



Chaman Lal Setia Exports Ltd.

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ISO 22000 : 2005
Certified Co.

15.11.2025

To
The Manager,
Bombay Stock Exchange Limited
Floor 25, P.J. Towers, Dalal Street
Mumbai-400001

The Manager,
National Stock Exchange of India Limited
"Exchange Plaza" Plot No. C/1, G.
Bandra-Kurla Complex,
Bandra (E)
Mumbai - 400051
Symbol: - CLSEL Series: EQ

Scrip Code: 530307

Sub: Transcript of the Analyst/Investor Call Held on 12.11.2025

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the attached transcript of the Concall held on 12.11.2025.

The above information is also hosted on the website of the Company at www.clset.in

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Yours Faithfully

For Chaman Lal Setia Exports Limited

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Chaman Lal Setia Exports Limited

Q2 & H1 FY26

POST EARNINGS CONFERENCE CALL

November 12, 2025

Management Team

Mr. Rajeev Setia - Joint Managing Director & CFO

Call Coordinator



Strategy & Investor Relations Consulting

Presentation

Vinay Pandit: Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations Team, I welcome you all to the Q2 and H1 FY26 Post-Earnings Conference Call of Chamanlal Setia Exports Limited.

Today on the call, from the management we have with us, Mr. Rajeev Setia, Joint Managing Director and CFO.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements, which may involve risk and uncertainties. Also, a reminder that this call is being recorded.

I would now request the management to brief us about the business and performance highlights for the quarter ended September 2025, the growth plan and vision for the coming year, post which we will open the floor for Q&A. Over to you, sir.

Rajeev Setia: Good afternoon, everyone. Chamanlal Setia is working as per its principle. The true marker always is profitability of the business. Yes, this quarter or this six month the export sales have come down by INR150 crore approx., but the profitability ratio is almost okay, perfect. So, I am going to get a lot of questions on this issue. The figures are in front of you, or already data is with you. So better let's start the question-and-answer.

Vinay Pandit: Did you want to quickly brief about what's happening globally, which has affected this volume growth? And how do you see the situation from here on now with the harvesting season now coming up?

Rajeev Setia: Yeah. You see the -- because business goes with the economic laws and the habits of the business people, and the prices of rice which were in '23, '24 were highest ever, '24, '25, they have been coming down gradually, gradually prices are coming down and currently also the prices are low. I have checked the record, the average for quarter ending '23, 31st March, '23, it's, the price is around low, low and up both sides. INR 80 was the highest level and the lowest levels was around INR 60. The average is around INR 71, INR 71 a kg. And in '24 also it came down partially, but at the end it sustained the same values. And for March '25, it is INR 60, it's a INR 10 fall. When the prices gradually keep on going down, the customer waits for the right time to buy.

You see what happens, the psychology in the business, not in our industry, in other parts also, when the prices are going up, everybody

starts following that product. Let's take the example of gold, gold prices INR 60,000, INR 70,000 continued for a long time and people were slow on buying. And when the prices start going up, went above the INR1 lakh, every second person was chasing the gold. So, the same psychology goes in our business also. When the prices were high, they were buying and now the prices are going gradually slow down, low price. And the customers are also delaying their buying or slow down on their buying. But we as a company, if we had some rice at the higher price, we waited because we have financial strength. We could hold the material and rice is not a perishable product. So, whenever we got the opportunity, good buyer or paying buyer, we sold and maintained our profit.

And as far as the low-price purchases are concerned, we could accordingly sell. But yes, the sales have definitely come down. People are waiting for the -- I mean, waiting for the bottom down, and which I feel it is now. And in this particular season, the sales are very quickly picking up now. So, I expect at least I'll reach INR 1,500 crores.

And secondly, this year the crop size is very good, Basmati. And overall, it's 100, 150, 1-million-ton rice production of the country. And of course, there was flooding in Punjab. Haryana was intact, no problem. UP was fine. Rajasthan and MP were fine. And the parts Uttarakhand was fine. Jammu, Kashmir, no problem. Punjab, which has 32.5 lakh hectares growing of paddy. And it has -- there was a reported loss of 2 lakh hectares. 2 lakh hectares or 2.5 lakh hectares, it's not too much. And out of that area, Basmati, I don't think is more than 30% for that particular land. So, there is no big loss for Basmati. So, the prices had gone up suddenly when the flooding came, but after a fortnight, they were again back to the level. So now the prices are low. The buying is coming from all part of world. And let's see. I am confident about it.

Moderator:

Sure, sir. Thank you, sir. All those who wish to ask a question may use the option of raise hand and we'll invite you to ask the question. If you're unable to raise hand, just drop a message in the chat box and we'll call you to ask the question. We'll take the first question from Aayush. Aayush, please go ahead.

Aayush Khanna:

Thank you so much, sir. So, my first question is that with the recent floods in Punjab, where do you see paddy prices and eventual impact on shortfall in supply and on the end procurement prices and hence the selling price?

