"Ganesh Consumer Products Limited

Q3 & 9 Months FY '26 Earnings Conference Call"

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MANAGEMENT: **MR. MANISH MIMANI – MANAGING DIRECTOR – GANESH CONSUMER PRODUCTS LIMITED**
MR. AMIT TAPADIA – CHIEF FINANCIAL OFFICER – GANESH CONSUMER PRODUCTS LIMITED
MR. NARENDRA MISHRA – COMPANY SECRETARY AND COMPLIANCE OFFICER – GANESH CONSUMER PRODUCTS LIMITED

MODERATOR: **MS. GARIMA SINGLA– GO INDIA ADVISORS LLP**

Moderator: Ladies and gentlemen, good day and welcome to the Ganesh Consumer Products Limited Q3 FY '26 and 9 Months Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Garima from Go India Advisors. Thank you, and over to you, ma'am.

Garima Singla: Thank you. Good morning everyone. I am Garima Singla, and it is my pleasure to welcome you on behalf of Ganesh Consumer Products Limited. Thank you for joining us today for Quarter 3 and 9 Months of Financial Year '26 Earnings Conference Call. This call is being hosted by Go India Advisors.

Please note that today's discussion may include certain forward-looking statements, therefore they must be viewed in conjunction with the risk that the company faces. Today on the call we are joined by Mr. Manish Mimani, Managing Director, Mr. Amit Tapadia, CFO, and Mr. Narendra Mishra, CS and Compliance Officer.

I now invite Mr. Manish to present the company's business outlook and performance, after which we will open the floor for Q&A. Thank you and over to you, sir.

Manish Mimani: Thank you, Garima, and a very good morning to everyone joining us today. As we come together to discuss our quarter third financial year '25-'26 performance, I would like to begin by saying that this quarter represents an important phase of reflection and reinforcement for all of us at Ganesh Consumer Products. It has been a period where we consciously focused on strengthening the quality, resilience, and long-term direction of our business.

Before I take you through our performance, I would like to sincerely thank our investors, partners, employees, suppliers, and all stakeholders who continue to stand by us and believe in our journey. As a relatively young listed company, the trust carries immense responsibility and we remain deeply committed to honouring it through disciplined execution, strong governance, and transparent communication.

When we began our journey our vision was simple yet deeply aspirational, to bring authentic, high quality, and affordable food staples to every Indian household. What started as a modest regional packaged staple brand has steadily evolved into an integrated consumer products company with a growing presence across flours, Sattu spices, powders of all cereals and pulses, and ready-to-cook instant mixes.

Our story has always been about maintaining a careful balance between tradition and transformation, staying rooted in our heritage while continuously adapting to modern systems, evolving consumer preferences, and structured operational processes. From our strong sourcing

networks across Uttar Pradesh, Madhya Pradesh, Rajasthan, and parts of Western India to our rapidly expanding distribution ecosystem supported by integrated marketing initiatives and digitalization, this blend of the old and the new continues to define our growth journey.

Coming to our performance during quarter third of financial year '26, the quarter represents a tactical reset within an otherwise healthy growth trajectory. Revenue from operations stood at INR2,117 million. While this reflects a moderation compared to last year, it was a conscious and well-calibrated decision by the management.

During the quarter, we responded proactively to intense price-led competition in select B2C markets while deliberately reducing exposure to lower margin B2B volumes. These actions were undertaken to strengthen our earnings quality and improve the long-term structural positioning of the business. Despite this near-term moderation, our overall performance for the 9-month period remained healthy.

For 9 months financial year '26, revenue grew 3.6% year-on-year to INR6,534 million, reflecting the resilience of our core portfolio and disciplined strategic execution. What gives us strong confidence is how the business responded. EBITDA for the quarter grew significantly to INR228 million, reflecting a strong 37% year-on-year growth.

EBITDA margins improved to 10.8%, expanding by over 300 basis points year-on-year supported by improved realizations, a stronger product mix, and operating leverage. Profit after tax demonstrated even stronger momentum, reaching INR121 million, representing a 57.6% year-on-year increase with PAT margins expanding to 5.7%. These outcomes clearly demonstrate the increasing operating strength and scalability of our business model.

Our B2C franchise continues to remain resilient despite heightened competitive intensity. While B2C revenues remained broadly stable during quarter 3, we successfully protected market share through strong brand recall and our deeply entrenched distribution network. This was achieved alongside margin improvement and disciplined execution of cash and carry model in the GT channel.

