

**Date:** 17<sup>th</sup> February, 2026

To, BSE Limited The General Manager, Department of Corporate Services, P.J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 507552	To, National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Symbol: FOODSIN
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Dear Sir/ Madam,

**Sub.: Transcript of the earnings discussion/conference call dated 13<sup>th</sup> February, 2026 to discuss the unaudited financial results for the 3<sup>rd</sup> quarter ended 31<sup>st</sup> December, 2025**

In compliance with regulation 30 read with Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosing herewith the transcript of the conference call held on 13<sup>th</sup> February, 2026 to discuss the unaudited financial results of the Company for the 3<sup>rd</sup> quarter ended 31<sup>st</sup> December, 2025.

You are requested to take note of the same.

Thanking you,

Yours faithfully,

For **FOODS AND INNS LIMITED**

**Ameya Masurkar**  
**Company Secretary & Compliance Officer**

**Foods & Inns Ltd.**

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Foods & Inns

“Foods and Inns Limited  
Q3 FY '26 Earnings Conference Call”  
February 13, 2026



Foods & Inns



**MANAGEMENT:** **MR. MILAN DALAL – MANAGING DIRECTOR – FOODS AND INNS LIMITED**  
**MR. MOLOY SAHA – CHIEF EXECUTIVE OFFICER – FOODS AND INNS LIMITED**  
**MR. ANAND KRISHNAN – CHIEF FINANCIAL OFFICER – FOODS AND INNS LIMITED**

**MODERATOR:** **MS. DEEPALI KUMARI – ARIHANT CAPITAL MARKET LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the Foods & Inns Limited Q3 FY26 Earnings Call. As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Deepali Kumari. Thank you, and over to you.

**Deepali Kumari:** Hello and good afternoon to everyone. On behalf of Arihant Capital Markets Limited, I thank you all for joining the Q3 FY26 earnings conference call of Foods & Inns Limited. Today from the management, we have Mr. Milan Dalal, Managing Director, Mr. Moloy Saha, Chief Executive Officer, and Mr. Anand Krishnan, Chief Financial Officer. So without any further delay, I would like to hand over the call to the management for their opening remarks. Thank you and over to you, sir.

**Anand Krishnan:** Hi, good evening. This is Anand here, the CFO at Foods & Inns. We have with us Mr. Moloy who is the CEO as well as Mr. Milan Dalal who is the MD at the company. Thank you for joining us today. Q3 FY26 was a very steady quarter operationally, marked by stable volumes and continued progress across our growth platforms. While overall sales tonnage in Q3 remained flat, this was largely due to deferred call-offs from US customers amid tariff-related uncertainty.

Average realizations were lower on a year-on-year basis, reflecting sales from inventory produced during 2025 crop season at significantly lower raw material costs. As highlighted earlier, our pricing continues to remain a pure pass-through of raw material movements with no structural impact on absolute gross margins. Across our core fruit and vegetable pulping business, export demand for mango products remained strong, supported by onboarding of new customers.

Early indicators of favorable Totapuri flowering suggest continued softness in raw material prices in the upcoming season, enhancing India's competitiveness versus other countries. In tomatoes, crop procurement commenced with a slight delay compared to prior years due to seasonal factors and is progressing as of now.

Our frozen food business continues to demonstrate strong growth momentum, with Q3 volumes up approximately 35% year-on-year and nine-month FY26 volumes up around 37% on a year-on-year basis. Improved realizations were driven by a higher contribution from value-added products in the frozen category. And during the quarter, we commenced supplies to two large financially strong airline customers. We remain optimistic on sustained global demand growth in this particular category.

In line with our focus on building scalable and differentiated platforms, we have initiated a spray drying capacity expansion of 120 metric tons per annum and are progressing on the international expansion in Tetra Recart with improving capacity utilization and repeat orders, and are strengthening our brands through targeted marketing and digital initiatives. Alongside this, investments in automation as well as solar energy at our Vankal and Gonde plants and our Pectin

project continue to reinforce our focus on efficiency, sustainability, and long-term value creation.

Finally, our FY25 incentive claim has been submitted to the Ministry of Food Processing with all required documentation completed before December of 2025. And as we speak, we are awaiting disbursement at any point of time. It could be either tomorrow, the next week, or probably in a month's time that we expect. Overall, we remain focused on disciplined execution, cost efficiency, and leveraging structural tailwinds across our key verticals to drive sustainable and profitable growth.

With that, we'll be happy to walk you through the details and take your suggestions. The forum may be open for questions. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Kaushal Sharma from Equinox Capital Ventures Private Limited. Please go ahead.

**Kaushal Sharma:** Hello, hi Anand ji, very good evening. Just want to get some clarification on Q3 flat volumes. So could you please tell me what percentage of revenue is coming from the US and what kind of tariff was earlier in exporting to the US and what is the current status?

