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February 15, 2023

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 543458

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: AWL

Dear Sir,

Sub: Transcript of Earnings Call Q3 F.Y. 23 of Adani Wilmar Limited ("the Company')

This is in continuation to our earlier letter dated February 8, 2023 regarding audio recording of Q3 F.Y.23 Earnings call held on February 8, 2023. Please find attached transcript of the Earnings Call.

You are requested to take the same on your record.

Thanking You
Yours Faithfully,
For, Adani Wilmar Limited

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"Adani Wilmar Limited Q3 FY2023 Earnings Conference Call"

February 08, 2023

ANALYST:	**MR. MANOJ MENON- ICICI SECURITIES LIMITED**
MANAGEMENT:	**MR. ANGSHU MALLICK – MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER** **MR. SHRIKANT KANHERE – CHIEF FINANCIAL OFFICER** **MR. SAUMIN SHETH - CHIEF OPERATING OFFICER** **MR. PULKIT MITTAL – HEAD – INVESTOR RELATIONS** **MR. ABHIK DAS – LEAD – INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to Adani Wilmar, Q3 FY2023 Results Conference Call hosted by ICICI Securities. 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 '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Manoj Menon from ICICI Securities. Thank you and over to you, Mr. Menon!

Manoj Menon: Hi, everyone. It is a wonderful good morning, good afternoon, good evening, depending on the part of the world you are joining this call from. Representing ICICI Securities, it is our pleasure to host the 3Q FY2023 Results Conference Call of Adani Wilmar Limited. The Management is represented today by Mr. Angshu Mallick, Chief Executive Officer and Managing Director; Mr. Shrikant Kanhere, Chief Financial Officer; and Mr. Saumin Sheth, Chief Operating Officer. Without much ado, over to the Management for their opening remarks, post which we will open the floor for question and answers. Thank you.

Shrikant Kanhere: Yes, thank you, Manoj, for the introduction. This is Shrikant Kanhere, Chief Financial Officer for the company. A very good evening to all the participants joining from India, and good afternoon and good morning, depending upon the territories from where the investors are joining.

As a ritual, we will take you through a crisp 15-minute presentation just to talk about the performance for Q3FY23, and post the presentation, we will open the floor for question and answers, and we would be happy to answer questions coming in from your side.

To start with the macro context, edible oil prices softened, I mean, last time we spoke in November, that was the time when the edible oil prices started softening from July, and more or less, now they are stable for the entire quarter between October to December. CPI food inflation is something which we always keep an eye on, because that is something which has got some or other impact on the business parameters as far as Adani Wilmar is concerned. It has been softened from as high as 7% in October to 4.7% and now 4.2% as far as December is concerned. So, it is a good story for us that on a macroeconomic level - the softening of CPI food inflation.

As far as the industry is concerned, the ROCP industry for edible oil, contracted by 1% between December 2021 and December 2022. Of course, this has got impacted due to COVID, geopolitical issues and disruption of demand, which came in the way. As far as the market for rice and wheat flour is concerned, on a MAT December 2022 basis, both wheat flour and rice industry grew by 4% and 6%, respectively.

This is a brief snapshot and overview for all those who are joining the call for the first time. We are one of the largest food FMCG company now in India with 54,000 Crore+ turnover recorded for last financial year, Number 1 player in Edible Oil, Number 2 and 3 player as far as the wheat flour and basmati rice is concerned. With a good retail reach of 1.6 million outlets and 50-plus manufacturing location, one in every third household today consumes Adani Wilmar product.

For the nine months ended, 62% of volumes came from Edible Oil, 16% from Food & FMCG and 22% from Industry Essential. Our whole focus, as reiterated in the last a couple of years is to grow the food basket, and last year, volume contribution from foods was 13%, now, it is good 16% of the volumes, and that is what we would be focusing on as we go forward. Edible oil is steady at 62%. The revenue mix though, keeps changing on the basis of the inflationary or deflationary pressures on the price.