- Rajeev Setia:** I have a little explained just now. Punjab has area under cultivation for paddy, 32.5 lakh hectares. And this flooding had; it is announced 2.5 lakh hectare. So, 30 lakh hectare is there intact, no damage by flooding. And out of this 2.5 lakh hectares, 30% that particular area where the flooding has happened, about 30%, 35% area is under basmati, rest is with the normal non-basmati rice, parmal, etc. So of course, there was escalation in prices because of the flooding, but it sustained for a week. After that, it started coming down.
- So, the crop size is very good. We had good rain this year. The quality of rice is good. Crop in UP is very good. Crop in Haryana is full. So hopefully, yeah, there will be no interruption in the business, and because the prices are very low this year and this is the right time, because my customers are asking which is the right time to buy, if you want to buy big. Because when the prices were higher, they were buying according to their demand. And now when the prices are coming down, they are waiting for the right time. That has caused a fall in our revenue also, but now it is very quickly picking up.
- Aayush Khanna:** Okay. So, my next question is, you mentioned about customers. So why are the prices coming down?
- Rajeev Setia:** It's demand and supply, economic laws, area under cultivation is growing every single year, new evolved varieties are coming. So, they are grown, I mean, it's no longer in GI areas, going beyond the GI areas also. UP, I had never heard about rice in Mathura side, it's coming, all parts.
- Aayush Khanna:** Okay, so my final question is that, what is your strategy to bring the premium grade products which you are working on? And when do we see its benefit in terms of margin and turnover?
- Rajeev Setia:** No, repeat your question.
- Aayush Khanna:** Sir, I'm asking is what's your strategy to bring in the premium grade products which you're working on? And when do we see the benefits of the same in terms of margin and turnover?
- Rajeev Setia:** You see, it's always good for exporter or manufacturer when the prices at the point of buying are lower. And that is happening this year, the prices are quite low. And we are procuring in a very big way. We have come full financial strength. We had a very huge money deposited in the banks, which we are taking out and putting on the rice.

So, I mean, from the low, it is more possibility of going high. From high price to achieve higher price is relatively difficult. So, the prices are very good. And many times, we have seen during the buying season, suddenly some people start gambling. They raise the prices. This year, the industry is going very meticulously, not raising, not unnecessarily competing. So, the prices are good, demand have to be there from world around.

Aayush Khanna: All right, sir. That's it from my side. Thank you so much.

Moderator: Thank you, Ayush. We'll take the next question from Manish Kela. Manish, you can go ahead, please.

Manish Kela: Yeah, hi, good afternoon, sir. So, I want to draw your attention to one of the conferences which happened in the first week of October, which was hosted by Arihant Capital. Now our company was also a participant in that conference. So Q2 was already over, right? The conference happened in the first week of October. So Q2 was already over. Now in that conference, you have given a guidance that Q2 is going to be better than Q1, whereas the fact is Q1 was better when we look at Q2. So, when we had full visibility that look, this is how the quarter panned out. I mean, I think that sort of a statement kind of becomes very misleading, especially from a shareholder's perspective. So just wanted to understand your thoughts behind this.

Rajeev Setia: Can you little bit recall what was said in that meeting? When did the meeting happen, Arihant?

Manish Kela: That happened in the first week of October. So, it was hosted by Arihant Capital. So, I have received notes which says that the management has guided for Q2 performance to be better than Q1 performance.

Vinay Pandit: Manish, the conference was between 22 to 25 September, not first week of October, just to correct that point.

Manish Kela: Yeah. So even if that being the case, I think we had only maybe one week left before the quarter kind of came to a close. So, I think by then the management would have had a fair idea or a fair understanding as to how the quarter kind of behaved. So, I think when a statement like Q2 is going to be much better than Q1 comes out and there are investors tracking your company, it kind of becomes a little misleading. So just wanted to understand.

- Rajeev Setia:** Because the demand in the preceding one, two months were good and we were confident that this quarter will grow. But late in, when the prices started coming down, when the next crop report was very good. So, the customers deferred their contracts or slow buying was there. That was...
- Manish Kela:** I fully understand, sir.
- Rajeev Setia:** So, it was not calculated in advance. We were confident.
- Manish Kela:** I fully understand. But all that I would suggest is maybe as a company, it is always better that we under-promise and over-deliver rather than doing it the other way around. I have been tracking this company since long and I fully respect the management, the integrity of the management. So, I have no doubts about what the company can achieve going forward. So, all that I would say is maybe the company can be a little careful, especially when such statements are going out from the management. That is all that I want to highlight.
- Rajeev Setia:** You are absolutely right. We'll be more careful.
- Aayush Khanna:** Thank you.
- Moderator:** Thanks, Manish. We'll take the next question from Pavan Kumar. Pavan, you can go ahead, please.
- Pavan Kumar:** Hi, sir. I just wanted to, first of all, understand what were your domestic volumes. I understand you have given the export volumes in the presentation. And also, is it like the current prices are at INR 65, is what you said correct? Is that right, sir?
- Rajeev Setia:** Yeah, yeah. The price of 1718, 1509, 1401 varieties are INR 64, INR 65, INR 66 roaming around.
- Pavan Kumar:** Okay. So, what I just wanted to understand from your experience in the industry. So how does the cycle play out? So naturally, my understanding would be at this point of time, you would be building the inventory for yourself so that you can sell it maybe, higher prices next year, right? Correct?
- Rajeev Setia:** Obviously, we are very -- I mean, if you look at the factory these days, it's the queue of 50, 40 truckers every single day.

