

**March 07, 2026**

To  
BSE Limited,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai – 400001  
Maharashtra, India

BSE Code: **512573**

To  
National Stock Exchange of India Ltd.,  
Exchange Plaza,  
Bandra (East),  
Mumbai – 400051  
Maharashtra, India

NSE Symbol: **AVANTIFEED**

Dear Sir/Madam,

**Sub: Transcript of post earnings Audio Conference Call for the quarter and nine months December 31, 2025.**

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Further to our letter dated February 25, 2026, March 02, 2026 and March 03, 2026, we enclose herewith the transcript of post earnings Audio Conference Call for Investors/Analysts held on March 03, 2026 in connection with Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2025 and the same will also be available on the website of the Company at <https://avantifeeds.com/corporate-announcement/#Investor-Analyst-Corner>

This is for your information and record.

Thanking you,

Yours faithfully,

For **Avanti Feeds Limited**

**C. Ramachandra Rao**

Joint Managing Director,  
Company Secretary,  
Compliance Officer & CFO  
DIN: 00026010



**Avanti Feeds Limited**  
**Q3 FY26 Investors Conference Call**

Event Date/Time : 03/03/2026, 16:00 hrs  
Event Duration : 1 hr 1 min 30 secs

**CORPORATE PARTICIPANTS:**

**Mr. C. Ramachandra Rao**

Joint Managing Director, CFO and CS of Avanti Feeds Limited (AFL)

**Mr. A. Venkata Sanjeev**

Executive Director of AFL & Avanti Pet Care Private Limited

**Mr. A Nikhilesh**

Director - AFL & Executive Director of Avanti Frozen Foods Private Limited.

**Mrs. B. Santhi Latha**

GM (Finance & Accounts), AFL

**Mr. DVS Satyanarayana**

CFO, Avanti Frozen Foods Private Limited

**Mr. K.S. Reddy**

CFO, Avanti Pet Care Private Limited.

**Q&A PARTICIPANTS:**

- |   |                       |                             |
|---|-----------------------|-----------------------------|
| 1 | <b>Nitin Awasthi</b>  | : InCred Capital            |
| 2 | <b>Arjun Khanna</b>   | : Kotak Mutual Funds        |
| 3 | <b>Ronak Shah</b>     | : Equirus Securities        |
| 4 | <b>Sourab Banik</b>   | : Divaz Consultants         |
| 5 | <b>Akhilesh Rawat</b> | : Ridhanta Vision Pvt. Ltd. |
| 6 | <b>Karan Sharma</b>   | : Kredent Capital           |

## **Moderator**

Good evening, ladies and gentlemen. I am Karthikeyan, moderator for the conference call. Welcome to Avanti Feeds Limited Q3 FY26 Earnings Conference Call.

We have with us today Mr. C. Ramachandra Rao, Joint Managing Director, CFO, and Company Secretary of Avanti Feeds Limited, Mr. A. Venkata Sanjeev, Executive Director of Avanti Feeds Limited and Avanti Pet Care Private Limited, Mr. A. Nikhilesh, Director of Avanti Feeds Limited and Executive Director of Avanti Frozen Foods Private Limited. Mrs. B. Santhi Latha, GM (Finance & Accounts), Avanti Feeds Limited; Mr. DVS Satyanarayana, CFO, Avanti Frozen Foods Private Limited; and Mr. K. S. Reddy, CFO, Avanti Pet Care Private Limited.

As a reminder, all participants will be in 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 \* then 0 on your touch-tone telephone. Please note, this conference is being recorded.

I would now like to hand over the floor to Mr. C. Ramachandra Rao, Joint Managing Director, CFO, and Company Secretary. Thank you and over to you, sir.

## **C. Ramachandra Rao**

Thank you, Mr. Karthik. Good evening, ladies and gentlemen. I am pleased to extend a warm welcome to all of you for this Investors Conference Call to review the unaudited financial results for Q3 FY26 and for the period ended 31st December 2025. Mr. A. Venkata Sanjeev, Executive Director of Avanti Feeds Limited and Avanti Pet Care Private Limited and Mr. A. Nikhilesh, Director of Avanti Feeds Limited and Executive Director of Avanti Frozen Foods Private Limited, are joining from the Shrimp Feed and Processing Plants, respectively. Along with me here are Mrs. B. Santhi Latha, GM (Finance & Accounts) of AFL; DVS. Satyanarayana, CFO of Avanti Frozen Foods Private Limited; and K. S. Reddy, CFO of Avanti Pet Care Private Limited.

To begin with, Mr. B. Santhi Latha will present highlights of financial results for the quarter ended 31st December 25 of the shrimp feed division and also consolidated financials of the company for the same period. Thereafter, Mr. DVS. Satyanarayana will present the financial highlights of the Shrimp Processing and Export Division. Thereafter, Mr. K. Srinivas Reddy will present the status of the Pet Care Project. After presentation by all of them, we'll take a question-and-answer session. Over to Mrs. Santhi Latha.

## **Santhi Latha**

Thank you, sir. Good evening, everyone. Now, I'll take you through the consolidated and stand-alone financial performance highlights for the quarter and nine months ended 31st December 2025. So first, we'll go through the consolidated financial results for the quarter ended December 25 results. So, the comparative performance of Q3 FY26 with that of Q2 FY26 and Q3 FY25, have been given in the presentation already circulated.

