



- Total Staples Volumes flat to PY – supported by Mass Staples and Adjacencies.
- Roll out of Oats & Almonds continues.
- Adjacencies support both increased efficiencies in Procurement & health of Distributor Network.
- Significantly mitigated the impact of lower Edible Oil prices on Total ATFL & Distributor Revenue.

# Competitive Update



# Snacks: Competition Spends

Rs. Million	F-17	F-18	F-19	FY20	FY21	Q1-22	Q2-22	Q3-22	Q4-22	FY22	Q1-23	Q2-23	Q3-23	Q4-23	FY23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23
ACT II	110	74	38	45	104	18	49	11	20	99	15	21	25	30	91	0	5	10	15	10	10
Lays	148	374	252	491	335	238	202	127	175	742	333	409	406	287	1435	244	211	59	514	0	
Kurkure	196	260	396	321	236	98	65	70	101	333	78	81	4	234	398	43	22	0	65	0	66
Doritos	0	128	150	252	0	0	116	55	94	265	0	157	209	82	448	0	0	0	0	0	
Cheetos	0	0	46	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bingo	683	965	815	954	1252	242	261	261	188	952	262	194	361	341	1159	54	124	232	410	211	55
Parle	0	0	0	0	19	2	0	0	0	2	0	0	129	28	157	0	0	0	0	1	
Crax	58	55	106	139	139	20	63	58	71	212	61	175	20	46	301	10	0	0	10	0	
Yellow D	248	145	256	139	62	14	31	30	31	106	28	25	9	20	82	6	8	9	23	11	11
Cornitos	10	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Too Yumm	0	146	470	312	161	14	99	93	33	238	119	53	57	0	228	1	4	2	7	0	
Balaji	0	0	21	201	93	2	30	21	0	53	0	0	0	0	0	0	0	0	0	3	11
Bikaji																		0	0	4	15
Haldiram																		2	2	1	1
Pipo					1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Tracked Brands</b>	1517	2147	2549	2888	2402	648	897	725	713	3002	895	1115	1220	1068	4299	358	374	314	1046	241	169

Steady spends behind Act II.  
Doritos, DFM Foods & Too Yumm virtually absent.

# Spreads: Competition Spends

Rs Million	F-13	F-14	F-15	F-16	F-17	F18	F-19	FY-20	FY-21	FY-22	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23
Sundrop Spreads	0	0	42	64	56	30	16	20	58	49	54	0	3	6	10	6	6
Kissan Jam-	254	207	304	381	357	512	704	752	679	572	578	63	56	138	257	68	62
Kissan PB									196	508	458	27	22	105	155	47	48
Veeba PB									54	1	0	0	0	0	0	0	0
Amul Peanut Spread										9	20	1	0	1	2	0	0
Pintola PB										4	1	0	0	0	0	0	0
Saffola Peanut Butter												0	0	6	6	1	0
Saffola Honey									196	188	170	0	0	85	85	0	30
Patanjali Honey	0	0	0	102	317	182	95	7	62	136	179	16	0	16	32	9	11
Dabur Honey	44	69	69	203	134	180	206	131	364	140	82	4	3	2	9	20	48
Lion Honey	25	18	18	15	9	7	8	20	29	38	7	0	0	0	0	0	0
Apis Honey	0	0	0	2	16	65	25	8	7	0	9	0	0	0	0	0	0
Hershey's Spreads	0	0	0	0	54	159	166	59	60	79	72	14	0	0	14	0	0
Nutralite										29	0	0	0	0	0	0	0
Tracked Brands Total	323	294	433	767	943	1135	1220	996	1703	1753	1576	126	82	358	570	145	199

Steady spends behind Sundrop Spreads.  
Across segments, smaller players less visible.

# Breakfast Cereals: Competition Spends

Rs Million	FY-17	FY-18	FY-19	FY-20	FY-21	Q1-22	Q2-22	Q3-22	Q4-22	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23
Sundrop Popz																		5	5	5	5
Kellogg Cornflakes	202	265	390	230	355	124	124	108	171	526	136	152	141	211	639	48	37	52	137	117	95
Kellogg Chocos Fills	0	125	203	17	9	0	0	20	29	49	20	23	25	42	110	18	15	1	33	0	24
Kellogg Chocos	310	362	509	329	344	111	81	88	74	354	60	79	81	102	322	40	29	63	132	56	37
Kellogg Muesli	0	118	239	147	177	52	40	34	62	187	86	75	114	104	378	44	31	15	89	4	0
Kellogg Granola	0	0	1	14	89	22	17	16	19	74	35	31	18	0	84	0	0	0	0	0	0
Nestle Koko Krunch/Munch	0	0	193	60	121	0	0	0	0	0	0	0	0	1	1	0	0	0	0	11	19
Saffola Oats - Total	322	283	268	448	424	145	83	103	142	474	125	119	142	140	526	24	6	82	112	10	62
Quaker Oats- Total	102	164	110	269	184	130	14	16	135	296	12	82	105	43	242	59	0	5	63	7	3
Cadbury's Bournvita Fills	0	0	0		20	5	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0
Tata Soufull-Chocofills				17	0	0	44	26	62	131	91	11	46	36	184	4	0	59	62	2	3
Tata Soufull - Muesli												5	29	4	38	2	0	5	7	2	0
Tata Soufull Masala Oats Plus																		6	6	0	0
Parle hide n seek fills												28	0	0	28	0	0	0	0	0	0
<b>Tracked Brands Total</b>	<b>975</b>	<b>1,317</b>	<b>1,979</b>	<b>1,530</b>	<b>1,724</b>	<b>589</b>	<b>361</b>	<b>410</b>	<b>693</b>	<b>2,096</b>	<b>564</b>	<b>573</b>	<b>700</b>	<b>682</b>	<b>2552</b>	<b>238</b>	<b>117</b>	<b>287</b>	<b>642</b>	<b>209</b>	<b>243</b>

Steady investments by ATFL commencing June, 2023.  
Nestle invests behind Munch while Tata moderates.