Over the 9 months period, B2C revenues grew approximately 6% year-on-year highlighting the durability of our consumer franchise even in a competitive environment. At the same time, we undertook deliberate portfolio optimization within our B2B business. B2B revenues declined approximately 12% year-on-year in quarter 3, driven by our conscious decision to scale back lower margin opportunities.

The spices segment, in particular, continues to emerge as a strong growth and profitability driver. The segment delivered nearly 31% year-on-year growth in 9 months financial year '26, reflecting our strategic focus on expanding value-added higher margin categories and enhancing overall portfolio quality.

Our digital and quick commerce channels also continued to demonstrate strong traction with revenues growing approximately 58% year-on-year during the 9-month period. This reflects we were able to collect evolving consumer purchasing behaviour and validates the strength of our multi-channel distribution strategy.

Over the past year, we have consistently focused on strengthening the structural pillars of our business. Our distribution network today spans more than 3,50,000 retail touchpoints across traditional trade, modern trade, digital channels enabling deeper market penetration and improved product availability.

Our product portfolio now includes more than 200 SKUs aligning us to cater to diverse regional consumption preferences, while aligning with emerging national demand trends. Another important milestone during the year has been the strengthening of our financial position.

Following repayment of borrowings, the company now operates with a debt-free balance sheet and maintains a surplus cash of approximately INR1,100 million as on date. This enhances our strategic flexibility and position, as well as to accelerate our brand investments, expand distribution reach, and pursue future growth opportunities from a position of strength.

As we look ahead, our strategic priorities remain clearly defined. We will continue scaling our B2C portfolio with sharper focus on core categories and value-added product extensions. We will deepen distribution penetration across existing and new geographies, while strengthening our presence in modern trade, Q-com, E-com, and all modern trade channels.

At the same time, we remain committed to sustained brand investments, data-driven, demand planning, strong working capital discipline and continue margin expansion through product premiumization and portfolio mix for improvement. Growth for us has never been about chasing scale at the cost of sustainability. While the INR1,000 crores revenue milestone remains a medium-term aspiration, our current focus is on strengthening the quality of growth and profitability.

The consistent margin improvement we are witnessing reinforces our belief that building a strong and profitable foundation will ultimately drive more value-accretive growth and will be durable. With capacity expansion initiatives underway, strong category fundamentals and favourable structural tailwinds from increasing formalization in staples and packaged food sectors.

We believe Ganesh Consumer Products is well-positioned for sustained and profitable long-term growth, creating enduring value for consumers, partners and shareholders. Before I conclude, I would like to express my heartfelt gratitude to our employees for their relentless dedication, our suppliers and distribution partners for their continued collaboration and our shareholders for their trust and confidence in our vision.

This represents the early phase of our journey as a listed company and we are fully committed to building Ganesh Consumer Products Limited into one of India's most trusted and admired packaged food staple profitable companies. Thank you once again for joining us today. We will now be happy to open the floor for questions.

Moderator: Thank you very much. The first question is from the line of Rehan Saiyyed from Trinetra Asset Managers. Please go ahead.

Rehan Saiyyed: Yes, good morning to the team and thanks for giving me the opportunity. So, sir, my first question is around your working capital dynamics. So sir, you have mentioned that your spices portfolio currently has a credit period of 15 to 30 days, unlike your staple business which is largely advance-based. So as spices grew by 31% in 9-month FY26, so how do you see this segment expansion impacting your overall working capital cycle which is historical has been lean at 25 to 31 days?

Amit Tapadia: Yes, so good morning Amit here. So I'll answer that, I'll take up that question. So for spices in the general trade we are providing a credit period of ranging from 15 to 30 days. Now again the distributors who are handling our core categories, they are working with us on the spices category as well and hence we can control the overall credit which we provide to them.

So working capital requirement it will remain the same because spices as a segment is small as of now and going forward once we penetrate better in the spices category, in the West Bengal market, we'll be able to streamline the credit line on the spices category. So hence we believe the working capital cycle will remain intact without any major change. Thank you.

Rehan Saiyyed: Okay. So like you have cleared that you are saying in West Bengal side you will face some of kind of credit longer credit period, right?

Amit Tapadia: Sorry.

Rehan Saiyyed: Like what you have said, you are saying that you will face some longer credit period in West Bengal side?

Amit Tapadia: No. So in West Bengal, currently the spices market is purely in West Bengal and we are providing a credit of 15 to 30 days. We don't feel that any longer credit period is required as of now. And as I said going forward we will optimize that credit period because once we penetrate better with the spices category, then we feel that we'll be able to command the credit period given to the distributors. And these are secured credits. We take PDCs, we also take bank guarantees wherever it is required. So that way we are, it is secured credit.