- Pavan Kumar:** Okay. And how much do we need to age this rice, sir, before we -- whatever we are procuring in this particular season before we are able to sell it?
- Rajeev Setia:** You see, even it's all rice is steamed rice and steamed rice start cooking good after three, four days of production, but still aging helps. So, we will be disposing old stock first for the customer by December, I think. It depends, the quality of rice this time is very good. It's cooking very good. Even the new crop also. So, with the aging of one month or one and a half month, it will start going quicker.
- Pavan Kumar:** Okay. And on the demand scenario, what do we think, sir, going forward?
- Rajeev Setia:** Now the questions were asked by a lot of customers. I was in Germany, Anuga exhibition from four to eight, a lot of customers from different part of the world were there US, Canada. So those days, I think flooding had happened or not, I don't remember. But because of the prices, everybody was aggressive, we'll buy. And I had been telling that the prices are very good. Why do you wait? So, we got orders also. And now again, more and more orders are coming.
- Pavan Kumar:** And additionally, whatever was the capacity CapEx, which we have done, everything is commissioned now, right?
- Rajeev Setia:** Everything is commissioned now. The plants which were promised in Karnal, they are complete and working. In Gandhidham, new unit was put up, that was opened in July. And one old unit, which was in a rented godown, that has been brought out to the family. That will be in production, maybe -- I mean, it's ready, only the trial runs have to be done. I'm going on Saturday to start this trial runs. Once they are done, then develop.
- Pavan Kumar:** And if you can share the domestic figure, you or Vinay, that would be great.
- Rajeev Setia:** Vinay, please inform him. I have not that...
- Pavan Kumar:** Okay, sir. Thanks. Bye-bye.
- Moderator:** The next question is from Madhur Rathi. Madhur, you can go ahead.
- Vinay Pandit:** Sir, the volume for domestic for Q2 was 4,650 tons.

- Madhur Rathi:** Sir, thank you for the opportunity. Sir, in our discussions with our customers, do we have any idea about how is the inventory level at our customers' end? And can we expect a pent-up demand whenever the pricing decline stabilizes?
- Rajeev Setia:** Yeah, you see what happens when the one season is out and new season is coming, for the ancient crops, the customer always look how much is the crop size, what would be the prices. And in this particular year, we very candidly and we told them the prices will be low. So, we don't want to deceive our customers the prices will go up, you buy now. We clearly very clean heart, clean hands, we tell them. And that was right.
- So, now the bottom out is there, prices are very low, INR 665, INR 600, you divide by 88, it's nothing, it's less than \$800, around \$800 costing, I'm talking. So, it's very right time for the customers to buy. If they buy, we are procuring also, we have a large procurement. And if they buy and gradually if the prices start going up, then sky is very much low, revenue and profitability.
- Madhur Rathi:** Got it. Sir, but when we say that the export volumes have declined for H1 due to our customers delaying the order because of the lower prices or the prices decline, or else they are thinking that the prices might decline further and they'll buy it at a later stage. I'm trying to understand. Sorry, sir, please go ahead.
- Rajeev Setia:** The first quarter, this geopolitics issues matter a lot. When US came out with these tariffs. So, it hit not only US-India business, it hit all around business. The customers all around the world, they started taking pause also for buying. So, the second, the ancient season had good prices, they were asking, and we have been very clean heart, your prices will be low. They wanted to wait, let them wait. They should have waited and they have waited and definitely that is going to give opportunity to us as well as our customers.
- Madhur Rathi:** Got it. Sir, just a clarification. So, whenever we speak to our customers, what is the general inventory level that our customers carry? And currently, is it at a much lower level than what it would be maybe past year, H1 of FY25, is it fair to assume?
- Rajeev Setia:** No, we never ask the question -- this question, how much stock you have? It's not our prerogative. We don't ask them what exactly they are doing. We push for our own sales. We give them good prices and suggest them to buy. For some people feel maybe the prices will come

down and we tell them you strictly buy as per your requirement. Don't buy larger.

Madhur Rathi: Got it.

Rajeev Setia: Our faith, our faith and our credibility with the person is important.

Madhur Rathi: Got it. Sir, I'm just -- sir, last year the prices were around INR 60 per kg for, and this year they are INR 64 to INR 65. Is that, did I hear it correctly?