**Moloy Saha:** US volume overall annual basis is approximately 10%. But overall we see the business is growing. In the last one year it has grown and although due to the tariff it is temporarily paused and again it started. And it's likely to increase because we are getting good traction on the frozen category business from US.

**Kaushal Sharma:** So was there any tariff on our products we are exporting to the US because of the reciprocal tariff earlier?

**Moloy Saha:** It was at the peak time it was 50%, because including the additional tariff on Russian oil, 25%, so it was 50%. Now mango pulp had reduced to 25% but frozen category still continuing 50%. But with the recent development, it's likely to be 18% or 19%, but that formal notification yet to receive.

**Anand Krishnan:** So just to clarify and add more on this, we were not impacted with our orders, it's just that the call-offs were slightly slower basically because there was lack of clarity because the government of US has actually now promised some tariff refund to the importers there as such. So there was some slowness to that, but most of our customers were willing to actually take some hit at their side so that the business could continue.

**Kaushal Sharma:** Okay sir. And sir, we are expecting a good call-off in Q4 as per the our last call, so what is the status for going forward in spite of call-offs?

**Anand Krishnan:** So in terms of the local demand, Q4 and Q1 is supposed to be the best that happens historically, and we are in line with that as we actually have seen in the month of January and February.

- Kaushal Sharma:** And sir, could you please tell me any guidance in the absolute EBITDA and the gross profit in the next two years as our raw material, the cost has been reduced and our absolute margin is fixed? So can you please give me any guidance on absolute number of gross profit in growth terms?
- Anand Krishnan:** Thank you that you are actually first of all asking for the absolute number, but I mean at least I understand that you've understood our business right. But having said that, there is no guidance that we would want to stick to this, but rest assured, as much as you want incremental EBITDA and gross margins on an absolute basis, that is a target that we have internally to achieve. And I mean all of us are in our jobs just to have that incremental number in, so you can be rest assured that those are decent targets that we have.
- Kaushal Sharma:** What kind of target? Could you give any guidance on your target that would be very useful for us to track?
- When you said you have a target to achieve in absolute terms, could you please give me the absolute or the target that you have so that we could track on that basis?
- Anand Krishnan:** We do not want to give a public guidance.
- Milan Dalal:** Anand, I would just say that the team will have to endeavor to do better than the current EBITDA margins.
- Anand Krishnan:** Not Margins - absolute.
- Milan Dalal:** Absolute yes.
- Anand Krishnan:** We are internally looking at anywhere between 10% to 15% growth on EBITDA as well as gross margin on a minimum basis on a year-on-year basis. That's the internal targets that we have, but that's not a guidance, please.
- Kaushal Sharma:** 10% to 15% in EBITDA and 20% in what?
- Anand Krishnan:** I said around 10 to 15% in both gross as well as EBITDA is the internal target, not the margin, the growth, absolute EBITDA.
- Kaushal Sharma:** That I understood, sir. I am talking to in the absolute terms that you are targeting, 10 to 15 in EBITDA and gross, right?
- Anand Krishnan:** Correct. I'm sure you have understood because you've asked me the right question. Just for the clarity of others, I'm just repeating this, that's it, Kaushal.
- Moderator:** Thank you. The next question comes from the line of Venkatesh Ranganathan from Banana Capital. Please go ahead.
- Venkatesh Ranganathan:** Namaste, Sir, are you doing anything in terms of strategic partnership with anyone?

- Anand Krishnan:** Venkatesh ji, we always keep on exploring all these options and a lot of things are actually going on in the company with respect to exploring options. But unfortunately, till the deal is signed, we might not be able to tell you anything on it.
- Venkatesh Ranganathan:** Sir, in your customer list, who do you supply to Dubai in UAE? Who is your major customer there in UAE?
- Milan Dalal:** Lacnor is we sell to Lacnor for our mango pulp and we have a lot of other retail traders. We have agents who are now working with various airlines.
- Venkatesh Ranganathan:** Any MNC companies or any listed group that you supply to in the UAE?
- Moloy Saha:** We have MNC companies in India whom we sell to like Unilevers, Nestles, etc. But Middle East we see tremendous scope in our frozen foods and Tetra Recart and other areas. Lacnor of course has been our client for over 45 years.
- Anand Krishnan:** And Mr. Venkatesh, we are exploring with large retailers based out of Middle East as such. I wouldn't want to name them as of now. Once the deal is signed, you will know about it.
- Venkatesh Ranganathan:** When is that deal expected to be signed? Are you in talks to sign any deal? What is the timeline for that?
- Moloy Saha:** Sir, as I mean Mr. Anand communicated, sir, for any company, we look for all the best better opportunity. Many things we are working on it, at appropriate time I'm sure the company will be able to convey all the good news with our shareholder.
- Anand Krishnan:** Yes, so Mr. Venkatesh and as I already told in the opening remarks as well as in the investor presentation that we've already signed up with two large financially sound airlines. So in tune with that, we are actually working on other, I mean, strategic partnerships as such. Hopefully everything should be in place and we will be able to announce.
- Venkatesh Ranganathan:** So these airlines are from Gulf region or are they from the US region?
- Anand Krishnan:** We don't want to give any details as of now due to competition, I mean, we don't want our competitors to go there as of now. We have cracked a few airlines, this is all that we can tell you.
- Venkatesh Ranganathan:** And sir, if US tariffs affected your business, how much did it affect? I mean, how much did it cost before and how much did it cost now? What is the percentage terms?
- Anand Krishnan:** Venkatesh ji, this question was asked by the previous caller. I would request you to go...
- Venkatesh Ranganathan:** I'm sorry, I might have joined late, so that is why I am asking you.
- Moloy Saha:** Just repeat to you, sir, there is no cancellation of any order. In fact, order volume and value is increased compared to last year. However, due to this non-clarity on the tariff situation, temporarily customer had paused the dispatch.