Gross income in Q3 FY26 is INR 1,447 crores as compared to INR 1,659 crores in the previous quarter of Q2 FY26, a decrease of INR 212 crores by about 12.78%. Compared to Q3 FY25 gross income of INR 1,405 crores, there is an increase of INR 42 crores by about 2.99%. The PBT for the Q3 FY26 is INR 222 crores as compared to INR 227 crores in Q2 FY26, a decrease of INR 5 crores by 2.2%. And compared to Q3 FY25 PBT of INR 184 crores, there is an increase of INR 38 crores by about 20.65%.

The nine-month results - financial results for the nine months ended 31st December 2025, the comparative performance of nine months FY26 with that of nine months FY25 are also given in the presentation already circulated.

Gross income in nine months FY26 is INR 4,761 crores as compared to INR 4,341 crores in nine months of FY25, an increase of INR 420 crores by 9.67%. The PBT is INR 698 crores in nine months FY26 as compared to INR 526 crores in nine months FY25, an increase of INR 172 crores by about 32.7%. The consolidated results indicate net impact of several factors, such as increase or decrease in income, expenditure, and exceptional items relating to both Feed and Frozen Food divisions, which will be discussed in the divisional performance of these units individually.

Stand-alone financial results of Feed division, Q3 FY26 results. The gross income for the Q3 FY26 is INR 993 crores as compared to INR 1,200 crores in the previous quarter of Q2 FY26, a decrease of about INR 207 crores due to decrease in the quantity of feed sold. The gross income in Q3 FY26 decreased to INR 993 crores from INR 1,073 crores in the corresponding quarter of Q3 FY25, a decrease of INR 80 crores. This is offset by the decrease in the sale price and also increase in sales quantity by 13,922 MT.

The PBT for Q3 FY26 is INR 172 crores as compared to INR 180 crores in Q2 FY26, a decrease of INR 8 crores by 4.44%, since Q2 is the main season for the aquaculture industry. And compared to Q3 FY25 PBT of INR 167 crores, there is an increase of INR 5 crores by 2.99%, mainly due to decrease in raw material costs. The feed sales decreased to 1,18,127 MT's in Q3 as compared to 1,54,644 MT's in Q2 FY26 and decreased from 1,32,049 MT's in Q3 FY25.

The nine-month FY26 results. Gross income in nine months FY26 is INR 3,471 crores as compared to INR 3,484 crores in nine months FY25, a decrease of INR 13 crores by 0.37%. The PBT is INR 576 crores in nine months FY26 as compared to INR 465 crores in nine months FY25, an increase of INR 111 crores by 23.87%. The feed sales increased to 4,38,335 MT's in nine months FY26 as compared to 4,25,537 MT's in nine months FY25.

The major raw materials of feed are fish meal, soya bean meal, and wheat flour. The noticeable development in this quarter is the increasing trend of two major raw materials, that is fish meal and soya bean meal, resulting in a decrease in the profitability when compared with the previous quarter. The prices of these raw materials keep fluctuating since their production is based on agriculture and fish catches from the ocean.

The prices of fish meal increased in Q3 FY26 to 117 per kg from INR 98 in Q2 and increased from INR 93 per kg in Q3 FY25. In the case of soya bean meal, their prices increased to INR 44 per kg in Q3 FY26 from INR 43 in Q2 FY26 and decreased from INR 46 in Q3 FY25. However, the wheat flour price decreased to INR 32 per kg in Q3 FY26 from INR 33 per kg in Q2 FY26 and INR 35 per kg in Q3 FY25.

The present purchase price of fish meal is INR 145 per kg, soya bean meal is INR 56 per kg, and wheat flour is INR 32 per kg. While on one hand, the raw materials are instrumental in determining the margins, on the other hand, the status of aquaculture activity conditions such as climate, diseases, etc., determine the consumption of feed in terms of volume, which will have an impact on the overall performance of the company.

The PBT stood at 16% on revenues during the nine month period ended 31st December 25 as compared to 13.3% during the corresponding period of the previous year, that is 31st December 24. The full impact of reduced and stabilized raw material prices during the nine months of FY26 enabled to achieve 16% PBT. Considering the continued steep increase in prices of major raw material like fish meal and soya bean meal during the past three months, which will have an impact on Q4 FY26, the PBT for the FY26 is expected to be around 14.5% to 15%.

To sum up, in general, FY2526 is expected to be a mix of favorable and challenging seasons for the aquaculture industry, both in respect of shrimp production, as well as exports from India and global demand for shrimp exports. However, considering the performance during the first nine months of FY26 as compared to performance during nine months of FY25, the results are likely to register marginal improvement.

Shrimp production and feed consumption FY25 and company plans for FY26. On the basis of estimated shrimp production of about 8 lakh to 9 lakh MT's in calendar year 2025, the feed consumption is estimated to be about 11 lakh to 12 lakh metric ton. The company's feed sales during the nine months FY26 is 4,38,335 MT against 4,25,537 MT in nine months '25. It is estimated that the feed sales during FY26 would be around 5,55,000 MT.

Shrimp processing and export. The export of frozen shrimp during FY24-25 was to the tune of 7,41,529 MT worth USD 5,177.01 million. USA is the largest importer with 3,11,948 MT of frozen shrimp, followed by China, 1,36,164 MT; European Union, 99,310 MT; Southeast Asia, 58,003 MT; Japan, 38,917 MT; Middle East, 32,784 MT; and other countries, 64,403 MT.