Rajeev Setia: And last year, they were relatively high, not too much. In the beginning, they were quite high. I mean, INR 83, they were top of all, very high prices. In the beginning of last season, the prices were low and thereafter they again went down. But this I mean, the current level is a little lesser than last year, I feel. But we will have to check out with the figures.

Madhur Rathi: Got it, Sir. Sir, so the past four years, our revenue has been kind of stuck at the INR 1,400 crore to INR 1,500 crore level and this year also, it seems that we'll be at those levels. So, was the capacity the only constraint for us over the past three, four years? Or there is also a realization -- so -- I understand there is a realization factor as well. So, till what extent was the capacity an issue for us and the INR 2,000 crore revenue that we were expecting, sir, can we expect it in the FY27?

Rajeev Setia: Yeah, I'm projecting at least INR 1,500 crore we will definitely achieve. I'm targeting now because we had targeted more, say INR 1,700 crore, INR 1,800 crore, even at one point, we thought it will be -- sorry, what's your question?

Madhur Rathi: Was there a capacity issue for us for the past three, four years because of which our revenue was stagnant?

Rajeev Setia: Capacity, the demand was growing up. So, we put up the new capacities, these new three SORTEX plants were put in Karnal and one extra in Mundra. So obviously we have put CapEx because we have demand. But you see, slow down of the demand in one quarter and may go up in the next quarter, it will keep on happening. And we expect now, it's the right time, the season has started, new crop has come, quality is good.

We are telling a few people, you never know about the next year quality because agro produce, a lot of factors matter. If there is a lesser rain, the

quality of next year may not be that good, which we have this year. So, we are pushing the customers to buy and stock also built up. We are also building up good stock at the low prices. Let's see what happens next year.

Madhur Rathi: Sir, so, at current realizations for the rise that 64-65, sir, what would be the optimum revenue potential with these three plants coming in? Sir, what would be the optimum revenue and volume potential with the three plants coming in, the Karnal, Gandhidam and the other one?

Rajeev Setia: Look, the capacity wise, we can achieve INR 2,000 crore if we really have the demand. But I will be little conservative and the INR 1,500 crore we are targeting and that definitely we are going to achieve.

Madhur Rathi: No, sir, I'm not asking for a guidance. I'm asking, sir, what would be the capacity for overall capacity at Chamanlal Setia today, including these three plants in metric ton basis and the INR 2,000 crore revenue potential? Is it at current realization levels? And if realizations improve, can that increase further as well?

Rajeev Setia: No, they can increase, but I'm factoring both sides increasing this dollar value, but INR 1,500 crore, I'll stick to that. Something I am confident to achieve.

Madhur Rathi: Got it. And sir, our capacity in metric tons, what is our current capacity in metric ton basis?

Rajeev Setia: I don't count capacity with the machinery. I count the capacity, what is the outflow every day. We have a capacity of 25 to 30 container movement every day.

Madhur Rathi: Got it. Sir just a final question from my side, sir. Last year, we had started our Q, our H1 end with around INR 170 crore, INR 180 odd crores of inventory that moved to INR 220 crore levels for this year. So where do we see the inventory levels by March FY26 end, sir? Can it be higher than the INR 500 crores we did in March '24 or can it be, where do we see our inventory levels by the FY26 end?

Rajeev Setia: Yes, sir. The peak level of inventory has been INR 500 crores, approx INR 500 crore because I raised my insurance accordingly. And I think it will cross this year. I don't know -- I know what is my present level of buying inventory. I already, I know, but I don't know whether it is right or wrong to say at this moment. It's inside information. I don't know.

- Madhur Rathi:** No, sir. I'm trying to understand that how much benefit we can get from buying these lower inventories. Okay, so it's fine. We can cross INR 500 crore levels. Sir thank you so much and all the best.
- Rajeev Setia:** The present levels projected to go beyond INR 500 crore.
- Moderator:** Thanks, Madhur. We'll take the next question from Manish. Manish, you can go ahead please.
- Manish Kela:** Yeah. Sir, sometime back you talked about Basmati rice also being grown in regions like Mathura. So, are we seeing a pattern wherein Basmati rice is increasingly being grown in other areas? If yes, how is the output when you compare it to the output that we get from say regions like Punjab or Haryana, which are traditionally rice growing areas? So that's one. Maybe I'll let you answer this question and then I'll ask my second question.
- Rajeev Setia:** You see, if we talk about Basmati, traditional Basmati, which used to be by the nature thousand years background, the rice was being grown only in Punjab and Haryana and Dehradun area, Uttarakhand. Three areas had Basmati. And to be speaking publicly, I should not say, but not even the entire state, Haryana, almost all states had Basmati. In Punjab, the entire state did not have Basmati growing areas. Now in entire Punjab, entire Haryana, UP, the new evolved varieties of Basmati, they are grown all around. It's grown in MP also, grown in Rajasthan also. So, it's growing. It may go to Chhattisgarh tomorrow. So, it's good.
- Manish Kela:** But according to you, because we have decades of experience in this industry, how is the quality of rice which is grown in the other states vis-à-vis Punjab or Haryana?
- Rajeev Setia:** Haryana and Punjab quality is much better.
- Manish Kela:** Are we also seeing a demand from our clients that maybe the rice which comes from Punjab or Haryana, the insistence is more on that particular rice variant?
- Rajeev Setia:** The raw steam rice is more preferred from Punjab and parboiling is maximum from Haryana. So, both sides we have to see. All right.
- Manish Kela:** And sir, my second question is with respect to exports.