Rehan Saiyyed: Okay. And my second question is around your channel economics. So you have mentioned that your e-commerce and quick commerce segments grew by an impressive 58% during 9-month FY26. So can you compare the contribution margin of these digital channels against your traditional general trade, specially considering general trade operates on a cash and carry model, while digital channels often involve higher fulfilment costs?

Amit Tapadia: Yes, so again so the margins in fact for us it is better than the general trade. Yes as you correctly highlighted that modern trade also enjoys a credit, but we try to optimize that because we provide a credit period in the range of 15 to 21 days. And we monitor the credit cycle very thoroughly. In case a player delays the payment we stop billing them.

That way we are very much we are very much in control of the credit which we are giving to the modern trade players. And in terms of the contribution margin as I said it is better as compared to the general trade general trade segment. And historically if you see we haven't have any had any bad debt in the books in the P&L.

Rehan Saiyyed: Okay. And one last question from my side around your capacity utilization. So sir your current capacity utilization stands at 55% to 60%. So to hit your 2028 revenue and EBITDA targets, so will the current 1,312 million per day capacity sufficient or will you need to transition the Hyderabad unit from the from its current job work for a third party FMCG player to your own production?

Amit Tapadia: No, so we don't plan to use Hyderabad unit for the GT channel and as goes your question, so our current capacity is enough to meet the requirement or the demand which we foresee in the next two to three years. So that way we can achieve our Q3 FY28 vision with the same set of plant and machinery which we have.

And going forward maybe in this quarter we will also commission the Agra unit wherein we will start manufacturing atta. That will boost the atta manufacturing capabilities which we have without any major capex because we already had a cleaning line. Also we are working on a new category which is soya badi which again will should start in this quarter only.

Rehan Saiyyed: Okay. Thank you for answering my all question. I'll join back in the queue.

Amit Tapadia: Thank you.

Moderator: Thank you. The next question is from the line of Deepesh Sancheti from Maanya Finance. Please go ahead.

Deepesh Sancheti: Now is the spices simply a growth pillar or there is some strategic angle to it also and will also whether spices will improve or dilute the blended margins?

Amit Tapadia: So spices is both a strategic and a high growth category because spices is a more than INR6,000 crores market in the Eastern part which is a packaged market. And considering the supply chain supply chain base we have and the consumer trust our brand, we feel that we will be able to cater the good quality needs of the consumer with our continued R&D effort on the spices segment.

We are a kitchen brand and it will go a long way for the spices category for us. And in terms of the margins obviously spices controls a better margin as compared to our core categories and we are very bullish that in a year's time it will delivers better margin as compared to the core category.

Deepesh Sancheti: What gives you the confidence? I mean what specific consumer insight have you seen which gives you the confidence that you will be able to win in this crowded spices market?

Manish Mimani: So the confidence comes from our there are couple of reasons for this confidence. One, if you see on the procurement side and on the manufacturing side, we are well entrenched. We have got a well position with our expertise long term expertise in the agricultural purchases and up to the mark qualitative manufacturing.

Now if you come to the thereafter it needs to be on the execution on the availability part. Now on the availability part we have got a touchpoint, retail touchpoints of more than 3,50,000 touchpoints from the same shops all the kitchen staples are being procured by the consumers at

large. So I think after procurement and manufacturing the third important role which comes for a success of a brand in consumer space is availability.

There also we have got a very good foundation. Now on the last mile on the second last mile that is brand recognition and brand recall. Because we are decades old kitchen brand, well known, well consumed, well tested, day in day out by the lakhs of consumers for decades for packaged staples.

This is an adjacent category where I think if once we are tested and if we are able to convince the consumer that we are value for price material, so the repeat buy will come. So this is on a brand recall where we are well positioned. Only the last mile, of course I agree with you, this is a cluttered space. But again you also need to appreciate this category is largely all the players Pan-India also, all the regional players are dominant players in this category.

Even the likes of MDH or Everest, in some states they are lagging in a second or a third position. So by and large the regional players understand more about the taste and preference in the spices category which is a largely regional category, where we find where the confidence comes, we are not going to go Pan-India in spices as of now. We are only going to go for initially for Bengal full-fledged and then thereafter Eastern India.

And we have done a lot of research and development in the last couple of two-three years before going full-fledged into the entire category. Our spices category includes of core CTC and blended. So largely the margins will come from the blended one. And the acceptability this is the two and a half years post our spice launch and this year we are going to close more than INR35 crores.

So this is a way more than last two years which itself speaks the about the acceptability of our brand. There our confidence comes.