As far as the brands are concerned, today, Adani Wilmar holds a portfolio of the brands including Fortune, which is our premium segment brand. Then we have lot of popular segment brand in Edible Oil, and of course we have premium brands in rice, one of which is our recently acquired Kohinoor.

So if you look at this slide, Fortune today is 20,000+ Crore brand. King's and Raag, which are our popular brands or fighter brands to support the Fortune in various markets are a good 4000+ Crore brands. Rupchanda, which is our Bangladesh subsidiary brand, it is basically a brand in Bangladesh, which is again, is a 1000+ Crore brand, and all the other food brands, including Kohinoor, now, are 100 Crore-plus brands. So overall, the brand portfolio of Adani Wilmar has got good concentration as far as not only the markets are concerned, but in terms of the value is concerned. So brand portfolio is growing very steadily, and today, close to 73% of our revenue comes from the branded segment.

Little bit on the result highlights. So, when we talk of the nine months, consolidated volume grew by 13%. We were able to hold on the similar growth story as far as the gross profit is concerned, absolute gross profit grew by 16%. EBITDA, flattish, and of course, the PAT de-grew by 14%, and that is basically an overhang of Quarter 2 numbers, in which we did not have a very good quarter given too much of volatility in the market. Similarly, on the standalone basis, more or less, similar numbers as we spoke for consolidated ones. Volumes grew by 12% and PAT de-grew by 13%. Again, here also, overhang of Quarter 2 continues.

So when we talk about Quarter 3 numbers, a good story to talk about. We are quite satisfied with a reasonable performance which we have been able to showcase. Overall, consolidated volumes grew by 16%. Absolute gross profit grew by 23%, which is more than the volume growth. So this also shows that we have been able to consolidate the gross profit per ton basis, and that is why the absolute gross profit grew more than the volume growth.

EBITDA, 20% growth and PAT 16% growth. Between EBITDA and PAT, of course we had to take a hit of interest cost, which is due to the rising rate of interest for last two quarters. On standalone, again, similar performance as far as compared to consolidated. Volume grew by 17% and PAT also grew by 15%, more or less in line with volume growth.

On segment performance, for the nine months, Edible Oils, grew by 9% on volumes, when it comes to the quarterly performance, and 4% as far as the nine months. Food & FMCG grew by 26% and on nine-month basis, it grew by more than 39%. Industry essential at 38% and 28%, steadily growing. So overall, when we look at volume for the quarter, 16% growth and for the nine-month, 13% growth.

Similarly on the segment revenue per se, of course, the revenue is a result of price variable. So, on a Y-on-Y basis, again 16% volume growth. Our revenue grew by close to 8% and for the nine month, revenue grew by 13%.

On all the segments, we performed quite well in terms of quarterly as well as yearly performance, and yearly, of course, I want to add here is that it also has an overhang of the Quarter 2 numbers, but when we look at a Quarter 3 number, Edible oil and Food segment, consolidated, their margins, Industry Essential basically got impacted because of the price volatility that we saw in the raw materials which we source for the Oleo and Castor oil.

This slide gives you a brief on how the realization per ton and gross profit per ton moved on a quarter basis and on the nine-month basis. I think the basic highlight of this slide is just to show that we have been improving on a gross profit per ton, whereas PBT per ton basis, and that is very important for us whether the prices move up or down. If our margin profile per ton is growing, that is how you are able to showcase an absolute margin growth in your performance. So, gross profit grew by close to 5% on year-on-year basis when you look at Quarter 3 numbers. Similarly, PBT per ton for the Quarter 3, grew by close to 2%, for the quarter.

Just to give update on macro context for the Quarter 3 - we saw macro tailwinds in the form of strong demand on the back of festivities and weddings. There was more demand in terms of Edible Oil as well as the Food. The profitability and per ton margin on a standalone basis, the gross profit per ton improved by 5%, resulting into absolute gross profit growth of 25%, which is a combination of volume growth as well as margin improvement.