- Rajeev Setia:** Difference between Punjab and Haryana. It's old Punjab, you know, and it's divided in '61. So, the quality is same, no problem.
- Manish Kela:** Yeah, sure. Sir my second question is with respect to exports. So, when we export rice, let's say to countries like US or UK, is the demand only coming from ethnic consumers or do we have even the locals in these countries who maybe prefer Basmati rice over other variants? So, how do those trends look like?
- Rajeev Setia:** If I go by the history -- historically, it was always Oriental people. Oriental means India, Pakistanis, Afghanis, Irani, Iraqi people living around the world. But now you see even the British, these Gora people, Americans or Europeans, they love our rice. If you go to any Indian restaurant now in Europe, you will be -- sometime I feel I'm alone Indian, all our local German people sitting. So, the demand is coming with them. And even the importers from Australia, we have companies which are owned by Australian people, I mean the natives of that country.
- In Sweden, I have customers who are local, they are buying. Yes, Oriental people also, they are the biggest, but they are, and this change from the, I mean, the native people is also coming, but buying is growing basmati.
- Manish Kela:** I think that's very heartening to hear. And sir, my final question, you also talked about floods in Punjab, which did impact Basmati crop production, but still the prices kind of fell. Again, while we know that there are those geopolitical tensions and maybe other market reasons as to why the prices have fallen. But do you think, because the area under cultivation, especially the new states that you talked about, which were not traditionally known for growing Basmati, but they've started kind of growing Basmati. Is that also putting pressure on Basmati prices, because which the prices are not rising up? What is your assessment on that?
- Rajeev Setia:** You see, if farmer is happy, he's earning, he's growing. And if we get cheaper, and we can sell more easily outside the world. So, the profitability has to be there. We will keep on doing business.
- Manish Kela:** All right. Thank you so much, sir.
- Rajeev Setia:** And from low, the prices can go up, and from the high, it is difficult to get price.

Manish Kela: Thank you.

Moderator: Thanks, Manish. We'll take the follow-up question from Madhur Rathi. Madhur, you can go ahead.

Madhur Rathi: Sir, what was the inventory loss during H1? Was there any inventory loss during H1, FY26?

Rajeev Setia: No, no. What is your question? Inventory?

Madhur Rathi: Loss.

Rajeev Setia: Loss?

Madhur Rathi: Yes, sir.

Rajeev Setia: No. How come the inventory loss?

Vinay Pandit: No, sir. He's asking if we have taken any inventory hit in H1.

Rajeev Setia: No, we have not got any hit at all. You see, let's assume we have some rice purchased at a higher price. And if we sell at a low price, definitely we are going to hit. I believe that's your question. But the company is strong enough to keep the stock for any long period. We are cash rich. If we have stock, let's assume at a higher price, we'll wait till we sell at a profitable price from any part of the world. Because we are in 95 countries. We have multiple, around 400 customers around the world. So, we have capacity to sell even if we have bought at a high price. And low price, if we have purchased, we have more opportunity to earn.

Madhur Rathi: Got it. Sir, on the margin front, sir, for H2, sir, can we expect the margins for the remaining half of the year to be better than the 9.3% we did during the H1?

Rajeev Setia: No. I mean, I can project about the coming period, the next six months till March, definitely our sale will grow, our margin will grow. Because our buying is absolutely perfect, perfect time. We are regularly buying, every day we are buying. It's a good price, cheap price, and we know where and how to sell.

Madhur Rathi: Got it. Sir that was from my end. So, thank you so much and all the best.

Moderator: Thanks, Madhur. We'll take the next question from Anubhav. Anubhav, you can go ahead, please.

Anubhav Mukherjee: Am I audible?

Rajeev Setia: Yes, you are.

Anubhav Mukherjee: Sir, our domestic sales also saw significant declines. So, was the demand impacted in the domestic market as well?

Rajeev Setia: Actually, we, truly speaking, we are not concentrating much on the domestic market. We -- and because the domestic market we have had, it doesn't give good return too. So, our entire focus is right now on the exports. Even Sankesh is already in US. He went; he's going to meet all the customers who are big buyers. And we are deciding whatsoever the tariffs. They have assured also we'll be; they were sure they will be buying. And there is an exhibition of private label PML that is called, where the private label customers come. That is only for private label. And we are one of the largest from India for private label packing. So, let's see what results come.