Deepesh Sancheti: Right. And what about the incremental cash I mean we have a significant cash with almost little debt. Now what is the best use incremental use of this capital which you are planning to do? And whether will you do any inorganic growth or that is a strict no go?

Amit Tapadia: So we will strategize and we will take we will spend very strategically on the distribution and branding of our products. Further as you correctly picked up, we will also explore inorganic opportunities. Again we don't want to venture into low margin categories so we will we are exploring high margin adjacent categories which goes well with our category and we are very much open to opportunities in nearby geographies which will expand our distribution network and will add to the current distribution wings of ours.

Deepesh Sancheti: So will these inorganic opportunities will be buying the brands or will it be only buying the manufacturing facilities as we already have a very known and a trusted brand in Eastern India?

Amit Tapadia: So again it depends on the on the asset which we are targeting but majorly we will target the entire brand with distribution and the manufacturing setup so that we don't want to basically deteriorate the customer experience by moving away from that particular market. So we'll plan the transaction in a way that we get the best of the available opportunities.

Deepesh Sancheti: Right. And also how are you seeing the market, as in we haven't seen any growth this quarter in terms of sales. And overall how much sales growth do you see and what gives you that confidence that we will see a double digit sales growth?

Amit Tapadia: So in this quarter in terms of the B2C segment right, considering the competition from players like Emami, so Emami also launched consumer staples including atta, maida and suji. So in the B2C category it's not that we have degrown. In the B2C category actually there was a growth of close to 1%, right?

Now in considering a competition from company like Emami which is which is a renowned personal care brand we were able to maintain our market share. Now as you can also -- as you will also appreciate that whenever a new brand comes in they put they remain very aggressive in terms of pricing, so that way we were able to hold on to our market share.

And meanwhile so going forward as I said it is, I know it is a forward looking statement but the month which just got ended we were able to deliver a healthy volume growth in the B2C segment. Right? So that way we are very much optimistic that going forward in the coming quarters we will be back on the growth trajectories which we which we planned to have.

So any brand, whenever a new brand comes in it is a matter of two-three quarters and we are very much confident that considering the supply chain the good quality manufacturing facility we have, we will be able to get back to the growth trajectory which we projected for ourself. And we will retain the market share and obviously and Yes one thing you should appreciate that we have maintained the profitability, not only maintained we have grown in the profitability term.

So if you ask me if a company burns money and starts distributing, it is easy to basically grow in the overall in the top line but we are very much focused that we have to maintain the margins, we have to maintain the healthy financial and we have to work on the cash and carry model in the GT channel. So that way and you can see the EBITDA and margin has also improved in this quarter.

Deepesh Sancheti: I appreciate that sir, that you have maintained the margins and the bottom line. The only point, my only point is that, how will the company grow? Because most of the company's products there is no entry barrier to the product. So any bigger brand, any pan-India player whenever it will come, it will affect our growth?

So what is the company doing, to have the growth? Because at the end of the day you will maintain the profitability you can improve the profitability. But sales growth will be important to carry forward this entire profitability to the next level?

Manish Mimani: Yes so, I appreciate your question it's a very right question. So the confidence comes on the revenue growth from couple of reasons. Number one of course, every then and there a new player can come, big or small. But then according to us, as you said there is no entry barrier but according to us of course there is an entry barrier in any brand play FMCG consumer sector.

Reason being the bigger players have got advantage over distribution network. They can tap manufacturing capabilities. But then to have a brand recall in that segment in a food segment is different. Because food if we largely see the companies who have tried to grow very fast in food categories Pan-India, historically they were not able to get success.

Reason being you need to spend over the taste and preference of the consumers, one. Number two, just by having a distribution muscle power it doesn't give you guarantee to have a consumer brand recall over food category. We have competition from a personal care company, the DNA of that personal care company is not a pure food DNA. But we are a pure food DNA company legacy brand. So we understand food.

Even any new player with a very heavy muscle power comes into this they need to spend time they need to understand the food preferences and the brand recall. Any which ways the medium ones and small ones the entry barrier is there. For them they will not able to expand so fast in distribution or manufacturing or brand building. So largely the risk only comes from the bigger ones.

And at the same time the market is also growing. And the overall the conversion is there from the unorganized to organized market. So maybe a quarter we were not able to glue quarter, but then you will appreciate on the PAT and EBITDA We were not able to maintain rather we increased our PAT and EBITDA which was the highest in the last three quarters. So I think we are bullish moving forward as we said we will be spending more on the distribution to cover a target of up to 5 lakh touch-points in another one and a half year, and to come into more adjacent categories.