Our Bangladesh operation, which is our wholly owned subsidiary, suffered a loss of 47 Crore in Quarter 3. Bangladesh, as we know, right now the country is going through very crisis situation in terms of Forex reserves, also in terms of the balance of payment conditions in the country. Currently, the government has taken all the steps there to ensure that the coming festive season of Ramadan goes well without any food inflation, and that adds to the worry to us because, while on the one hand, we are facing a problem on a currency crisis, because there also more than 70%, 80% of the raw material is imported. So, on one hand, you have a crisis on currency. On other hand, the government has put in a cap on the pricing, so you cannot raise the price, and that, actually combined effect, has resulted into our performance. But we are quite hopeful, and in fact, as we speak, today, the liquidity has already started improving in Bangladesh. So as we go forward, we are quite optimistic that this operation will turn around and will start adding to our bottom line.

The good story is around the alternate channels. All the alternate channels, whether it is e-commerce or a modern trade, registered a very strong Y-on-Y growth of 32% and 26% in Q3 and nine months, respectively, and this is very encouraging for us because these are the channels where you are able to penetrate the food products quite easily.

On the market share, AWL continues to gain share in Edible Oils and witnessed a satisfactory volume growth. The growth was enabled by portfolio approach of having both the premium as well as popular brands, and that is what we always keep saying that, Adani Wilmar, does not have any risk in terms of down-trading, because we do have all kind of brands in our portfolio. So, whenever there is a risk of down-trading, the customer usually falls in our net only because we do other popular brands to service the customer.

The mustard is a next growth story in Edible Oil. In fact, we have seen a tremendous growth in this segment. So, mustard volumes grew by 50% year-on-year in Quarter 3, and we are very, very bullish on this particular oil. Not only we but I think the Government of India too is bullish, and they are putting in lot of efforts for farmers to grow mustard crop and that is also one step in the direction of making India self-reliant as far as the edible oil is concerned, and therefore, we are also betting very big. We are Number 1 player in the mustard category, whereas the next largest player is being a distant Number 2. So, we do have a lot of plans for the mustard, and it is a very good oil not only in terms of volume, but also in terms of the margin.

So, our Food & FMCG business is now contributing on a consolidated basis, 16%, and has delivered 26% volume growth for the Quarter 3. The key categories of course of both our top product categories remains wheat flour and rice, in which we are growing very, very strong. On the wheat category, our next level focus, because we are now more or less stabilized on wheat flour, which is called Chakki Atta in India. Our next focus is of course on the SRM, which is Suji, Rawa and Maida, and of course, we would be betting big on Maida in terms of the institutional supplies. We want to become a big Maida player as far as India is concerned. Going forward, the company will keep leveraging its extensive oil distribution network to increase the penetration of its Food & FMCG products.

The Food & FMCG basket as such clocked close to INR 2900 Crore of revenue, a very significant number to talk about for any company, and therefore, we expect that this basket when we close this year, FY2023, would be a good close to INR 4000 Crore of basket.

On Industry Essential, our Oleo Chemicals continues to grow on volumes. While we had some hiccups as far as the pricing is concerned in this particular quarter, but Oleo Chemicals is a very, very premium business for us. We have now close to 800 tons per day of Oleo Chemicals capacity, which makes us India's largest Oleo Chemicals complex. We are also betting on various value added products in Oleo, which are used in home and personal care category.

As far as the Castor is concerned, we remain leader in this category with 32% market share. 32% of Castor exports out of India is done by Adani Wilmar.

Quick business update. As far as the market share is concerned, we continue to consolidate our market share. Basmati rice market share now going up from 6.5% to 7.5%. If I add Kohinoor into it, which we have just launched in August 2022, our market share is now close to 8.5%. Edible oil, our consolidated market share along with our JVs is now 19.5% Again, there is a gain of 10 basis points. Wheat flour continues to grow from 4.3% to 4.8%, and now wheat flour basket is a close to 30000 tons monthly basket for or us, which includes wheat flour, Maida, SRM and other products.

