

# LT Foods ramps up manufacturing, eyes acquisitions

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LT Foods, known for brands like Daawat and Royal, said it expects to maintain double-digit growth this fiscal on the back of rising consumption of basmati rice globally. The company has been ramping up its manufacturing capacity and said that it is also looking at inorganic growth opportunities.

Ashwani Arora, Managing Director & CEO, LT Foods, told *businessline*, “We have grown at a CAGR of 15 per cent in the past two years. We expect to continue this growth momentum of about 12-15 per cent this fiscal. Basmati rice consumption has been growing as consumers seek better experience, premium grains and convenience of cooking.”

## **FUTURE PLANS**

Responding to a query on future acquisitions said, “We are actively looking at inorganic growth opportunities,



Ashwani Arora, MD & CEO,  
LT Foods

both in India and international markets. At the same time, we are very bullish on organic growth as all the categories that we are present have strong growth potential.”

On Thursday, the company informed BSE that it has acquired 17.5 per cent stake in Nature Bio-Foods Ltd, organic arm of the company, from India Agri Business Fund II Ltd for ₹110 crore. With this Nature Bio-Foods Ltd, which is involved in the organic food and premium ingredients business, will become its wholly-

owned subsidiary.

In July, the company commenced operations of its rice production facility in the UK to acquire new consumers. It is also doubling production capacity in the US. “On an average, we make investments of about ₹150-200 crore annually,” Arora said.

## **READY-TO-COOK**

The company said its ready-to-cook and ready-to-eat business has been growing rapidly. “We expect nearly 8-10 per cent of the overall revenue over the next five years to come from this segment,” he added. This portfolio includes Daawat Sehat, Quick Cooking Brown Rice, Black Rice, Red Rice, and Royal Ready-to-Heat (in the US) among others. “We are looking to grow direct distribution network to 3,00,000 general trade outlets from the current count of 2,00,000 outlets over the next 2 to 3 years. We are witnessing strong growth in e-commerce and quick commerce segments,” Arora said.