**Venkateshan Ranganathan:** But I'm asking you the percentage difference. I don't know if you got my question right. I'm asking you the percentage difference. Before tariff, it was how much? And after tariff, it will be how much? What is the percentage difference in both the way?

**Moloy Saha:** Duty you're talking about, tariff duty? Okay. Earlier it was -- before the tariff, it was 0.06%. When the tariff...

**Venkateshan Ranganathan:** That is in quarter 2 you are talking, or quarter one?

**Moloy Saha:** Quarter 1.

**Moloy Saha:** Prior to Trump having announced the tariff. So when you talk about the peak tariffs were 50%. Now we will be down between 18% to 25%, but final clarity would come. General guidance given by the trade department India and the US says it would be around 18%. Having said that, our clients were accepting at 50% as well, but with a delayed call-off. Now with things getting little better and the possibility of them getting a refund and all that, our orders which were put on hold are now likely to be dispatched soon enough.

**Venkateshan Ranganathan:** And our total market share out of the revenue top line that we were doing, what is the US-related revenue?

**Moloy Saha:** Around 10-12%.

**Venkateshan Ranganathan:** Only 12%?

**Moloy Saha:** Yes.

**Venkateshan Ranganathan:** Okay. And sir, what about tomatoes? You said they are coming with the late season, so we did not make the required sales in this quarter results. Will that be translated into the sales in the quarter 4 results?

**Moloy Saha:** Partly yes and partly carried...

**Venkateshan Ranganathan:** Because quarter 4 already 45 days are over and another 45 days are pending. So how much was the order of which is executed in the 45 days and how much will be executed in the next 45 days, from the total order?

**Moloy Saha:** Very difficult question you have asked because as we...

**Venkateshan Ranganathan:** Okay. Tell me what is the total order of tomato that we have?

**Moloy Saha:** Sir, already it's -- the season is going on. Order negotiation is under process and we are...

**Venkateshan Ranganathan:** As on date while we are speaking, how much order you have?

**Moloy Saha:** Sir, we won't be able to give absolute figure. Again, I'm highlighting.

**Venkateshan Ranganathan:** Sir, how can you not give sir? We are the shareholder. You are putting whole disastrous results from many quarters. According to me, I'm not getting any value appreciation. When I'm asking

you questions, you say we cannot tell you. This is not how a con-call works. You have to be transparent.

**Moloy Saha:** You are not letting me answer the question and you are ready like doing it. Just have patience, let him answer and then have a counter question. Kindly don't interrupt.

**Venkateshan Ranganathan:** He is saying, I cannot give, I cannot give. What is this? I cannot give.

**Moloy Saha:** Okay. Can I say?

**Venkateshan Ranganathan:** Okay. So how much is the revenue?

**Moloy Saha:** Revenue till three quarters, for the three quarters we are able to get around INR55 crores from tomato paste and other tomato-related products. And we are able to, I believe that if we can able to produce, now we have started, it can increase by another, say, 20%. But our overall order position is much higher than that. And tomato product...

**Venkateshan Ranganathan:** What is the order position? What is the balance order position as on date we are talking of or as per the latest data that you have?

**Moloy Saha:** Sir, if you don't allow me to talk then how can you continuously you are pausing me and asking. Let me allow, if you have some patience. You just allow me finish and then you ask me. I am very happy to give all your answers, sir.

**Anand Krishnan:** No, not necessary, Venkatesh. If you're going to talk so rudely, we don't need to necessarily give you answers. It's your choice to either be invested in the company or not. It's about our strategy to actually say as to what we need to do with our business and what information is public and not public. So I don't expect you to actually speak to us in this manner.

**Venkateshan Ranganathan:** You have been saying I cannot say, I cannot say. And you see your all performance from past two years, three years, you will come to know. I have been invested for so long, you will also come to know.

**Anand Krishnan:** We understand what we are doing. There are certain times there are problems in certain businesses because of certain different reasons. Not everything can be explained to a shareholder and it is not necessary to explain everything to a shareholder.