Frozen shrimp contributed to the major item of export in terms of quantity and value, accounting for a share of 43.67% in quantity and 69.46% of the total U.S. dollar earnings. Frozen shrimp exports during 2024-25 increased by 8.3% in value terms and 6.06% in U.S. dollar terms and 3.56% by volume. The company's shrimp exports during FY25 was 14,149 as compared to 13,444 in FY24, an increase of 682 MT. It is estimated that the exports during FY26 would be around 16,500 MT.

Now, I hand over to Mr. DVS Satyanarayana to present highlights of Shrimp Processing and Export Division.

**DVS Satyanarayana**

Thank you, madam. Good evening, everyone. Now, I would like to take you through the financial highlights of Shrimp Processing and Export Division.

Q3 FY26 results: The gross income for Q3 FY26 was INR 455 crores as compared to INR 462 crores in Q2 FY26, a decrease by INR 7 crores, representing 1.5%, mainly due to decrease in sales quantity by 1,095 metric tons, which represents 23%. However, the increase in other income during Q3 FY26 partially offset the impact of the lower sales volume.

The gross income in Q3 FY26 increased to INR 455 crores from INR 328 crores during Q3 FY25, an increase of INR 127 crores, representing 39% YoY growth. Higher sales in Q3 FY26 was driven by an increase in average selling price realization, favorable foreign exchange rates, and increase in other income.

The profit before tax, before exceptional items, for Q3 FY26 stood at INR 52 crores compared to INR 53 crores in Q2 FY26, reflecting a marginal decrease mainly due to

other income. The profit before tax in Q3 FY26 was INR 52 crores, an increase from INR 18 crores in the corresponding quarter, that is Q3 FY25, reflecting a significant increase primarily due to improved sales price realization, favorable foreign exchange rates, higher other income, and a reduction in ocean freight rates.

Comparison of performance for nine months ended 31st December 2025 with nine months ended 31st December 2024. The gross income for nine months during FY26 was INR 1,296 crores as compared to INR 855 crores in the corresponding nine months period of previous year, that is financial year 2025, an increase of INR 441 crores, representing 52% in the gross income during nine months of FY26. It is mainly due to increase in sales quantity by 2,804 metric tons, representing 28% growth, and also improved average sales price realization.

The profit before tax for the nine months ended FY 2026 stood at INR 130 crores compared to INR 68 crores for the corresponding period in FY 2025, reflecting an increase of INR 62 crores in the PBT. This growth is mainly attributable to higher sales volumes, improved sales price realization, favorable foreign exchange rates, increased other income, and also there is a marginal reduction in ocean freight rates. With this, frozen results are completed.

Now, I hand over to Mr. K. Srinivas Reddy to update the status of the Pet Food project. Thank you.

**K. Srinivas Reddy**

Thank you, Mr. DVS Satyanarayana. Good evening, all. Now, I would like to update our pet food project. As already informed, the company commenced its trading in cat food and dog food under the Avanti Pet Care brand, that is “Avant Furst”. The company is planning to expand its portfolio with the additional flavors in due course. The response from the pet owners for both cat and dog food has been highly positive with a strong market acceptance and observed across all regions.

During Q3 FY2526, the company recorded sales of INR 136.2 lakhs compared to INR 95.08 lakhs in Q2 FY2526, reflecting continued growth momentum. The growth was driven by the increasing patronage of our cat food products as well as the steady traction in the dog food segment.

Under market expansion, the company is strengthening its presence in Tier-1 cities and has initiated expansion into Tier-2 and Tier-3 markets. E-commerce operations, our products are now live on the Supertails and Amazon platforms, strengthening our presence and improving accessibility for our customers nationwide.

The company continues to focus on building strong brand visibility for Avant Furst through the ongoing digital market companion in Instagram and Facebook, that is @avantfurst, enhancing customer awareness and brand engagement across our target audience.

On the project side, as informed earlier, the company has purchased the land near Hyderabad, converted from agriculture to non-agriculture rules. For setting up a state of art manufacturing facility, the land development works are in progress, and we are in the final stage of finalising the design and drawing. Upon completion of the detailed project report and receipt of necessary government approval, construction activity will commence.

Now, I'll hand over to our MD sir for our closing remark.

### **C. Ramachandra Rao**

Thank you, Mr. K. S. Reddy. As anticipated, the first season of shrimp culture of this year commenced with highly positive expectation by farmers and all the stakeholders, the farmers preparing ponds and stocking from mid-February 2026, and the stockings are going on progressively impressively.

Along with the increase in shrimp culture this year, as expected, the volume of feed sales also will increase. However, the prices of major raw materials, particularly fish meal and soya bean meal are increasing steeply as explained by my colleague earlier, impacting margins. We do hope that prices of these raw materials will stabilize during the course of the year.

During the status of shrimp exports, we have been discussing the impact of the reciprocal tariff imposed by the U.S. on imports of shrimp from India. As you all know, there has been a high degree of uncertainty on levy of reciprocal tariff and extent of its impact on seafood industry. It is a positive development to see withdrawal of 25% duty imposed as a penalty for import of Russian oil. It has been a much-needed relief to the export of shrimps to USA.

Further, the other 25% duty has also been removed. However, the U.S. government chose to levy imports surcharge of 10% on imports. But uncertainty whether it is increasing to 15% still exists, awaiting clarity. Overall, export environment is also poised to be more encouraging with the tariffs coming down and the company working on exports to other global markets.