So it will not only be growth in our core categories currently. We are seeking to move into adjacent profitable margin accretive adjacent categories which are again related to kitchen only. So then there will be a mix of strong execution of our current core portfolio penetration going into new adjacent categories as well as tap the opportunity of market growth.

Moderator: Sorry to interrupt Mr. Deepesh. Can you please rejoin the queue? Sir there are more participants in the queue. Can you please rejoin the queue? Thank you. The next question is from the line of Pritesh from Lucky. Please go ahead.

Pritesh: Sir based on what you what you highlighted so if you could tell us the category growth in general on the volume side in your base category which is Atta. Yes. The carrier and the value-added products which is a whole function of the different flours. So there slightly longer category growth if you could tell us in volume?

Second, in your presentation you have talked about some competition and impact so what was your strategy, and incrementally how are you seeing your volumes in January or this quarter based on whatever happened in the last quarter, that would be really helpful for us to correlate in terms of your growth path?

And the other thing is in the 9-month number if you could just tell us the so you have given a B2C growth but if you could tell us what was your emerging category growth, and what was your base category growth, so base category is let's say the whole flour portfolio?

You know these two things if highlighted would help us make some guess on the future growth keeping aside what happened in the 9-months or what happened in the quarter 3. Maybe you could sum this up and explain us please?

Amit Tapadia: Yes so during the 9-month period the Atta category in terms of the volume has grown at around 13%.

Pritesh: 13?

Amit Tapadia: Yes 13%. And the other emerging other categories right, which includes other flour category and the emerging category. So overall the Atta as I said, and category I think discussing over this platform, I don't think it will make sense but I know on overall basis, as you asked, the B2C revenue in terms of volume has grown at around 5% and the overall value wise the growth is around 6% in the B2C segment.

And the coming quarters as I said in the month of January only, we have grown decently at in the range of 8% to 10% and hence we foresee that we will be back on track to a healthy 8 to 10% growth in the coming quarters.

Manish Mimani: So, on this platform, we will like to say, if we were not able to give you individual growth or de-growth percentage, percentage which we can respond to a particular mail if you can mail us we can respond to that mail on an individual basis. Reason being on this public platform due to competitive intensity we will not like to divulge the individual figures, one.

Number two on the overall, on the basis of January which we which has just concluded in which we the rebound growth was there of in the B2C category of approx 9% in the volume side. So by that we are very much hopeful in last fourth quarter, we will again able to grow well. Again at the same time maintaining profitability, EBITDA and PAT better than last year.

Pritesh: Okay. So just to sum it up you said that the 9-month B2C volume growth is 5%, okay correct?

Manish Mimani: Yes.

Pritesh: In in which emerging categories would have grown faster than your basic category core category?

Amit Tapadia: Yes, compared to the growth category the emerging category which included spices had grown faster.

Pritesh: And your value-added category would have also grown faster than the flour right? Or slower than the flour?

Amit Tapadia: No so that is lower because of the Sattu impact as we had discussed in the previous quarters.

Pritesh: That had gone off Sattu. And your quarter 3 volume growth is 0 or plus 1% which is now improved to about 10% in January. Now this have the whole B2C level correct?

Amit Tapadia: Yes, this we are talking about B2C only. B2B being we don't focus on the B2B it is a mix of co products and by products.

Pritesh: Correct. Now so what we see there is improvement from you know. What is the mitigation strategy or what is the strategy that you're deploying, post this event. And second what is the progress on the non-West Bengal states? And where are we on the progress there?

Manish Mimani: As we said the company is sitting on a very healthy financials. So moving forward we will try to leverage our healthy financial position and get inroads into the Eastern India by spending more on the distribution, appointing more new distributors.

So availability needs to be made more into the entire rest of East. As well as branding expenditure will also get thumbs up in this quarter. The company is thinking to appoint a brand ambassador and a celebrity moving forward to make a more inroads into the new geographies.

And in the in the states like Bihar we particularly speaking of Bihar I'm just giving you example we have grown 36%, though the base was very low so it cannot largely be compared but on numerical terms we have grown 36% in Bihar in last quarter. So this is just a mirror, so I think moving forward, the entire focus energy of the company will be on distribution and branding in the coming months.

Pritesh: In the 9-month has the non-West Bengal grown faster than West Bengal? Or is it in line with West Bengal growth?

Amit Tapadia: It is slightly better as sir said it because of the lower base. So it is better as compared to West Bengal.

Pritesh: Okay. And my last question is, has the, you know, the initial inertia of a new competitor entering in the form of the name that you mentioned, has it settled down and that's how you're reflecting in the Jan volume or what's your reading? And what happened? So was it a price led competition emerging in the quarter? If you could just tell little bit on that part.