# Chocolates: Competition Spends

Rs Million	FY- 18	FY- 19	FY-20	FY-21	Q1-22	Q2-22	Q3- 22	Q4-22	FY-22	Q1-23	Q2-23	Q3-23	Q4-23	FY-23	Apr-23	May-23	Jun-23	Q1-24	Jul-23	Aug-23
Sundrop Duo								5	5		0	0	0	0				0	0	5
Cadbury 5 Star	744	482	727	960	150	276	377	256	1059	153	461	209	245	1067	55	64	62	181	63	59
Cadburys Celebration	138	212	277	399		56	370	11	437	7	106	310	19	441	8	6	5	19	14	285
Dairy Milk	2229	2166	2362	2978	864	1168	1268	1083	4383	1300	1654	1149	796	4899	502	541	335	1378	241	207
Cadburys Fuse	598	407	477	509	41	146	109	147	443	83	547	116	155	901	52	43	42	136	49	33
Cadburys Gems	416	285	389	438	115	143	131	158	547	137	167	146	265	714	67	74	51	191	67	54
Cadburys Perk	321	231	598	470	129	133	145	154	561	102	170	119	130	521	27	29	24	79	37	43
Kinder/Creamy	484	837	1193	740	141	80	306	323	850	100	978	135	402	1615	0	89	36	125	55	0
Ferrero Rocher	0	0	0	179	44	0	77	22	143	0	0	1	0	1	0	0	0	0	0	0
Amul	7	61	139	109	26	8	27	50	111	1	129	19	29	178	3	0	0	3	1	0
Hersheys Kisses	0	42	235	314	14	87	166	156	423	21	228	219	166	634	0	0	47	47	49	16
Hersheys Exotic dark				54	41		143	81	265	0	314	83	118	515	0	0	0	0	0	0
Hersheys Choco Tubes									0		0	0	0	0	23	0	0	23	0	0
Snickers	217	259	201	65	5	27	95	0	127	11	101	32	16	160	4	0	26	30	0	0
Galaxy	0	0	23	21	7	3	231	8	249	12	10	15	3	40	25	0	45	70	22	33
Nestle Milky Bar	187	146	368	206	22	62	72	49	205	20	76	61	40	197	31	37	4	72	49	22
Nestle Munch/Max	414	604	626	547	53	103	93	149	398	78	269	66	197	610	20	86	34	139	72	64
Nestle Kit Kat	597	712	841	943	150	175	137	115	577	181	402	131	243	957	50	78	85	212	84	96
Fabelle	0	23	69	53	0	0	7	0	7	8	12	8	5	33	0	0	0	0	0	0
CandyMan Fantastik					17	36	90	44	187	44	0	91	0	135	0	0	0	0	0	0
<b>Total tracked brands</b>	<b>6352</b>	<b>6467</b>	<b>8525</b>	<b>8985</b>	<b>1819</b>	<b>2503</b>	<b>3844</b>	<b>2811</b>	<b>10977</b>	<b>2258</b>	<b>5624</b>	<b>2910</b>	<b>2827</b>	<b>13618</b>	<b>865</b>	<b>1044</b>	<b>795</b>	<b>2704</b>	<b>802</b>	<b>916</b>

ATFL commences investment behind Duo.  
 Across segments smaller players less visible.

# Edible Oils: Competition Spends

<b>Rs Mn</b>	<b>FY-12</b>	<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>	<b>FY-18</b>	<b>FY-19</b>	<b>FY-20</b>	<b>FY-21</b>	<b>Q1-22</b>	<b>Q2-22</b>	<b>Q3-22</b>	<b>Q4-22</b>	<b>FY-22</b>	<b>Q1-23</b>	<b>Q2-23</b>	<b>Q3-23</b>	<b>Q4-23</b>	<b>FY-22</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Q1-24</b>	<b>Jul-23</b>	<b>Aug-23</b>
Sundrop Heart	88	94	50	65	46	34	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Saffola	121	212	356	291	338	320	588	544	527	400	116	86	68	106	375	62	71	78	62	273	22	42	0	64	0	0
Fortune	0	203	356	148	319	828	666	543	495	510	166	145	102	126	540	121	213	139	280	752	33	86	57	175	33	42
Emami Ltd.					156	137	1214	647	626	799	150	70	175	183	578	121	82	318	271	791	105	104	32	241	46	66
Oleev						27	41	30	26	40	31	29	22	9	91	0	7	0	0	7	0	0	0	0	7	0
Patanjali					103	354	966	170	20	49	31	27	24	27	109	26	0	0	27	53	13	6	8	26	11	13
Gemini										228	52	41	27	13	133	84	45	33	35	198	11	0	6	17	6	7
Tracked Brands Total	209	509	762	504	961	1700	3576	1936	1694	2024	546	398	417	464	1825	415	417	568	675	2074	184	238	102	524	102	128

Premium Edible Oils share of spending drops to Nil from close to 100% a decade ago in FY'12.

# Q2 FY'24 Summary

---

- YTD Foods Volume growth reduces to 6% due to a soft Quarter 2 (Value at 4%).
- Gross Contribution starts to reach 40% levels for Total Company - Foods at historical level of 46% .
- Impact of lower Edible Oils prices partly offset through growth in Foods, adjacencies in Premium Staples and higher shipments of Mass Oils.
- Working towards enhancing Foods growth by executing required actions particularly in Ready to Cook and Spreads.

On our Way.....

---

**The Best Performing  
Most Respected  
Foods Company in  
India**