As you are aware, on 20th February 2026 the U.S. Supreme Court ruled in a 6-3 decision that International Emergency Economic Powers Act, IEEPA, does not authorize the U.S. President to impose tariffs or imports, because of the Act, it does not grant clear statutory authority to levy taxes or duties, a power reserved for Congress. As a result of the ruling, IEEPA based tariffs, including reciprocal duties previously imposed were invalidated and are no longer legally enforceable.

U.S. Customs and Border Protection stopped collecting these unlawful IEEPA tariffs effective from 24th February 2026, by deactivating the related tariff codes. However, the Supreme Court's opinion did not directly address the refund for the duties already collected. Importers may need to pursue refunds through customs process or litigation.

Within hours of the decision, the U.S. Administration introduced a new temporary global import surcharge under Section 122 of the Trade Act of 1974, initially set at 10% and subsequently announced to be raised at 15%, effective from 24<sup>th</sup> February for up to 150 days. The new surcharge effectively replaces the IEEPA tariffs, but under a different statutory authority. Having said so much about this tariff, Mr. Nikhilesh would be able to give more throw more light on this, subsequently later on in the course of question-and-answer discussions.

Now, I'll just give the highlights of the Union budget announced recently. The government has increased allocation to the fisheries sector under schemes such as Pradhan Mantri Matsya Sampada Yojana, with continued focus on aquaculture, value chain development and export promotion. The customs duty on imported shrimp feed has been reinstated at 15%, but withdrawing concession duty at 5% given in the budget of the previous year, that is 2025. The association has been pursuing with the government for reinstating 15% duty, because the imported feed was available, highly reduced prices, making a big competition for the domestic feed manufacturers. This step would help domestic feed suppliers to compete with the imported shrimp feed.

The budget emphasizes strengthening whole-chain processing infrastructure and export ecosystem, which is expected to support shrimp processors and exporters. Earlier custom duty rationalization on key feed and processing inputs continues to improve cost competitiveness for shrimp feed manufacturers and exporters. Overall, policy direction remains supportive of seafood exports with a focus on enhancing global competitiveness and boosting value addition.

I think with this, we will take up the questions from the investors. I think we can start this question-and-answer session.

Over to you Mr. Karthik.

**Moderator**

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press \* and 1 on a telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing \* and 1 again. Ladies and gentlemen, if you have a question, please press \* and 1 on a telephone keypad. We will wait for a moment while the question queue assembles. Ladies and gentlemen, if you have a question, please press \* and 1 on a telephone keypad.

The first question comes from the line of Mr. Nitin Awasthi from InCred Capital. Please go ahead.

**Nitin Awasthi**

Hello, sir. I have three questions on your core business and two questions on the new pet food business.

**C. Ramachandra Rao**

Awasthi, you are not audible. Can you just speak a bit louder?

**Nitin Awasthi**

Hello, sir. Am I clearly audible now?

**C. Ramachandra Rao**

Now it's okay.

**Nitin Awasthi**

Okay. So, three questions on your core business, two on the pet food business. I'll start with the core business. So, we are going to have UK's trade deal be implemented first. The talks are probably from April. We have the implementation of the UK trade deal and EU by the end of the year. Given that, when these trade deals are implemented, the duty reduction is substantial, do you see the end market size as a whole, increasing?

**C. Ramachandra Rao**

I think Nikhilesh would take this call on this question.

**A. Nikhilesh**

Could you repeat the question, please?

**Nitin Awasthi**

No, given that UK's trade deal and EU's trade deal, of course EU is expected by the end of this year or beginning of next year, and UK by April this year, is going to be at a substantially, what do you call, lower the tariff rate, because in EU we had tariffs up to 26%, in UK we had it up to 9%. So, given this scenario, do you see the market in EU expanding for shrimps itself? Because suddenly the price will drop and become more competitive against other proteins.

**A. Nikhilesh**

Yes. I would definitely say that the market access into EU and UK would be better. There'd be higher demand coming from these markets. Yes, 100%, because they are reducing duty.

**Nitin Awasthi**

Understood. And on UK, are we already collaborating for April sales without duty, or is it still undecided?

**A. Nikhilesh**

So, I think these policies have been announced. These agreements have been announced, but what the industry is watching is when and how quickly they are implemented. So, there's no official news on the implementation date. We're hoping that it comes into effect quickly.

**C. Ramachandra Rao**

And I may add to that, I think it is around six to nine months' time. They want to complete all the formalities according to the bilateral trade agreement. It has to be implemented from both sides. Both governments have to approve that. I think it will take about six to nine months. That's what I read in a newspaper the other day.

**Nitin Awasthi**

Understood, sir. Sir, the next question is on the El Nino impact on the weather. One of our core raw materials, fish meal, will be very heavily impacted by this weather condition, that is for India. And for Ecuador, they have their own challenges with El Nino. So how are you reading it for both the countries?

**C. Ramachandra Rao**

Is this question for fish meal? Yeah. See, the fish meal as you know, the same. The catch is from this ocean. It depends upon the nature, definitely. Each year, it keeps varying. But the last year it was not so good and particularly Chile and Peru are the major suppliers of fish meal to the almost global consumers, and this year their catches have been fairly good. And in between, there was less demand for Indian fish meal, because of the availability of fish meal from Chile and Peru.