**Venkateshan Ranganathan:** I just ask you the tomato order that you have as on date. That's all.

**Moloy Saha:** Sir, again, I am repeating the tomato order, I told you that already how much we have sold in three quarters and what is the likely to happen in next quarter also. Already I answered this. Now you're asking the tomato, what is the things? I told you that everything is under negotiation because during the processing time, negotiation is always -- there will be negotiation. And once the season is over, then the final order always crystallized and signed.

So unless both the party sign the contract, it will not be a right for my side to give you the figure. Because that is the industry's practice. Industry never get order during the season time. Once the season is over, then only all the orders get crystallized because this is an agricultural

commodities. Pricing of raw material to be fixed once the season is over. And that's the standard practice, sir.

**Venkateshan Ranganathan:** So my question was, again, I'll repeat it. What is the balance order as on date that you have in hand, which I still have not received a reply to?

**Moloy Saha:** I just told you, sir. We already have around INR65 crores, and this quarter we will be able to do another 20%. I already gave this answer to you.

**Venkateshan Ranganathan:** Okay. I'm sorry. I did not hear that. So my understanding is INR65 crores is the balance order that we have to execute, right?

**Moderator:** Mr. Venkatesh, you can rejoin the queue.

**Venkateshan Ranganathan:** This is the current question going on. I just want the clarity. Please don't cut me here.

**Moloy Saha:** Sir, if you allow me to tell, I'll tell you. Anyway continue. Okay, I think something is telling, tell me, sir. Any other things from your side?

**Venkateshan Ranganathan:** Yeah, so my understanding is INR65 crores is the unfinished order we have in hand for tomatoes. Am I right? Is my understanding correct?

**Milan Dalal:** Sir, your understanding is wrong.

**Milan Dalal:** We have already sold worth INR55 crores, Mr. Venkatesh. Why are you unnecessarily being aggressive into it? This is a commodity and the nature cannot, we cannot dictate to nature that what tomato at what date we will get. Our customers and we will sit together -- will you let finish? Please do not interrupt me. You asked the question. You better have the patience to listen as well.

So our CEO has told you that as in our Coca-Cola contract for mangoes, it is at the end of the season that the final contract and the final pricing is done. He has told you INR65 crores has already been executed and 20% more is expected. Now if the procurement can happen more, there would be further order book positions. If there is a delay in it, there would be an overflow to next year.

**Venkateshan Ranganathan:** Okay. Now I get it. Thank you. I'm done with my questions. Thank you.

**Moderator:** Thank you. The next question comes from the line of Saket Kapoor from Kapoor & Co. Please go ahead.

**Saket Kapoor:** Sir, firstly, if you could just explain to us the seasonality aspect on a quarterly basis pertaining to the nature of the business? And then also to the debt levels that we are carrying, I think so our finance cost payment is to the tune of INR11 crores to INR13 crores on a quarterly basis. However, there has been a significant reduction from this number for December '24 and '25. So these are my first two questions.

**Anand Krishnan:** Hi. With respect to the interest cost reduction, I'll take that answer first -- I'll take that question first, sorry. There was 1 basis point reduction that the RBI actually did around 100 to 125 basis point. So that benefit have actually come onto us. So if you see on a Y-o-Y basis, the interest cost has come down.

But with respect to the long-term debt, we had actually paid down around INR20-odd crores as compared to what it was in the last year same quarter. So all-in-all, that's where the mix has actually changed and the interest rates have actually -- interest costs has actually come down. So if I've answered this question right and if you've understood, then probably I'll move on to the next.

**Saket Kapoor:** Sir, can you provide me with the net debt number, sir? Between break-up of both long term and the working capital requirement?

**Anand Krishnan:** Okay. Just a second. As of now my total debt is around INR460 crores approximately, long-term and short-term put together. Long term is around INR50 crores.

**Saket Kapoor:** So long term is INR50 crores.

**Anand Krishnan:** Correct.

**Saket Kapoor:** And the balance is our working capital requirement, short term.

**Anand Krishnan:** That's right. So it increased from INR360 crores to INR410 crores recently. It is basically because of the incremental production in tomato and all that we have actually done and the other inventory which is still there in the books.

**Saket Kapoor:** Okay sir. Then you please now explain the seasonal aspect of the business and how should investors look for our performance on a quarterly basis with the peak and the lean quarters?

**Milan Dalal:** Quarter 3 is going to be very difficult because basically mango is a summer fruit and production happens in summer and basically our clientele is a juice manufacturer and generally especially in India, not necessarily around the world, but in India it's a summer drink and not necessarily a winter drink. So our typical contract goes over 15 to 18 months and the call-offs do happen.