Anubhav Mukherjee: Sir, just like regarding US only, sir, in this quarter, because of this tariff issue, like were our exports to US impacted? Or like we were able to like maintain?

Rajeev Setia: Because many customers asked us to put the orders on hold. They are waiting something will happen. But so far, it is seesaw going on for the US. But after all they have to eat, you know. It's not taxed by our government; it's their government who have taxed them. They have to eat finally. When the stocks will deplete over there, they will come to us. That's why Sankesh -- I sent him, talk to all the customers and encourage them when it was \$10,000 ocean freight you were selling, just assume once again, it's \$10,000 freight has come in the form of tariffs. So, carry on.

Anubhav Mukherjee: Okay. So, sir, now in this quarter have like supplies to US resumed?

Rajeev Setia: Supply has never stopped. It is going. But yes, of course, it has come down. It is going. I mean, complete halt is not there. It's going. Some buyers are buying, one or two customers, those who are selling to modern trade, these chains big, for them, they say it's penny pennies at the point of selling for them.

Anubhav Mukherjee: And sir, for whatever like, like we are exporting to US, it's the buyer, our customers are taking the entire 50% tariff rate like or we are taking like some of that like on our P&L.

- Rajeev Setia:** Whatever price we have sold, we have not deviated. We have strictly told them this is our price and it's your headache. Because once in the past, Indian government has imposed INR 8 a kg duty, export duty, we are exporting to US and they did not -- I mean, we had to suffer and they did not cooperate and why should we do that? It's your -- I mean, the concepts are written like that. If any duties imposed by your government, you have to pay and our government we have to pay.
- Anubhav Mukherjee:** Got that. And sir, your September like H1 end balance sheet, your inventories have actually come down. So given the like low paddy prices, doesn't it make sense to like stock up on inventory like, so what's the view on that?
- Rajeev Setia:** No, you see, when it's the end of season, a new crop is coming. I mean, September is end, September is end of the season. We try to finish up the existing stock wherever we sell. So obviously, the stock level will come down. It's not zero or very low, but it's reasonably -- reasonable stock because for some customer, we have to keep old stock, old rice also. And we always wait for the new season and we are expecting low prices in this ancient season and which have proved good and we are buying very large.
- Anubhav Mukherjee:** Okay, so now the Kharif crop will come and we are buying now.
- Rajeev Setia:** It's coming already. It's already coming. Rice is coming. Paddy is coming. We are buying both.
- Anubhav Mukherjee:** And sir, it seems that in the export market also the transmission of prices, is it that quick because you were mentioning that initially it was geopolitical issues, but they became aware of prices coming down. So, the end prices, are the buyers that quick, they are able to negotiate that quickly or how is it?
- Rajeev Setia:** You see this WhatsApp in this era, every single information in five seconds goes away. All data are available, how much export happened, all figures are in public domain.
- Anubhav Mukherjee:** Sorry sir, please go on.
- Rajeev Setia:** We can't conceal much from the customers, but of course, we have to earn. You see, we'll put our own prices. Having the customer, we are doing apart from our own brand, which is Maharani in 40 countries, maybe small or big. The Netherlands, we have very large sales in

Netherlands and some African countries, we have good sales of Maharani. So, we do a lot of private label and any satisfied customer, they say, Rajeev, give us the best quality. Don't care for the price, we'll pay. So, we get our margins, which we deserve in business also.

Anubhav Mukherjee: Sir, for your export sales, how much of it is like white labelled and how much is it under the Maharani brand?

Rajeev Setia: It is around 10%, 15% is Maharani, rest is all white label.

Anubhav Mukherjee: Okay. And so, for the white label part, like there is not much pricing power in terms of like, you can't keep the prices.

Rajeev Setia: I don't agree with that. Many times, I feel my Maharani is giving me low return and the private label is giving more. I mean, wherever it's a new customer, we -- to get the entry of our brand, we sell at a lower price. And then he says, I mean, the consignee says, I am yet to promote this brand, give me some facilities, give me this. So, and one who has his own brand, he works more harder for his own brand. And many times, it's both ways. Sometimes in some places Maharani is giving very good return, particularly from African countries. And even Netherlands also customers giving good. In some part, they're just limited, but same this private label, I mean, they don't change easily. If the quality is good, if they change and in one lot, they get bad rice, their business is closed. So, they're conscious, they pay.

Anubhav Mukherjee: So, for the private label sales in country, like, is it not possible for us to like, like keep some of the like price fall and not pass it on? Or it's too competitive? Like how is that?

Rajeev Setia: We have no competitions, truly. It's not so easy to do private label work. It's very hard. And for large quantities and continued sales, there is competition, but not too much. Some people don't -- I mean, the customer who are with me for 10 years, 20 years, 30 years, 5 years, 6 years, they don't deviate you know. I mean, somebody buying from us, if they are happy, why should -- why would they go here and there? Of course, competitors go meet them. Many time I get a call after one hour, I give him coffee, tea, and then say bye-bye.