But again, the prices have gone up. Again, the demand has gone up from the particularly East, West Asia, because particularly from Taiwan and other countries, they would like to have a cheaper fish meal available from India. As far as the quality is concerned, it is the same. That is how the prices of Indian fish meal is going up.

Moreover, the dollar is becoming very strong and the rupee depreciation is giving an advantage to the exporters. So, they compare the price and the local price, domestic price as with the export price. And the government also gives some incentives for that, for exports. So overall, the fish meal producers get much higher margins on exports.

So, this is definitely going to be a big challenge for us. And we have made a representation to the government to bring some sort of regulatory mechanism by which the exports are limited and adequate fish meal is available for domestic consumption. But we'll have to wait and see, because the government is also interested in getting more and more Forex. So, they would not really agree to that, but we are making our efforts to somehow bring a balance between these two exported fishmeal and domestic availability. Let's wait and see for that.

**Nitin Awasthi**

Understood, sir. Last question on the core business. The shipping rates and the container movement on our export front, are they stable given the Middle East situation at least as bad for shipping?

**C. Ramachandra Rao**

Nikhilesh, would you.

**A. Nikhilesh**

Currently, this war is quite new. So, right now, we don't have any changes. Our shipping currently is below, like the Cape of Good Hope, Africa. So, we don't expect so much, but of course, there should be some disruption. We need to see what happens.

For us, since most of our markets are in the U.S., Europe, and Japan, I don't think there's any immediate direct effect, but there'll be some kind of trickle-down effect depending on how containers are blocked or how inventory is managed by the shipping company. For that, we need to wait and watch.

**Nitin Awasthi**

Understood, sir. Moving to the pet food business.

**Moderator**

I'm very sorry to interrupt, Mr. Awasthi. Could you please join back the queue?

**Nitin Awasthi**

Of course, of course.

**Moderator**

Thank you.

**C. Ramachandra Rao**

Please come back and ask.

**Moderator**

Participants are requested to restrict yourself to two questions in the initial round and join back the queue for more questions. The next question comes from the line of Arjun Khanna from Kotak Mutual Funds. Please go ahead.

**Arjun Khanna**

Sir, thank you for taking my question. The first query is on the outlook for processing for FY27. So, we have given a target of INR 15,500 for the FY26 fourth quarter. How do we look at FY27 given these trade agreements?

**C. Ramachandra Rao**

Nikhilesh?

**A. Nikhilesh**

I'll take that question. So, frankly speaking, on a lighter note, you know, I must thank the Indian government for taking proactive approach to support the country and the exporters, not only for shrimp, but all the categories, by unlocking and giving good market access to countries like EU and UK and also negotiating a trade deal with the U.S. eventually, which now it doesn't matter. But because of all these reasons of improved bilateral trade, we do expect better market access; however, they are quite robust for the year FY27. But our guidance, I need to relook at it, because they're finalizing some of those numbers with a change in tariff structures.

**Arjun Khanna**

Sure. So, just to understand, we have a capacity of around 28,000. Would that be the right understanding?

**A. Nikhilesh**

Yes. 28,000 would be the right understanding.

**Arjun Khanna**

Sure. The second is, given that there is positivity in terms of the shrimp side of it, do you see farmers feeding more going forward? Because obviously, that impacts both on the feed side and the processing side. So, what's the sentiment at the farmer's side?

**A. Nikhilesh**

It's quite positive. This is not only for the processor or feed mill or farmer. Generally, everyone in the supply chain is positive. Even the importers are positive, because they

don't -- you know, it's just a tax that goes into the government coffers. So, we can pass it on to the consumer instead of paying taxes. So definitely, everyone is happy about it.

**Arjun Khanna**

No. So, just to understand this a little further, in terms of the [inaudible 0:35:02] for us on the processing side, do you see operating leverage kick in for us as volumes move up? Or potentially, given that you're trying to get entry into newer markets, we would try to price a little bit more competitively?

**A. Nikhilesh**

I wouldn't say that we would price very competitively because we have better market access, so that means we have better demand for our product. But what we need to really see is how do these things pan out, right. These are announcements, and so for them to be implemented, like Mr. Rao had said previously, it might take six to nine months or even longer. I don't even know. It's difficult to comment on that.

But once they start kicking in, I think it's more of a long-term perspective that I would take an approach, not only FY27, that there should be theoretically better margins. But the question that you're asking is quite new, right? It's very -- tariffs were removed a month ago. So, we need to see how this pans out. But theoretically, it should give a better margin recovery.

**Arjun Khanna**

So, for example, in the U.S., where we brought out that post end of February tariffs have been revised downward for us. Are we seeing importers pull in a lot more inventory from India, given that now we are a little bit more competitive with Ecuador and some other countries have been hit by higher tariffs in terms of anti-dumping, CVD, etc.?

**A. Nikhilesh**

So, it's a very broad question. I'll just try to make it simple. So, right now, we're in off season. So, there's not much material at the farm level, because it's winter. But on a general level of enquiry, there's a higher inquiry, there is more positivity, more interactions with the customers on their plans for the year. So, definitely, it's looking positive. But again, we're in the off season, so we're quite confident. I would say that we're quite confident that demand would come back once the season opens.

**Arjun Khanna**

So, I'll get back to the questions, but wishing you all the best.

**A. Nikhilesh**

Thank you.

**Moderator**

Thank you. The next question comes from the line of Ronak Shah from Equirus Securities. Please go ahead.