Production has to happen around summer, but there is extended summer, there is short summer. And generally, the pattern is anywhere from April to July is the time. As far as tomatoes are concerned, there are two seasons and it's more in the colder times, like winter, which is now. It should have started by end December. It was slightly delayed and has started in early February.

Having said that, quarter-to-quarter is not a great way. Yes, we have to come up with our quarter-to-quarter performance and report. But year-to-year, we are almost comparable by way of our production, by way of our sales. If anything, Moley or Anand want to add.

**Anand Krishnan:** So with respect to the seasonality of the business, basically what you need to understand is that since the raw material is available only three months of a year and our production needs to be done, so you cannot look at this business typically on a quarter-on-quarter basis. You have to look at it as to what the company is doing on a year-long basis.

So a lot of our contracts are more than a year long, say example Coke and all that we actually deal with have a 15- to 17-month contract window that we actually have. So ideally, it's that contract period that you have to see to actually assess the business.

But having said that, it's very difficult to assess it that way. So it's the year-on-year absolute growth in gross profit, absolute growth in EBITDA that you should actually track to see as to how the business is doing. So that's the best way for any analyst to track this business.

**Saket Kapoor:** Just to get to that point, sir, then what factors have alluded to the drop in profitability and the revenue for the 9 months if we compare the 9 months performance?

For the 9 months ending 31st December '25, our revenue has been to the tune of INR580 crores, which was INR610 crores for the previous year, where the profitability has taken a toll from -- it has dipped from INR20 crores to INR12 crores, whereas there has been savings in front of finance cost also, but then also the profitability is lower. So what explains these dips in the business, the turnover as well as profitability for the 9 months?

**Anand Krishnan:** So the standalone numbers, if you were to actually see the gross profit...

**Saket Kapoor:** Consol number, sir.

**Anand Krishnan:** Yes, I'm just talking about the main business first, and then we can actually come to the consol if you want. So it's important to understand the main business, right? So that's why I'm stressing on the standalone numbers for now. So if you see the standalone numbers first, the gross profit has actually increased from INR216 crores to INR235 crores. So there has been an 8.7% increase in the gross profit on a 9-month basis.

But you are right in actually saying that the EBITDA has actually gone down, wherein it is down by around INR10-odd crores in the 9-month basis. So a part of it -- a large part of it can be explained by the MTM margin that's the MTM forex loss that we actually incurred, wherein we had hedged the exports that we had actually done at a certain rate.

And because of the depreciation in rupee, that has actually hit our mark-to-market in the business. So that's necessarily not a cash loss in the business. But then since the exchange is booked, we receive only that much of inflows, right? So that's what has actually happened.

So optically, that's looking like a loss. So that's one part of it. The other part has also been because of the freight-related things that have actually happened and the other operational expenses that have increased. But having said that, come Q4, I think we should be in a much better position on the EBITDA basis with a growth as compared to what it was last year. That's something that you can take for granted.

**Saket Kapoor:** Sir, now can you give the color for the consol part? I'm trying to make when we are valuing the company, we are always looking this as a consolidated entity. So on...

**Anand Krishnan:** Okay, so you -- what you need to understand is that between the standalone and the consol, it's only a difference of revenue of -- on a full year basis, around INR22 crores, INR23 crores because Kusum is the business that actually adds on to the consol, right, as of now.

And that business is slightly at an EBITDA loss as we speak today, basically because we are actually expanding our footprint geographically, and we are trying to invest into the brand, Kusum as such. So I deliberately excluded that just so that you could understand the core business as well as the Kusum business. I mean, if you were to just understand that.

**Saket Kapoor:** Sir, I got your point there. But a small point, and then I may join the queue is that I'm trying to just work out that on a top line decrease of, say, from INR609 crores to INR580 crores, the profitability has gone down by INR8 crores. So just if you could just give that mix that what has attributed to this decline?

And then on a comparable basis for the year as a whole, last year, we have done closer to INR50 crores of profit, PBT number. So taking this performance -- this gap is going to continue for this financial year. So for this year, we are not expecting any growth on the?

**Anand Krishnan:** No, we are. So you can expect the gap to be close and be bettered by Q4 is all that I'm trying to say because what is there in that INR50 crores is basically the PLI income as well. So the PLI income is going to be coming, and our PLI incentives are at a much higher number than what it was last year. That's number one. Number two, our Q4 is supposed to be one of our stellar quarters. Historically, that's been how the business has actually performed. So MS, if you need to add something?

**Moloy Saha** I think, sir, we'll be able to -- what you told that last year, total profit before tax is around INR52 crores, I believe. And though this year, revenue is a challenge because our realization is lower compared to earlier years, but we are expecting a higher volume if we consider the projected sale of Q4. So overall, there will be a higher volume, but revenue will be under stress due to the lower realization, but profitability will be maintained and likely to be better than last year.

**Saket Kapoor:** Okay. And the last point on the PLI front, sir, what is the number that we have factored for the last financial year? And what should be factored for the current year, FY '26? March '26, how much are we factoring in, in terms of PLI due?

