

# LT Foods eyes bigger chunk of ready-to-cook meals, snacks

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**P**ackaged foods company LT Foods, widely known for its Daawat brand of rice, is eyeing a greater share of business from convenience foods such as ready-to-cook meals and snacks, with an aim to generate revenues of ₹800 crore from them by 2028-29.

The move comes after the company set plans in motion to diversify from selling packaged rice under Daawat, which is sold both in India and exported to markets overseas.

In 2017, LT Foods set up a joint venture (JV), Daawat-Kameda India Pvt. Ltd, with Japan's Kameda Seika to enter India's snacking market. It subsequently launched rice-based snack Kari Kari in India in the same year. The company

has already invested ₹60 crore in the JV with plans to launch more rice-based snacks as well as Japanese sauces. "We will be making more investments. We are confident with the success of the products we launched in India. We will expand that portfolio around Japanese rice crackers and even Japanese condiments, etc.," said Amit Mehta, vice president, foods, and managing director, Kameda LT Foods India.

To be sure, the company already sells ready-to-heat and ready-to-eat products such as biryani kits and cup rice in the Americas, Europe, Middle East and in India.

Mehta said the company is anticipating greater demand for convenience foods going forward, and is expanding capabilities as well as building a portfolio of products in line



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with shifting trends. "There are two platforms we are working on—one is an anytime, anywhere snacking platform, the second is meal kit solutions. While rice is our core business and we have strong equity around it, there is a gap in the

rice snacking space while there are a lot of options on the wheat side with respect to noodles and chips," he added.

Popularity of social media and greater experimentation with in-home cooking is prompting consumers to seek

recipes and meal solutions, he added. The company will launch more meal prep kits such as Thai curries and Mexican rice dishes, among others, both in India and overseas.

The move comes as large packaged food companies have stepped up investments in India over the past few years. This is especially true post-covid as more consumers seek more convenience and switch to branded foods. Nestlé and Mondelez have both promised greater investments in India, for instance.

LT Foods is also "open" to expanding both organically and inorganically. "Our expansion could involve an M&A, or investing in R&D and in-house

resources, supply chain infrastructure, and even some strategic tie-ups on the supply chain side," Mehta added.

The company plans to achieve a ₹200-crore business for its heat-and-eat meals, ₹700 crore from instant rice

snack meals, and ₹100 crore from rice crackers by 2028-29.

In 2022-23, the company's revenue from operations stood at ₹6,979 crore, with profit after tax of ₹423 crore.

LT Foods exports rice to over 60 markets, including the US, Europe and the Middle East. The company's flagship brands include Daawat and Royal. In 2022-23, basmati and specialty rice accounted for 79% of its overall revenue.

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