Some marketing activities - more to do with what we did in most of the e-com and modern format stores, the strong on the ground execution, and so we keep doing such kind of marketing activities to promote our new products, particularly Khichdi and our ready-to-cook products so that we get good traction in these markets.

We are quite conscious of Environment, Social & Governance practices. One of our initiatives called SuPoshan, which is one of our important projects to eradicate malnutrition and anemia among the lactating mothers and children under age of 5. We have now touched close to a good 1.6 million lives, and this project continues, and we want to keep growing into new areas where we can put this in place.

Next, on the Green Energy part, 7 out of 23 of our plants do have solar energy, and our plan is to continue such installations across all the plants over the years. We continue our efforts on water conservation through a zero liquid discharge which has been installed in 9 major plants, and we will continue to work on this.

On palm oil, responsible sourcing of palm oil continues. So, more than 90% of our palm oil is today traceable upto mills, and all our plants today are RSPO certified. When it comes to recycling of the packaging material, more than 98% of our packaging material is recyclable. Of course, we do have a plan to take it to a 100% within next three years of time.

Just to harp upon what is the advantage of AWL, why do one invest in AWL. I think, without reading too much into this slides, the crux of this slide basically is that the business in which AWL is, which is Food & FMCG, huge amount of potential is available in India given the fact that today, still 90% of staple food business is unbranded. So there is a huge potential to grow for anyone who is into this business, and if you have a brand in place, manufacturing in place and the distribution in place, which we have, and with such kind of potential, you can grow many folds in coming years, and that is the message of this slide, and beyond that, if you have a support of two of the big promoters, the deep pocketed promoters, one side on Adani and other side on Wilmar, you have practically 0% risk of failing, and that is, we are gunning for, and we have been able to showcase such kind of performance for last couple of years and we are very much sure that as we go forward, we will become the largest Food & FMCG company of India.

So, this is it from my side. The next are more of annexures which talks about the result and talks about the financial numbers. I think, I am done with the presentation, and now I hand it over to moderator to open the floor for question and answer. Mr. Mallick and Mr. Saumin Sheth is also with me, and we will try to answer the questions as they come. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Manoj Menon from ICICI Securities. Please go ahead.

Manoj Menon: Hi, team. Thanks for a pretty detailed presentation. I have got a bunch of, I would say, clarifications. One, on the market share in Edible Oil, it is a credible performance to note that 17% odd is now 19%, right? So two things there. One, your view of what is driving these shares. Is it essentially the pricing volatility, you have better marketing mix, or is there also an element of increase in numeric reach?

Angshu Mallick: Two, three things have happened. First is that for the first nine months of the calendar year, the market was not growing, and that is why you see as the industry MAT December figure is showing almost 1% drop in consumption. That is because of the high Edible Oil prices. After October, we have seen, as the prices have cooled down, the consumption coming back and out-of-home consumption also going up.

As far as AWL is concerned, we have consistently built our rural distribution, because we always felt that the consumption potential in rural is higher because of the population. So since last almost 12-18 months, we have put a new team, we have extended the rural distribution, we have added sub-distributors, and today, we have added at least 7000, 8000 new potential towns in the rural, and that is why our numerical distribution has increased.

In urban also, you will find that we have increased our direct reach, and that is why our market share has improved.

Manoj Menon: What I am trying to understand is two things here. One, what is the further headroom based on the activities which we have already done, let us say, for the next 12 to 24 months or maybe 36 months of sales driven revenue growth?

Secondly, I also want to bring in angle of South India being a market where your market share could potentially be much, much higher than where it is today, and what are the actions there on both marketing and sales side?