**Moloy Saha:** PLI amount for the current year -- last year, we have given around INR25 crores. This year, we have submitted our application. It is under process. So today, we may not be able to give the exact figure. But we believe that based on the our sales and all these things, it will be similar like last year, maybe a little higher than last year.

**Anand Krishnan:** Yes. Higher than last year is what the number is. We don't want to confirm on the number because it is all government related. So we have applied for a certain number. We are 99% hopeful that, that should be the number that we should get. So...

**Saket Kapoor:** Last year amount we have received, sir, INR25 crores in FY '25?

**Anand Krishnan:** Correct.

- Moloy Saha:** Sir, not in FY '25. That was for FY '24.
- Anand Krishnan:** Yes, that was for FY '24 received in FY '25.
- Saket Kapoor:** Okay. And the figure for INR25 crores that we have factored for March '25, that money has been received by us or that is still pending?
- Moloy Saha:** Yes, we accrue on actual basis, on a cash receipt basis.
- Saket Kapoor:** Come again, sir?
- Anand Krishnan:** We booked the income in P&L since it's a government-related thing, we book that on actual receipt basis.
- Saket Kapoor:** Okay. And lastly, sir, out of the INR50 crores long-term debt, can you please put forward the reasons for which the long-term debt is being there for what kind of capacity addition or product mix change we are anticipating? How is this money going to be utilized?
- Anand Krishnan:** Sorry, the long-term debt that -- that actually -- we have actually repaid around INR20-odd crores.
- Saket Kapoor:** No, no, INR50 crores for what purpose, it's there...
- Anand Krishnan:** So basically, we are getting incentives under the PLI, right? So we have invested under the PLI as well as outside the PLI, I mean, for the growth of the business as such. So that's something that we have been talking about in all the previous investor con calls that we have actually had. So it was for that related capex that we have done.
- Saket Kapoor:** Sir, I again missed it some, my line was not -- I could not hear you out completely. Can you come again once again?
- Anand Krishnan:** I'm saying that the long-term debt was actually taken for the capex that we had done for the incentives that we are receiving under PLI. So there were certain commitments that were done. If you see our investor presentation, so the greenfield plants have actually been given. If you want to even see the annual report, the greenfield plants at Vankal is one of the capex that we actually did apart from a few brownfield capex that we did at Gonde for the spray drying plant, for the cold room, for the frozen food factory and all those things.
- So all of it is part of that PLI, apart from which non-PLI investments was the tomato processing plant that actually was commissioned around November of 2024 as such. So all the capex was actually a part of the INR50 crores long-term loan that you actually see.
- Saket Kapoor:** Okay. And last point is, sir, then what is precisely our cost of fund. And I'm just trying to make sense that we paid INR58 crores as the finance cost on a consolidated basis for March '25. This year would be I think so on the lower side since 9-month number is INR36 crores. So are other factors also that has been embedded in this finance cost, any bank charges or something more than the working capital and the long-term finance cost that is being embedded in this number, INR58 crores...

- Anand Krishnan:** Yes, the bank charges, whatever is a part of that is actually a part of this interest cost.
- Moloy Saha:** Yes, entire bank-related cost, everything comes in this.
- Saket Kapoor:** Sir, what is the blended cost of fund then and our current rating?
- Moloy Saha:** Current rating is BBB as per the CRISIL. And the current interest range is around 9.2% to 9.8% range.
- Saket Kapoor:** And when is this rating due, sir?
- Anand Krishnan:** April.
- Saket Kapoor:** April '26?
- Anand Krishnan:** Yes. Yes, sir, after the financial year.
- Saket Kapoor:** To have better understanding post the call, sir, is there any window or medium by which we can have an interaction going ahead, where do...
- Anand Krishnan:** You just write a mail to us, we'll be happy to respond.
- Saket Kapoor:** Correct sir. Thank you sir and I'll join the queue.
- Moderator:** The next question comes from the line of Natasha Singh, an Individual Investor. Please go ahead.
- Natasha Singh:** Sir, I have couple of questions. One is that recently that you have prod into Hong Kong, Finland and the Gulf region, which of these geographies is showing the...
- So I was saying, so recently, you have gone to the international market where you have prod into Hong Kong, Finland and the Gulf reason, which of the geographies is showing the strongest initial traction for your B2C brands like Green Top and Madhu?
- Moloy Saha:** As of now, if you ask me, I think we are doing quite well in Russia.
- Natasha Singh:** Okay.
- Moloy Saha:** Middle East just started, but it will take some more time. Hong Kong is steady. It's a steady growth, not a big growth. But yes, we launched our product. We got the repeat order. It's multiplied by 2x, but since the base is low, so it may not be a quite substantial figure.
- But we're expecting that Hong Kong likely to be more in near future. We have added new products. But our B2C, Russia is doing quite well now. And soon, we may start in US also our B2C product in, Tetra Recart pack.
- So I think I must say that -- Natasha that Tetra Recart is something is giving a very encouraging visibility for the company, not only in our own brand, but as well as a private level from USA customer, from Russian customers, from Europe customers. So we see a good opportunity in near future.