**Ronak Shah**

Yeah. Thanks for the opportunity. So, my first question is on the feed business. So, first of all, when the management is guiding for around 5.5 odd lakhs metric tons sort of feeds, say in FY26, which sounds a bit optimistic or like a flattish kind of thing considering the evolving things, wherein majority of the things are favoring us in terms of the overall outlook. So, how is the company seeing the business in FY27 and FY28? And can we expect a mid-to-high single digit sort of growth rate in terms of the overall feed sales volume?

**C. Ramachandra Rao**

See, the growth of volume depends on the circumstances prevailing during the main culture seasons, that is first season and the second season. So, as you know that, year after year these climatic conditions keep changing. And last year we had a lot of problems in the climatic conditions. And this year, we are hoping that the climate would be more friendly and more suitable for the aquaculture, improved aquaculture. And with this hope and with this confidence, all the farmers have really worked out and are making efforts to increase the area of culture this year.

Also, those who have left the culture at the time of COVID also are now trying to see that whether they can restart this. So, with these positive developments, we are expecting that the growth would be better this year, but this is still a very primitive stage. We have just started the stockings. And as we see the next couple of months, we will know how the culture keeps progressing. Depending upon that, we would be in a position to estimate the growth that we can expect in the first season. Of course, you know, each season is peculiar and unique by itself. So, we know what would be the first-year season's real demand for the feed, and also thereafter, the second season will start.

So, it's very difficult to estimate exactly, but we, with all the present circumstances, expect that there should be a minimum 10% growth in the feed volume consumption, if not more, because this area's culture is going up and farmers are also very positive about the culture season ahead. So, with this, we'll be able to see a growth of about 10%, if not more.

**Ronak Shah**

Understood, understood. Secondly, sir, when we see the gross margin for the feed division, so when we were into the Q2 FY26 conference call, wherein you were highlighting an increase in the fish meal and soya meal prices. But when we see the third quarter's numbers, we can see a QoQ improvement in your gross margin. So, have we taken some price hike into the feed division? And going forward, how are you seeing those numbers panning out?

**C. Ramachandra Rao**

So, what has happened here is that the averaging of the raw material cost has really given that additional advantage in the Q3. So, what is happening is that when the prices keep going up, we follow the weighted average consumption. So, earlier low prices will have some impact on the Q3 raw material prices also. That's how we have got a better, you know, improvement than what I said in the last, the investors call. So, but again, I'm saying the same thing now, because Q4 is going to be the same story again.

So that is the reason why when we said that the average increase in the profitability is likely to be more, about 1% to 1.5% more than what it was there earlier. But if you look at nine months, it is very good, about 16% we have recorded. But that is not going to be there for the average for the whole year when we complete by 31<sup>st</sup> March 2026. So that would be around 15%, 14.5% to 15%, because of the price hike. So, these raw material prices, because of the averaging, that difference in profitability comes in quarterly results.

**Ronak Shah**

Understood. So, can we expect around two to three months more, we are having those low-cost inventory, which is likely to consume and then after we will see the actual position.

**C. Ramachandra Rao**

Yes, yes, yes, you are right.

**Ronak Shah**

Understood. And sir, lastly, on the processing business, so we can see a significant improvement in the realization per kg. However, if we see from the EBITDA front, there was a steep increase in your opex in the third quarter. So, can you explain the reason for that, and how we are seeing the profitability in this division going forward, considering the updates across the macro?

**C. Ramachandra Rao**

Nikhilesh, would you like to take this?

**A. Nikhilesh**

Yes. I think my colleague had clearly explained the point that there was better volume, there was better realization, price realization, and better other income. So, all these are the main reasons for the better margin. And on top of that, we were able to pass on the tariffs, which have now been reversed, so that's the main point of it. We also diversified into other markets, which was good, considering the instability or volatility in the U.S. market, which was positive, and just running the operations continuously. So yeah, I hope that answers. But the note that my colleague said was actually like, on point.

**Ronak Shah**

And just on your opex front, as I was asking that, currently we have around INR 191 crores sort of opex vis-a-vis your INR 77 crores last year. So, what led to this steep jump in the current quarter? And what can be the sustainable run rate for that?

**DVS Satyanarayana**

So, the major reason for going up of the opex was because of the reciprocal tariff, which was highest at 50% during Q3 FY 2026. So that is the reason major jump you can see in opex.

**Ronak Shah**

Okay. So, we are accounting that into our opex part? Understood.

**C. Ramachandra Rao**

Yes, yes.

**Ronak Shah**

Okay. That's it from my side. Thank you.

**C. Ramachandra Rao**

Thank you.

**Moderator**

Thank you. The next question comes from the line of Sourab Banik from DIVAS Consultants. Please go ahead.

**Sourab Banik**

Good evening, sir. Am I audible?

**C. Ramachandra Rao**

Yes, yes. Please go ahead.

**Sourab Banik**

Congratulations on a mixed set of numbers. Sir, I just want to clarify from all of you that in FY27, what are the target markets for all the business segments that we're looking for? Is it just a plan that you made? If it is made, can you explain us?

**C. Ramachandra Rao**

See, for FY27, we are working on the projections, because till recently we had so many challenges like tariffs and also our own culture season, how it's going to be and what efforts should we make to encourage the farmers to undertake more culture, and all this planning was going on. So, we are in the process of preparing the budgets for '26, '27. I think we'll be able to share with you sometime. In the next call, we should be able to give you more details on that.