Angshu Mallick: Unlike other competitors in South, who only have Edible Oil, and each of the state has one leader, we will play with our strength of Foods - Chakki fresh Atta, because in Atta there is only one competitor across South who holds around 80% market share, and there is more than 550,000 retail outlets, which sell packed Atta. We see a great opportunity in becoming the second largest brand of Atta in entire South, and because of Atta's distribution, we can enlarge our Edible Oil distribution as well, and both Edible Oil and Atta and rice, particularly Basmati rice put together will be a good combination to reach more number of outlets. So that is one strategy which we have started working on in South.

In west also, we see rural Maharashtra, rural Madhya Pradesh has great opportunity to increase, and our Hazira plant is going to play a very important role in catering to this part of the market.

Put together, we feel, going ahead, we will have enough scope to increase our market share, and you will see in the next four quarters, how things are changing slowly, because the edible oil prices have now come to a level where the brand Fortune is growing. So we see a good opportunity for AWL.

Manoj Menon: Fair enough, sir. Just quickly moving on to the Food business, 700-odd Crores last year, 2000 Crores, again incredible growth year-on-year, but sequentially, largely 1000 Crores. So it has some seasonality or should we not look at sequential at all?

Angshu Mallick: Presently, there is good opportunity for us to grow because everywhere, we see great opportunity, and we are pushing. This year, what has happened, I will tell you, in wheat flour, as the wheat prices have gone up, local players have lost the steam, and it is the big national players like us who have strength of inventory and strength of going ahead. We could get that market.

Second, the GST normalization of registered brand and unregistered brands has helped us. So, we now have much more in terms of fair pricing. We have that opportunity that is coming our way.

Seasonality is there in Foods. Summer is bad for Atta and good for rice, whereas winter is good for Atta, bad for rice. So that way if you see, we have both rice and wheat, so we are getting the advantage of all seasons.

Apart from this, out-of-home consumption is giving us lot of advantage now, after October, as you see lot of weddings and lot of out-of-home consumption, people moving out, tourism is increasing. So, Basmati rice is doing well, Atta is doing well, Maida is doing well and Besan is doing. All the four products, along with Edible Oil.

Manoj Menon: Angshu, thanks for this. But actually, what I was trying to understand was, let us say, December quarter, the 3Q FY2023, Foods is around 1000 Crores, September, the last quarter was also ballpark similar number. What I was trying to understand is given that it will be reasonable in S&P of your Foods business. I mean, the sequential growth should have been higher or is it not the way to think about that?

Angshu Mallick: It should have been higher, but what has happened is the new extra tax of 20% export duty on rice slowed down our rice export, otherwise our sequential growth would have been better. The order came on 8th of September, and all of a sudden, when 20% duty was imposed, the buyers who were reluctant to take on 20%, and we were trying to discuss it. So we lost one, one and a half month on it. So that is why the rice exports slowed down in 25 days, at least up to 15th of November.

So you see, sequential, little less growth, but given the situation, every quarter, you will see Q-on-Q growth.

Manoj Menon: One last question for the moment from my side. Honestly, actually, I am still learning the nuances of the Edible Oil as a category. So one philosophical question here is, as someone who has seen this for multi decades, would you prefer inflation or would you prefer deflation?

Angshu Mallick: Deflation.

Manoj Menon: If I may ask why would you say so?

Angshu Mallick: Brands like Fortune would thrive more when the commodity prices are stable or lower. Consumers then buy more, and as you know, in rural India, people buy more on rupee value rather than quantity. So the buying becomes more. So we as the largest player get lot of advantage, and we have both, premium brand as well as the popular brand, and largest reach. So everywhere you go, you will get Fortune or King's, either way. So, we have lot of advantage, and I can tell you, the performance of the company will improve as the prices have come down and now it is much more reasonable.

Manoj Menon: Understood. But as far as your P&L is concerned, it is largely a profit per ton approach, right? So to that extent, it should not, except for the operating leverage you could have got during inflation, the profit per ton aspect does not really change.

