

LT Foods to roll out value-added rice products, regional variants

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LT Foods Ltd, which owns the 'Daawat' brand of basmati rice, is betting big on value-added rice products and regional variants of rice, even as it looks to grow its share of domestic business. The domestic market currently accounts for around 30 per cent of the company's total turnover, which stood at close to ₹7,000 crore in FY-23. The remaining 70 per cent comes from exports primarily to US, Europe, the Far East, and Middle East.

DOMESTIC BUSINESS

According to Ritesh Arora, CEO, India and Far East Business of LT Foods, the domestic market has been witnessing an uptick in demand in the last few years as more and more consumers are moving towards packaged and hygienic products, particularly in the wake of Covid-19. The company is looking to tap into the growing demand by launching regional variants, including those in non-basmati categories. "Over the past few years,



VITAL. The domestic market accounts for around 30% of the LT Foods' turnover

we have seen improvements for the category (basmati and packaged rice) as well as for the organisation.

As the per capita income of India rises and with more and more consumers moving towards hygienic and packaged food, we see the demand growing further," Arora told *businessline*.

EXPANDING REACH

Non-basmati rice currently accounts for nearly 5-6 per cent of the company's domestic turnover and it is looking to scale that up further. The company launched three new variants for Gujarat and Maharashtra last year and is looking to roll out more regional vari-

ants moving forward.

Apart from launching new products, the company will also be focusing on expanding its reach and enhancing its footprint in smaller towns and cities. "We are continuing to expand our footprint in cities with a population of 50,000-1,00,000. The western region currently accounts for nearly 50 per cent of our total business; North accounts for around 20 per cent, while East and South comprises 15 per cent each," he said.

LT Foods, Arora said, holds close to 30 per cent of the total basmati market in India, which is estimated to be close to ₹4,000-5,000 crore. The company is also bullish about growing its market share further.

The company, which launched various value-added rice variants about two years ago, is now looking to scale up the distribution in various parts of the country. Value-added products currently account for around 2-3 per cent of the company's total sales and it plans to take it up to around 10 per cent in the next five years.