Anubhav Mukherjee: Okay. But so just to understand this better, you can't like, like I'm sort of repeating the question, but you can't like when the prices fall, you can't like maintain your realization, you have to pass it on to your customers like.

- Rajeev Setia:** It happens. I mean, when there is a drastic fall in the prices, and then we definitely have to share with the customer. We reduce the prices, we buy at the low price, our profitability continues in the same way. I mean, if we -- if the prices are low, our buying has also come at the low price. And if we have, as I already told, if I have a stock at the higher price, I would not sell at the loss. We don't book the loss; we keep the rice. We find the customer, it's a big word. There are customers who pay a good price also. And if it is lying, aging also helps.
- Anubhav Mukherjee:** Okay. So, sir, your focus is on maintaining the profitability, not like.
- Rajeev Setia:** That is -- I have this motto, first motto, the true marker of any business is profitability, and that has to be there, otherwise stop.
- Anubhav Mukherjee:** Okay. Thanks. That's all.
- Moderator:** Thanks, Anubhav. We'll take the next question from Akash Bhalla. Akash, you can go ahead, please.
- Akash Bhalla:** Yeah, I had two questions. First one was regarding the freight situation. I mean, the Gaza thing has stopped, thanks to Trump. So, has the freight gone down? I was reading our annual report this year and realized like last financial year, we made INR 23 crores of more profit, but they were all gone into the extra freight. So, if you can tell something about it, and also in your investor presentations, I mean, going forward, if you can add it because it's a major expense.
- Rajeev Setia:** Yeah. Thankfully, right now the prices, the ocean freights are absolutely correct, not high. They have come down and they have made the business workable. It's at this moment. You never know the future. Whatever happened in the past has been -- I mean, that we had to bear, but now the prices, ocean freights are perfect.
- Akash Bhalla:** And also, last concall, you were mentioning something about Russia, I guess back there, they wanted to get you some business, have things progressed at that time?
- Rajeev Setia:** Yeah, yeah. We have two, three customers right now, and there is addition also, two -- one or two more have come. We, because we participated there in Russia, in the exhibition, and we got customers.
- Akash Bhalla:** And also, I was reading an article, I mean, it said like, since our Indian government, it lifted off MEP, it has led to fall of price globally. And since you guys, I think your, the other Director, he is, I think Chairman,

something for Rice Export Association. Have you guys been lobbying in the government like to?

Rajeev Setia: There is no longer MEP issues. It's long back it was withdrawn. There's no MEP issue.

Akash Bhalla: No, MEP, what I'm saying, like since the government removed MEP, the prices have fallen globally and it's impacting the rice prices globally, right? So, to earn more, I mean, if something can be done at government of India level, in terms of, because India is the biggest exporter of rice, right? So, to make it more viable for exporters, because exporters have been suffering a lot of loss in last one year or so.

Rajeev Setia: So once again, I will reiterate that MEP, the government had brought before elections, because they were scared that non-Basmati may not go this, that, they had their own reservations. So that issue is over. Now it is open trade. I mean, economic laws are playing the role for business, purchase, sale, all. So, it's freely going any part of the world.

Akash Bhalla: Yeah, thanks. That's all for my end.

Moderator: Thanks, Akash. We'll take the next question from Navneet. Navneet, you can go ahead please. Navneet.

Navneet Bhaiya: Hi, can you hear me?

Moderator: Yes, yes, yes.

Navneet Bhaiya: Okay. Rajeevji, just one question. You mentioned the revenue guidance of INR 1,500 crores. Is that for the current financial year FY26?

Rajeev Setia: Yeah, that is what I'm saying. We must -- I'm confident we will achieve INR 1,500 crores, the past year.

Navneet Bhaiya: So that would mean about INR 900 crores in the second half. You've done INR 600 crores in first half. So, you are getting INR 900 crores in the second half.

Rajeev Setia: Yeah, we are confident we'll do. The kind of orders we are getting, kind of new companies are coming to our hands, that's it, yeah.

Navneet Bhaiya: That's, yeah. Okay, that's all. Thank you so much.