Shrikant Kanhere: No, so, just to add what Mr. Mallick said is that in case of the deflation or a bearish market or a falling market, whichever way you want to look at, generally what happens is you are sourcing cost goes down, whereas as far as the brand is concerned, you are able to maintain the kind of prices which are in demand. So you are not reducing your brand prices, but your sourcing goes down. Therefore, the per ton margins improve and that is the point where Mr. Mallick is coming from that deflation is always good for us.

Manoj Menon: Understood. So basically your volume of propensity to consume also gets better, as the penetration gets better, plus profits also. Very clear. Thank you, and all the best.

Moderator: Thank you. The next question is from the line of Latika Chopra from JP Morgan. Please go ahead.

Latika Chopra: Yes, hi. Thanks for the opportunity. So couple of questions. The first one is on the Edible Oil sales. For the nine months, you have done a 4% volume growth, how you think about sustainable volume growth as you move into FY2024? Will it come off of more normalized sales and hopefully in Edible prices will stay stable? What kind of target you have in mind for Edible Oil volumes?

Angshu Mallick: See, Latika, the first nine months of this year has been bad in terms of the prices coming from the top, and slowly coming down. So consumers had wait and watch policy, so buying less, less inventory, consumption going down, out-of-home consumption also going down. Now, the industry was not growing. After two years, we have seen the first up-shoot in consumption from October onwards. October, November, December itself, the industry has seen almost 6% to 8% consumption growth, and we have seen double-digit growth.

Now, this is because, you have seen many marriages are there, more than 3 million marriages, they are saying, between November and April, and then, out-of-home consumption, tourism has increased, and everything. So that is a big consumption for India. In-home consumption because of the prices going down, has also improved. So overall, Edible Oil consumption is now growing for the first time after two years.

For the coming year, FY2024, we see at least 6% to 8% volume growth at all-India level industry growth, but AWL should grow at double-digit.

Latika Chopra: You just said that your consumption growth was double-digit growth, but for Q3, your volume growth is 8%, right? So, are you talking about retail volume growth instead of primary?

Angshu Mallick: See, what has happened is, when we give you the figures, these are all consolidated figures for our in-home consumption as well as out-of-home consumption, which includes our sales to the industry, particularly Baking industry and Frying industry. In Baking industry, mainly comes the chip manufacturers, whether it is ITC, Britannia, Parles of the world, and then Frying industry can be Lay's, Bikaji, Balajis of the world. Now, they are also potential Edible Oil consumers and we are one of the largest suppliers to them. This industry did not do well in the Quarter 2, and that is why that consumption was less, but when you look at oil consumption in our general trade, modern trade and all that, it has been more than 15%.

Latika Chopra: So it is more like B2C kind of a volume growth.

Angshu Mallick: Yes, B2C has done very well.

Latika Chopra: That is helpful, and the second thing I wanted to check was realizations in Edible Oil, are these stabilizing now or there is a little more correction that is anticipated in the current quarter depending on your selling prices, etc.?

Angshu Mallick: The prices, more or less, has corrected downwards, at say, Rs.95 palm wholesale price per kilo, is one of the most affordable price, which used to be earlier Rs.120. So, at these prices, market is very stable and consumption is back in action. I feel consumers have accepted between Rs.100 and Rs.120 a liter price is acceptable to the consumers. Mustard season is coming next month. So obviously, mustard will bring lot of pressure in the prices, and because mustard crop is a bumper crop this year, it will cool down the prices, which will improve consumption, and B2C or tactile volume is surely going up, and AWL will stand to gain because being the leader in almost all the categories of that.

Latika Chopra: So average realizations could come off, which basically means the overall revenue growth could still be lower than the volume growth. Is that the right way to think about it?

Angshu Mallick: Yes, you are right.

Saumin Sheth: How should we think about margins, and because this quarter for Edible Oils, you did 2%. Do we benefit, as you just said in the earlier question, you benefit more in a deflating environment. So should we anticipate these margins to move to close to 3% odd levels, which you were doing probably in FY2021?