**Sourab Banik**

Okay. Thank you so much for the clarification. And sir, one more question regarding this. In Africa, West Asia and overall Asia, you are also taking a few market share and operating as well. So, how much expectations of that sales realization that we expect from, you know, this Asia and Africa as well? So, if you please share this at least?

**C. Ramachandra Rao**

Nikhilesh, is it got to?

**A. Nikhilesh**

Can you repeat that question?

**Sourab Banik**

Yes, sir. What do you say, sir?

**A. Nikhilesh**

Can you repeat? Can you repeat?

**Sourab Banik**

Okay. So, in FY27, as I said, your plans and projections are on. I just want to know that in Africa and in Asia, there are any opportunities to grow your markets, for all the business segments that we are operating?

**A. Nikhilesh**

So, Africa, generally, in terms of income level, is quite low. So, the opportunity in Africa may not be immediate, but more long-term. So, I wouldn't say in the immediate next two to three years.

Asia, in particular, has been doing quite well. If you see, our share in Asian markets has been growing over the past few years. So, we're still very bullish on the Asian market. So, we do expect higher sales in this region.

**C. Ramachandra Rao**

As far as speed is concerned, we are making efforts to go to the Middle East, and we are trying to enter that market. We have some trials are going on and the culture there, we are supporting them with technical advice and also we have sent some trial products, the feeds, to them. And we are making efforts to supply to these, I mean, Middle East countries also for this shrimp feed. We'll have to wait and see.

**Sourab Banik**

Okay. So sir, can you please share your, I mean, percentage? How far you are? I mean, your trials and is it 50%, 60%, or 70% completion, If you can just share the number?

**C. Ramachandra Rao**

Please, can you come back on it.

**A. Nikhilesh**

We can't view this as a percentage, right, because this is like a trial. So, you cannot give a certain percent.

**Sourab Banik**

Okay, sir. Got your answers. Lastly, sir, one question on financial numbers. So, is there any expectations of your calculations for how many numbers on the top line and bottom line you will end this year? I mean, FY26?

**C. Ramachandra Rao**

No. Not now. We are still working on that.

**A. Nikhilesh**

After 30 days, we will close the quarter. So, I can give you those details then.

**Sourab Banik**

Okay, sir. Congratulations, sir.

**Moderator**

Thank you. The next question comes from the line of Akhilesh Rawat from Ridhanta Vision Private Limited. Please go ahead.

**Akhilesh Rawat**

Hi. So, my question is regarding the pet food business. I just want to understand like how we are going to penetrate the market and the market is surrounded by and dominated by some few key players. So, could you please shed some light on your plan? Like in the long term, how are we going to penetrate the market?

**C. Ramachandra Rao**

Mr. Venkata Sanjeev, can you please take this question?

**Venkata Sanjeev**

Hi. So, right now we are concentrating mostly on the product itself. The product has gotten great response from the market, and all the dog owners and the cat owners who have used it are becoming our lead customers. So, the product is going to be the key to it. And also, we're going to soon launch new products, which will compete with the bigger brands, with better quality. That's what has been our goal since the start.

**Akhilesh Rawat**

Okay. And sir, if you could please shed light on some revenue figures. Like, are major revenues coming from dog food or cat food?

**Venkata Sanjeev**

So, dog food is around 60% to 65% and the rest.

**Akhilesh Rawat**

And if you could like shed some light on some margin. Margin guidance, like what kind of margin are we looking from this business in long term?

**C. Ramachandra Rao**

Can I take this call.? I mean, Venkata Sanjeev, would you like to answer this question?

## **Venkata Sanjeev**

Better if you answer.

## **C. Ramachandra Rao**

Yeah. See, the margins, I think it is too premature to talk about the margins at this stage, because we have just started. And you know, the initial years we'll have to incur lot of expenditure on the promotion of the product and building the brand image. So, we'll have to do lot of work on that and more expenditure is incurred to create the brand image and to various, the market segments also we have to see, and also the regions.

See, this product is supposed to be marketed pan India. So, we are now concentrating on region wise; East, West, North, South, like that we have divided, and we are in the process of recruiting people to and also to e-commerce, we are penetrating into the market. And to make the product visible, availability is a very important aspect in this kind of business. And simultaneously, we have our own distributors, as well as e-commerce. So, it will take some time for us to develop this, give the numbers and margins, so because the initial expenditure is high.

And moreover, see, now we are doing it more of a trading. The real benefit of this comes to the company when we start our own production. Because as long as you import the product, you know the price, how the foreign exchange, let's say, the rupee is getting depreciated against the dollar and all when we import and distribute and all the expenses are bound to be higher. And when we start our production, maybe in the next one year or 14 or 15 months, so we should be able to start our own production. Then, well, the real benefit of the project would be seen at that time.

So, the process is only to develop the brand and stabilize the market base. So, people should know that Avanti's product is available and what the flavours are, that whether it is a dog food or a cat food and we are focusing mostly on that. And also recruiting people to promote the product. Business promotion is another important thing. These are the two things that we are doing that incur expenditure. But at this stage, it is very difficult to make any margins at this point in time.

## **Akhilesh Rawat**

And sir, last question regarding this only. So, sir, as you have said that, we are going to start our own production, so how much capex are we going to do, or do we have any

facility as of now running in which we'll do production? So, that's my last question, sir. Thank you.