**Natasha Singh:** Sir, recently, your pectin has been approved by the large MNC. So what is the current status of converting these approvals into commercial contracts? And what portion of the INR15 crores revenue potential is expected to be realized in financial year '26?

**Moloy Saha:** Yes, it's a good question. Last call also, we told that we have submitted our sample and that sample is getting tested at their site because it's a long process. As you know, this is -- this product is used in their processing very minimal quantity. So unless they complete the consumer testing, we may not be able to start the commercial supply.

So as of now, we -- from the -- only couple of customers, we have some visibility that in the month of March, we may get some commercial order. But major customers are likely to come from the Q1 of next year.

So it's a long process. It's almost 6 to 7 months process before we get the final order. So that's the concern. But this year may not be substantial sale, I mean, revenue in our kitty. But next year onwards, we are expecting that at least 70% -75% of our capacity we can be able to utilize.

**Natasha Singh:** Okay. And sir, in the last quarter, the financial year '26, your volume growth was 35% and the addition of two airline customers has been done. So what is the current capacity utilization for the frozen lines at Sinnar and Vankal?

**Moloy Saha:** I must say -- now Vankal is a vegetable processing. Whenever vegetables are available, it's 100%. If vegetable is not available, we are unable to run. But since we have installed Vankal vegetable processing, utilized more than 65% to 70% and we expect that it will likely to grow.

And snacks line in Nashik and Indian bread, snacks and some of the part of the vegetable in Nashik facility is fully running. In fact, we are -- I mean, I must say we have larger order than our capacity. So that's why we are running three shifts now, night shifts also working. So it's a very good moment for the frozen.

And whatever report we are having and statistical report as well as customer feedback, we strongly believe this segment is likely to grow in the same pace for the next 3 to 4 years across the world. So as a company, I think we must very seriously look in this sector and continue to grow.

And wherever we need to do tweaking of the capacity, we are looking into it as a short term, as a long term. Short term and long term, both, we are looking how to increase the capacity to fulfill the commitment.

**Natasha Singh:** Okay. And sir, the last time we spoke about the tomato pulping, right? And because of some delay in tomato crop because of the seasonal factor. So how long this delay will impact your ability to meet the -- more than the doubling of your market share?

**Moloy Saha:** Yes. Yes, we said doubling the -- not market -- our capacity, we'll be able to -- I mean targeted double, but unlikely this year, we'll be able to do because already crop delayed. And then as of now, we have started getting whatever is our per day requirement. And we hope to continue the

same thing till April. If -- being agricultural commodities, we do not know. But we are quite hopeful that till April, we'll be getting the same pace.

If we able to produce till April at the full capacity, which you are doing currently, I believe that we can able to recover substantially. As of today, we may not be able to tell you how much we'll be able to do, but substantially we have to cover.

**Moderator:** The next question comes from the line of Kaushal Sharma from Equinox Capital Venture Private Limited.

**Kaushal Sharma:** Just one follow-up on our borrowings. Like you said that currently, we are having INR410 crores of short-term borrowings. And as compared to the March, we have around INR362 crores short-term borrowings. And the Totapuri prices has fallen significantly and you have mentioned in Q1 financial '26 that the working capital requirement should be less. So I just want to know why the inventory is being increased or why the borrowings have increased in that form?

**Moloy Saha:** As you know, we are more focusing on non-mango business. Non-mango business means we are focusing on guava, tomato is a big bit, then chili, garlic, ginger, these are all seasonal. During the season, we have to produce. And that same stocks we need to hold for all of for next -- average next 6, 7 months and other than mango. So as we produce, we need to have the stock built up, we need to have the working capital requirement.

So this scenario is going to continue as and when we are diversifying our business other than Mango. If there's a mango, then there's a clear graph that between April to July, maximum utilization, then from October onwards, working capital block is likely to reduce. But if you add more non-mango business, then definitely, you need more fund to produce during the season period and as an when call up take place.

So I believe that this cycle will be much more clear to all -- everybody in 2 years' time when we have a multiproduct in our kitty. So at that time, we have a very clear picture that we are producing season and then selling and again recovering. So you have more visibility. As of today, as you rightly said, it is a little confusing when you are telling one way that mango price has reduced, other way, working capital has increased. This is basically for the non-mango business product.

**Kaushal Sharma:** What amount of non-mango inventory do we have currently in our inventory as of December 2025?

**Moloy Saha:** As of today, we are around 26% non-mango, 74% mango. But our objective is that how soon we can do mango 60%, non-mango 40%. We are all working in that direction.