Shrikant Kanhere: Yes, so Latika, Shrikant this side. I think, yes, you are absolutely right. So if the prices are stable and/or may correct little downward, I think our margin profile should improve, and in fact, there is another angle to it also, that all the downtrading that we witnessed in Quarter 2 and Quarter 1, and to some extent, Quarter 3, I think that down-trading should now get corrected and customers who have dropped from Fortune network and have gone to the popular brands, they will again come back. So to that extent also, the margin profile per ton in terms of gross margin or EBITDA per ton should improve.

Latika Chopra: Sure, and Industry Essentials, this year, did see benefits of adding of capacity, at least on volumes and top-line, but we did not really see much benefit in EBIT. So this is a little complex cohort for us to understand. I know there are lot of moving parts here, but could you help us with some kind of target that you have in mind for FY2024? How should we think about revenue and EBIT margins for this segment?

Shrikant Kanhere: So this is a very steady state business. This is the first time, I mean, you can say, it is a one-off case where Industry Essential vertical has got a hit because of, of course, the price volatility and to some extent overhang of the Quarter 2. But it is an extension of Edible Oil only, it is an extension of Palm Oil refining. So overall, the complete value chain, it should be able to deliver the margins little better than the Edible Oil, because as we said, it is more of an extension and forward integration, and it delivers the products which are basically used is a HPC category. So it did had some level of better margins as compared to the Palm refining or Edible Oil. I think as we go forward, next year, we should not face such kind of margin drops, which we have witnessed in this year.

Latika Chopra: Alright, and the last thing I wanted to check was increase in interest expenses sequentially. What is the impact on account of it, is there any one-off sitting there? Thank you.

Shrikant Kanhere: No, it is typically rate hikes which we have witnessed for last three quarters. So, I mean, last year same time, the LIBOR or a SOFR was close to the 50 basis point, today it is 4.75%. So on a quarter-on-quarter basis, last year quarter versus this year quarter, the dollar interest costs have gone up by good 3.5%.

Similarly, on a nine-month basis the dollar interest costs have gone up by close to 2%, and that is a very big chunk of interest increase for us, and that is why the interest cost has gone up, which, I think should remain at this level, because what the commentary which we are hearing from the Fed, as well as most of the Central Banks, that while hiking cycle is peaked, but rate cuts are not going to happen sooner, at least for the next one, one and a half years. So these interest levels will more or less remain same. So, the interest which you see for this quarter, I think, to some extent, it is a representative as we go for the next financial year.

Latika Chopra: What could be your short-term borrowings, as of nine months ended, December?

Shrikant Kanhere: See, we do not have a borrowings per se, because if you look at our definition of borrowing, we do not have any cash-backed drawing or fund-based drawing. At max, we have close to

~INR 3000 Crore of short-term borrowings sitting on our balance sheet. Rest everything is the supplier's credit. So, if you want that number, it is close to $1 billon.

Latika Chopra: Alright. Thank you so much for the answers.

Moderator: Thank you. I will now hand the conference over to management for closing comments.

Angshu Mallick: Good evening to all. So, first is that, thank you for attending the call. We could explain as you have asked for. Looking forward, we, as a company, always feel that we are in a business, which is food, and we are in basic foods. Basic foods, as you know, are most required products, such as rice, wheat flour, Daal, Besan, sugar, and these products are always in demand. The branded part is hardly 15%, not even 15% in case of rice. So we have a big opportunity of going ahead. Edible Oil is a matured category, but other categories are coming up. It is very exciting.

It has also taught us many things which we have now understood how to build infrastructure to handle such vast volumes. We do now more than 5 million ton, and we would like to grow fast on this volume. So, supply chain management and all this, we are working on, and I am sure, in days to come, you will find Adani Wilmar as one of the most efficient FMCG and Food player in the country. Thank you, everyone.

Moderator: Thank you very much. On behalf of ICICI Securities that concludes this conference. Thank you for joining us and you may now disconnect your lines.