**C. Ramachandra Rao**

We have purchased the land. Land development is going on. We are working with our collaborators for preparing the drawings and also the machinery estimates, civil works; all this work is actively being worked on. And we should be able to really give a clear estimate of the total project cost, maybe in the next couple of months, we should be able to do it. And we start working on the drawings, and you know in India, we need so many approvals of the government to start the construction itself.

So, we will start working on that. So, once we get the approvals, we'll start construction. And the total estimated cost of the project and profitability, etc., would be able to give you maybe in the next one or two quarters results.

**Akhilesh Rawat**

Thank you so much, sir. Thank you for taking my question. Thank you. All the very best for upcoming quarters.

**C. Ramachandra Rao**

Thank you. Thank you.

**Moderator**

Thank you. Ladies and gentlemen, if you have a question, please press \* and 1 on your telephone keypad. Next, we have a follow-up question from Nitin Awasthi from InCred Capital. Please go ahead.

**Nitin Awasthi**

Thank you for the opportunity for the follow-up questions. Two questions on the pet food business. Number one, our products were on display and available for purchase on Supertails last quarter. We aim to expand it to Amazon. We mentioned expanding it to Amazon this quarter, but however, it's still not visible on the portal.

**C. Ramachandra Rao**

Venkat, can you take this?

**Venkata Sanjeev**

Yes. We've been working with Amazon. Since there's another brand called Avant, which sells shoes, and they've been there for a longer time, they've been visible on the top, but we are working with Amazon to get our brand to the top of the page.

**Nitin Awasthi**

Understood. Understood. And on follow-up on that, Amazon Pet Foods, if you go on that page, they have started their own brand, which is a tough call, given that any other online supplier that you use could also start their own brand. You guys have given any thought to whether these will be successful or not, or as a threat? Do you see it as a threat? Because they are your distributor, having its own brand.

**Venkata Sanjeev**

Could you repeat that question again, please?

**Nitin Awasthi**

So, Amazon, on the Amazon Pet Food page where all the other brands are displayed and you are aiming for your own brand to be displayed, has started its own Pet Food brand. And it's also being upfront about it in the labelling, marketing and the packaging saying it's an Amazon brand. Given that a significant amount of pet food is being bought by online distributors, do you see this as a threat going forward? Even at Supertails, I think your brands are at display. And all throughout the last five months, they have been increasing. More and more products have been showing on Supertails. I'm also hearing good feedback from people. But do you see this as a threat, that the distributor website itself can start its own brand?

**Venkata Sanjeev**

Yes. We do see it as a threat that a distributor can start his own page, but he won't be able to give the same discounts as the company is able to give, and I think that's going to affect their business more than us.

**Nitin Awasthi**

Understood, sir. Thank you.

**Moderator**

Thank you. We have the next question from the line of Karan Sharma from Kredent Capital. Please go ahead.

**Karan Sharma**

Hello. Am I audible?

**B. Santhi Latha**

No. You are not

**Moderator**

Can you speak a bit louder, please?

**Karan Sharma**

Yeah. Am I audible now?

**C. Ramachandra Rao**

Better.

**Karan Sharma**

Hello. Is this better? Yeah.

Nikhilesh, my question is to you. So, in the shrimp processing division, we have seen in last nine months decent volume growth. So, what I was asking was that since this chaos of the last year where duties were changed, do you see any possibility of gaining reasonable market share, considering your market share volume-wise in the last four to five years has been quite stagnant in this division, around the 1%, 2% mark? So, considering this is a very fragmented market as you guys had mentioned earlier, with these recent changes in the last 12, 15 months, do you think there is a possibility of gaining decent market share around this segment?

**A. Nikhilesh**

Market share in the country?

**Karan Sharma**

In terms of the global market. Yeah, in terms of the players in the country, yeah correct.

**A. Nikhilesh**

So historically, right, especially in India, it's been very fragmented. They are like 100 plus packers. So that way, it's just because of the size of the country, the people on the west coast, east coast, different areas. Different people specialize, some people try to move only commodities. We try to do more value added.

So that said, like if you just look at it in a broad perspective, then about when we formed the JV with Thai Union for the processing division, we were, I think, we were not even a top 10 importer. Now, we are high in the rank and are amongst the top importers for frozen shrimp today.

So that way, we have been increasing our volume, we are also looking to play where there's better margin, by doing more value-added products and trying to work with more premium clients and where the expectations are they are very demanding generally, so that's that.

But in the next few years, from FY27 onwards, our main target is to scale, continue to scale. If you see our CAGR percent on volume or revenue, every year they continue to grow the business step by step. And with food processing, that's the way to do it, because when a consumer gets the bag of shrimp, they find any problems, they complain. And the food safety issue itself is very sensitive. So, every year, we're going to increase step-by-step, step-by-step, and we're quite confident. And that's how we've shown the business that we've seen in the last ten years.

**Karan Sharma**

Okay, Nikhilesh. Thank you.

**Moderator**

Thank you, sir. There are no further questions. Now I hand over the floor to Mr. C. Ramachandra Rao for closing comments.

### **C. Ramachandra Rao**

Thank you to all the investors for actively participating and sharing your views on the performance of the company for the quarter, as well as the nine months ended 31st December '25. And I conclude this conference call with a note that in the next call, we'll be able to really see the year-end results as well as the future planning of the company. Thank you for your time. Thank you very much.

### **Moderator**

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you, and have a pleasant day.

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### **Note:**

1. This document has been edited to improve readability
2. Blanks in this transcript represent inaudible or incomprehensible words.