Manish Mimani: So as you as you know, whenever a new player comes into any category, they try to win the market by the price war only. And the same we have seen historically in last couple of years when Patanjali came into this segment then Fortune also came into this segment. And historically in our market that is particularly Bengal and then in Eastern India we were able to hold, retain, rather grow our market share in last couple of years post these players coming into this category.

And the same was with the new player Emami which is a big brand in Eastern India also though they are not a food category company. We will but then we will not like to comment on their growth and de-growth and their strategy but then we are very much optimistic that whatever the dust was there that is settled in the last quarter and moving forward we will be able to grow our revenues.

Because even in last two quarters when the new players came we were able to, you need to appreciate we were able to retain our market share as well as we grew our profitability on all

accounts, EBITDA, PAT on all accounts. So which gives us a sense and confidence that moving forward once the price war is over in this segment, we will able to grow more profitably.

Moderator: The next question is from the line of Naveen Trivedi from Motilal Oswal.

Naveen Trivedi: Sir a bit on the similar line which we kind of have been discussing about since we have seen this sharp volume recovery in Jan. You articulated well about the competition side but was there any also a benefit from the consumer demand side as well? So that like apart from how we are kind of managing the competition, was there any also pick up in the demand side?

Manish Mimani: No so very good question Naveen, very good morning. So on the demand side the demand side was there was no uptick in the demand side in the festival season. And post festival season due to the depressed market sentiments and depressed prices of the raw material. Both wheat and gram the average buying price was lesser than the last year. Both were down to the tune of say 8 to 10%.

So the overall market of the wheat products and gram products, the overall market sentiment was very down one. And the uptick was not there two. And the third whatever the GST reduction was there in the categories, there was no GST reduction in our category. We were previously to reduction we were being taxed at 5%. Post GST reduction in September we are still at 5%. So the advantage of GST slab reset, our category was not able to get it.

So from that angle also the consumer demand was not there. But then all said still we were we were in a good position in quarter 3. The revenues were moderate only B2B revenues were down which was a conscious and a willingness because it is a lower margin category. And on B2C it was a moderation with 1% growth and after the market sentiment down we were able to grow our profits.

Naveen Trivedi: Sure sir. So given the new competition has kind of -- was visible more on in the last six seven months, was it more active on the modern trade side or they were also active in GT as well? And secondly given the competition demand you kind of a factor in your numbers which we have. Can we expect FY27 can be the year where B2C revenues can be around 19% kind of levels?

Amit Tapadia: So answering to your first question so the competition were there on the GT channel as well and the modern trade channel as well. So we worked continuously to improve the TAT the turnaround time to serve our distributors and the modern trade players. So there we feel that we have an edge because we are manufacturing everything in house and that too near Calcutta and all the modern trade players have their facility near the manufacturing units, our manufacturing units.

So that way the turnaround time for us was as this is something which we presume is better as compared to the competitors. Because players, the new players which we discussed about they are not manufacturing it in house they are doing job work. So the overall betterment as we were very much optimistic that it is because that we have control over the supply chain entire supply chain starting from procurement and until distribution.

So that has helped us and that will help us going forward. Right? Now talking about 27 numbers it is a forward looking but we can say that in the immediate quarters and considering the results we achieved in January in the near quarters we feel we'll be able to have a decent volume growth in the B2C segment.

Naveen Trivedi: Yes sure. Just last bit on the gross margin side like last two quarters our gross margins are close to 26% so how are we seeing gross margin going ahead? And any more kind of a driver to the gross margin expansion next year, considering we have been focusing more on the value-added product side? That's all from my side?

Amit Tapadia: So Yes, so gross margin is primarily as you can -- in our category around 70% to 80% of the overall supply chain is raw material cost. So we remain very choosy and cautious in terms of the sourcing. So we read the market, we see the market trend and accordingly we procure the raw material. And that's why that excellence in the procurement of raw material has resulted in a better gross margin in the near quarters.

And we feel and we are very much optimistic that the team will work in the same fashion to deliver better gross margins. So the gross margin improvement will be driven by two three levers. One will be sourcing, the second will be the product mix right? As we move and we increase the spices share because spices is a category which is growing and delivering growth for us that will improve the gross margin in the coming quarters.

Moderator: The next question is from the line of Ishant Lalwani from Ashika Group.

Ishant Lalwani: So my first question is on instant mix segment. Can you share the current revenue contribution of that particular segment to overall sales? And what kind of growth target that you are looking over the next two to three years in this particular segment?

Amit Tapadia: So instant category it is part of the emerging category and we cannot take out a category and share the growth on this platform. But Yes, so as we discussed over previouslyin when one of the investor asked a question on the emerging category. So emerging category is growing at a faster pace as compared to our core category.