- Moderator:** Thanks, Akash. We'll take the follow-up question from Manish. Manish, you can go ahead, please.
- Manish Kela:** Sir there was also talk about your discussions with one of the Saudi clients. So just wanted to understand as to where are we on that?
- Rajeev Setia:** That is almost at maturity state or a complete set of orders have come. But before the commencement or shipping, still some discussions are going.
- Manish Kela:** So, is this the reason as to why you are confident that you'll be able to hit the INR 1,500 crore revenue mark for the rest of the year?
- Rajeev Setia:** Yeah, yeah. One of that reason, one of the reasons. And some of the countries where my revenue and volumes had fallen, they have given the orders, they are shipping.
- Manish Kela:** All right. And my final question, sir, because we've seen declining rice prices in the past few months. Do you think this can also act as a blessing in disguise from the perspective that maybe, let's say, for customer currently, say consumes jasmine rice, and if the price of jasmine rice is higher than basmati rice, maybe it helps us push basmati rice in the market, basmati rice in the market, because the prices of basmati rice is lower to jasmine rice. I just used jasmine rice as an example. I'm not too sure as to how the rates are trending when you compare basmati to jasmine, but just wanted to understand your thoughts on that as well.
- Rajeev Setia:** This jasmine rice is also good. I've eaten a couple of times outside when I take food in any Chinese restaurant. So, I get it. It's a good rice. And marketing of Thai people is very good, but our prices are quite low and we hope they will go up also. The business is likely to grow for the industry. Even the government of India, we are telling them to promote this product. Basmati is a joint monopoly of Pakistan. Maybe tomorrow it will be our own monopoly. If the water is stopped or something happens or the way the Pakistan economy is going, this year they have good rice, no doubt.
- So, if we promote our basmati around the world, we can get good business. As a country I'm talking, not as a company. We are doing our hard work in selling.
- Manish Kela:** Thank you, sir.

Moderator: Thanks Manish. We'll take the last question for the day. Sahil, you can go ahead please. Sahil, you are not audible. Sir, since the participant is not responding, sir, you would like to give any closing comment?

Rajeev Setia: Closing comment from me?

Moderator: Yes, sir.

Rajeev Setia: It was a very good meeting. All of the participants, they had asked very genuine and good questions, which I have been tried too very --

Sahil Malhotra: Sir, my voice is audible, sir?

Rajeev Setia: Yeah, you are. Sahil, you come.

Sahil Malhotra: Rajeev sir, thank you, sir. My question is with reference to inventory volumes and sales volume. As per annual report as on 1 April '24, our opening stock was 5,80,000 quintals, right? And closing stock on 31 March '25 was close to 6,80,000 quintals. And we did around production of 2,20,000 quintals, right? So, with these figures, we arrive at our sales volume of around 1,13,000 quintals. So, if we just look at the sales volume and the closing stock, the sales volume is 1,13,000 and the closing stock is 6,80,000. So, we are having inventory close to around 5, 6 times of our annual sales. So how we are looking at this inventory, sir?

Rajeev Setia: I think there is something wrong in your questioning. The inventory, the peak level of inventory was INR 500 crore. And in this particular year, now it has come down.

Sahil Malhotra: I am referring from the annual report, the data given in the annual report. Recent annual report only '24, '25 only I am referring. And not values, volumes -- I am referring inventory volumes and the production.

Rajeev Setia: Okay. Let me write it down. It was -- sir?

Sahil Malhotra: Sir, opening stock was 5,80,000 quintals.

Rajeev Setia: 5,80,000 quintals. Okay.

Sahil Malhotra: You did production of 2,20,000 quintals, 2,20,000 quintals. So, and your closing stock was 6,80,000 quintals.

Rajeev Setia: Okay.

Sahil Malhotra: So, your sales was close to 1,14,000 quintals.

Rajeev Setia: 1,14,000 quintals. Okay.

Sahil Malhotra: So, I mean to say, if we compare the sales 1,14,000 with the closing stock, 6,80,000 that is a -- we are having inventory around for 5, 6 years. That is what I am able to understand if my, this understanding is correct, sir.

Rajeev Setia: 5, 6 years?

Sahil Malhotra: That is what the -- this data is coming, sir, from the annual report.

Rajeev Setia: Let me -- let me have a look and Vinay, I will come back to you and you can answer them. I will have to check with my accountant, chartered accountant.

Sahil Malhotra: Sir, you can provide us the -- in addition to the values, the request is these volumes, how much is the in quintals sales volume and how much is the closing stock?

Rajeev Setia: You see, there are two parts. One is we, from paddy we process the rice and one we buy rice also. So maybe there is any kind of confusion there. Maybe, I am not sure, but I will myself go through the annual report that part and I will check with the chartered accountant first.

Sahil Malhotra: Yes, sir. A request, it is page 151 of the annual report, sir.

Rajeev Setia: 151 of the annual report?

Sahil Malhotra: Yes, sir. Yes, sir.

Rajeev Setia: Okay, and I will answer, send the answer to Vinay and he will contact you and explain. Okay.

Sahil Malhotra: Thank you so much, sir. Thank you so much, sir. Thank you.

Moderator: Sir, you want to give any closing comments?

Rajeev Setia: Closing comment, you see, the way I have assured, I, we, our endeavour is to reach first our past track record of INR 1,500 crore and that hope it goes more and yes, maintain the profitability, integrity and all every way we assure the investors. Thank you very much.

Moderator:

Okay, sir. Thank you. Thank you to the management team for valuable time and thank you to all the participants for joining on the call. This brings to the end of today's conference call. You all may disconnect now. Thank you.