And the instant mix falls in line with that growth. And we are optimistic that that category will drive growth for us both in terms of the top line as they have an higher ASP. And in terms of the bottom line because they command a better gross margin.

Ishant Lalwani: Okay. And also sir you mentioned that there is a high competitive intensity and so what are some marketing initiatives that we are taken to continue brand building?

Amit Tapadia: Yes, so if you ask me for this particular quarter, we have -- we strategized and marketed a selected categories like Suji and Maida. So which was also by the competitor. So there we had a tagline "Jo khaye wo udd jaye!". We were very much active on the hoardings, on the TV, on the paper ad and on the digital media. So that way that was the strategy in this quarter.

As sir said going forward we are evaluating working with a face. So that they can face when I say a face, I mean a brand ambassador type of thing. So that in the coming season right? As we

said the Sattu was a low performing category for us in the previous year right because of shorter summer and considering that base.

And that experience we feel that going -- entering the new season of Sattu starting this summer if we have a good face to represent the brand that will drive the growth for us. These are the key marketing initiatives and on a quarter-on-quarter basis we take up strategies.

We work with two three agencies so that whoever provides us the best strategy we go ahead with that. So our marketing initiative continues every quarter and it depends on whether we do it for a particular category or for the brand altogether.

Ishant Lalwani: Okay and my last question is on the commodity side so can you share your outlook on the prices of key commodities like wheat for the next two to three quarters?

Manish Mimani: So though the commodity prices are very speculative we will not able to comment it is driven by the market forces. But then moving forward for rather two months rabi crop is going to come in the month of April. So I think the prices will be soft.

Moderator: The next question is from the line of Ankit from Subhkam Ventures.

Ankit: **Good morning Sir,** Couple of questions. First is now based on the current competition and the demand scenarios. What kind of growth you are looking at for the company as a whole in the fourth quarter and in the in FY 27? And will you be able to maintain your margins at current level or is there a scope for improvement?

Manish Mimani: So on the growth part as stated in the last January month concluded, we were able to give a growth volume growth in B2C category of 9%. We are optimistic and with the strong disciplined execution we are optimistic we will able to continue the same march for another two months. For the financial year '27 it will be too early to comment on the figures which I think we will be able to give the growth figures of financial year '27 at a later stage.

And on the margin side of course, largely we as you have seen, we were better in our margins in our category. We think better than our peers and colleagues. All the three gross margins, EBITDA, PAT all were good in last competitive quarter also. And in 9-months also and year to year also. So moving forward of course, that is a no-brainer that we will strive to continue the same growth.

Ankit: Okay. And my second question is you did mention that the competition has come into your categories a few months back and they were very aggressive on the pricing front. So in the month of January where you have seen some decent growth coming back into your core categories.

So was there any reduction in the intensity of pricing aggressiveness which was shown by the competitor earlier. Or the aggressiveness was the same even in the month of January and you have grown in spite of that? So just wanted to understand that?

Manish Mimani: So the competition in the last quarter, third quarter or you can say in the last 9-months of this financial year was not only with the new player in the category. It was a two-sided competition

one is with the new player, three-sided competition one is with the new player. The other with the existing players. And the third which was a hidden one because of the soft prices of wheat and gram which was 10% down year-to-year.

The regional and the small players, the unbranded ones. And the very regional players they were also able to tap a few percentage of the the market share due to the soft prices of wheat because largely you will appreciate all the bigger players and mid players like us. We continue to hold some quantity of wheat and gram for our blend mix.

And to continue, have a consistent quality round the year which the local players don't do. So then the competition was from three sided as I said one from local regional unorganized player which was a sudden impact in last quarter, then with the new player and then with the existing player.

And in January we were able to come out of all three, though the prices are still very soft moving forward it will be more soft. But then with a very strong disciplined execution and leveraging of our buying and selling of our co-products and by-products we were able to retain our market share in B2C willingly we have reduced our B2B revenues and we were able to retain our profitability.

And in in January as you as you the last question as you asked, once anybody who enters into any category and if the player is a big one, it will not be as Amit stated prior to this also, it will take two three quarters for them to do a logical pricing fight. So initial two three quarters will be there on the pricing fight, but then after third quarter and post January, we are well positioned to take on the competition, increase our market share as well as increase the profitability or we may keep a healthy profitability.

Ankit: No sir my question was so sorry should I conclude that there was no reduction in the intensity of competition by Emami or other players even in the month of Jan and in spite of that you have grown or was there some soberness in the aggression and which helped you to grow? My question was that.

Amit Tapadia: So they continued to be aggressive in terms of the prices right?

Ankit: Same as Q3?

Amit Tapadia: Almost same as Q3. 1%-2% here and there. As I said we control the entire supply chain starting from procurement till distribution and we are manufacturing all the products in house right? So we worked on the turnaround time to cater to the demands of the distributors and the modern trade players. So that way we feel we were able to stand ahead as compared to the new players because they are getting it manufactured from a third party.

So obviously their turnaround time will be higher as compared to us. Our products will be fresher in the market. So two three initiatives which we have undertaken in terms of the supplying in terms of the overall supply chain that has helped us in the in the January month. And we are continuously working with our with our on-ground team to fill up the loopholes which are there in our supply chain as well as the loopholes which the competitors are unable to fill.

So that way we are taking advantage of the on-ground strength we have in the market. And we are also as I said we took up category level marketing initiatives on suji and maida right? So that way our branding visibility was there in the public mind space. So that way that has we feel that has helped us in the in the January month numbers.

Ankit: Okay and are you still carrying the high cost inventory in your core category even now or you feel that your inventory pricing and now is equal to the unorganized market, which I mean, I was just trying to understand that you did mention that the unorganized, since they don't carry inventory and they were having the low price inventory, so they were more competitive and you were carrying a high cost inventory so what was what is the situation now? Are your pricing matching now?

Amit Tapadia: So obviously the inventory levels as compared to the September quarter it has come down because we had restricted on the fresh procurement. But yes we are carrying some inventories which are valued at slightly higher prices as compared to the current one, because we wanted to continue or maintain a consistent quality right? So that way we have some inventory left which are of higher values, but yes as I said it is required to maintain the overall quality.

Ankit: Okay and so are you saying that in next year when you'll have a low-price inventory, and you'll have to pass it on to the consumer, the value growth in your core category could be lower than the volume growth?

Amit Tapadia: No, so volume growth is a separate thing. Yes obviously the value the ASP growth, obviously once the new season comes in right, and considering the past trends in the couple of in couple of years, the prices goes down right? So we have to follow that that trend because that is the industry practice.

The big players also are following the same price trend. So there will be on a quarter-to-quarter if you see obviously there'll be a dip in the pricing right? But as I said we are working towards a healthy volume growth and better EBITDA and PAT margins.

Ankit: Excellent sir. Last question any new hiring you have done in the last few months at senior level?

Manish Mimani: No so those that the hirings we will go due to competitive intensity, we will not like to divulge on this platform but then constant hiring is a bible for any new emerging company and we continue to do the same in all these segments on the marketing, sales, production and finance. So we have hired and we will continue to do. On an individual email we will able to give you the details.

Ankit: Okay. Thank you so much sir and all the best.

Manish Mimani: Thank you.

Moderator: The next question is from the line of Asha Bhandari from Boring AMC. Please go ahead.

Asha Bhandari: Sir could you please let us know that what is the like will be -- will the company will be able to deliver 12% to 15% growth even after the de-growth in Q3?

Amit Tapadia: So for you are asking about the entire year?

Asha Bhandari: Yes sir for FY'26?

Amit Tapadia: No so FY'26 a growth of 12% to 15% is obviously very steep. We feel that there'll be a single digit growth on the entire year. Yes but Q4 specifically as I said in the January month we have delivered better volume growth, so we feel that in the entire quarter 4, there'll be a higher single digit volume growth.

Manish Mimani: But at the same time even with this growth we will be able to increase our continue which we have shown in last 9-months also we will continue showing our increased gross margins, EBITDA margin and PAT margins, all three.

Asha Bhandari: And sir what are the growth plans category wise to retain market share?

Amit Tapadia: So category we the basic plan is to improve the turnaround time to supply good quality raw material, do good quality finished goods in time to the existing customers to work on the q-commerce e-commerce platform to do digital advertisement in a very strategic way.

Further as sir also said we may have a face for the brand to enter the Sattu season coming summer. So these are the few key strategies we are working on. So this these are the fundamental strategies we try to adopt every quarter, but yes, these are the things we're working on and trying to improve on each and every line item.

Asha Bhandari: Okay sir. Thank you.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments. Over to you sir.

Amit Tapadia: Yes, so I'll take that stuff. So thank you all of you all the shareholders and all the stakeholders our investor relation firm Go India Advisors for continuous support and trust. Thank you everyone for joining us today. We look forward to again have a healthy discussion in the coming quarter. Thank you.

Manish Mimani: Thank you.

Moderator: Thank you. On behalf of Go India Advisors that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.