**Kaushal Sharma:** But still, sir, we have a majority of inventory coming from the mango that the price has been reduced significantly from 33% it has been corrected and the tonnage is just grow -- grew 11%. So is there --I guess, there is some mismatch. I don't know why it is being?

**Moloy Saha:** No. You know, being a -- on multiple calls, we have communicated that mango production in the month of mid-April to July. Okay, so I'm giving an example. In the -- we have produced

mango in the year 2024 when the price is on higher side. And that stock till we are carrying forward because as per the order of Coca-Cola, PepsiCo, it is likely to be completed by the month of June, because it's a 21 months to 24 months contract. So we are still carrying forward their stocks, which is to be built at 2024 agreed price.

Now unless that product is fully sold, you will be seeing the inventory valuation not in -- 100% not in lower value. Some of the products are lying at higher value of 2024 and balance in 2025 mango, which is a lower value. That's why you are seeing this mismatch. And such...

**Kaushal Sharma:** So in the next year, we're are sensing a -- yes, less blockage in the working capital, right?

**Moloy Saha:** Pardon, sir, I could not hear you.

**Kaushal Sharma:** In the next year, like as you said that the inventory you are carrying forward, 2024, so now so now it is on a higher price, but in the next year we have the lower price of inventory, so the blockage would be..

**Moloy Saha:** Yes, some lower price, but mango season to start in the month of April, we do not know how the price looks like. As of today, it looks a good crop. But if the price goes up, again, there will be inventory or high valuation. So this cyclical effect is always there in our business.

**Kaushal Sharma:** So this is not a peak that we have currently, it may rise in future as well, as you said?

**Moloy Saha:** Yes, yes, yes, it may rise, sir. But yes, I think this quarter, we believe that till June, there's a good summer expected as per various reports we are getting from brands like Coca-Cola, PepsiCo and even Unilever. If that is so, then I think we can see a very good sales till June, that will give a substantial reduction in our working capital blockage as the stock moves out.

**Moderator:** The next question comes from the line of Kaushal Shah, an Individual Investor. Please go ahead. Mr. Kaushal, please go ahead. We'll take the next question from the line of Saket Kapoor from Kapoor & Co. Please go ahead.

**Saket Kapoor:** Yes, Sir. Sir -- Hello?

**Moloy Saha:** Yes, hi.

**Saket Kapoor:** My question is pertaining to the Pectin project and the Tetra Recart project. So if you could just explain to us how much have we invested in these two verticals, and what has been the contribution for 9 months? And going ahead, what are the growth pillars for these two segments?

**Anand Krishnan:** Okay. So with respect to the investments, basically, the Pectin project is around INR12 crores to INR13 crores of investment that we have actually done. And with respect to the Tetra Recart, basically, it's a INR30 crores investment that we did broken up into INR24 crores for the equipment and the balance INR6 crores for the infrastructure that we built. But the infrastructure is such that it can house three more machines of the same kind as such. But having said that, the capacity utilization in Tetra Recart is very low as of now.

In the 9 months, we would have reached around INR4 crores to INR5 crores of revenue as we speak. But a lot of things are happening, and we are hopeful that we might be able to do better in the coming quarters. But till -- in the 9 months, the actual figure is around INR5-plus-odd crores is what the number is for the Tetra Recart.

With respect to the Pectin, as we have already said during the call, this year was actually wherein we submitted our actual production to all these large brands who had already accepted our lab run test. And till the point of time, they don't make formulation changes, it is not going to translate into commercial revenue for us. But we are hopeful that it should happen in FY '27. So in terms of revenue, it is nothing to speak about with respect to Pectin.

**Saket Kapoor:**

But if you could just give us some color on the type of potential because in your opportunity column, you have mentioned about it is Pectin, will be -- its considered as one of the safest food additives. So if you could just give us some color what is our -- the optimal capacity that we will be running the plant and taking that into account once the approvals are received, what kind of revenue this unit can exhibit?

**Anand Krishnan:**

So with a discount to the import parity prices, basically, Pectin is actually INR350 crores to INR400 crores market in India as we speak and 95% of it is actually imported. And basically, if we were to run our Pectin plant on a single run basis, then we can generate around INR15 crores of revenue. But that INR15 crores would be actually split into 50-50, wherein we will be consolidating only 50% of it because it's a joint venture per se.

So on a single shift basis, it can do around INR15 crores of revenue to answer your question. But it's a highly scalable business basically because we have more than enough raw materials for Pectin as compared to the plant sites that we have put up initially.

**Moloy Saha:**

I just would like to highlight one point. I understand the repeated question on the Pectin because we are talking on this project for a long time. Sir, these are the -- product is very high-end product. It's not just like a commodity.

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It's something that, as I just -- before that, I was talking to in this forum that to produce, say, 1,000 liter of juice, this Pectin may require only, say, 10 kg. So you can understand if anything goes wrong with the product, the 1,000-liter product goes wrong.

So that's why whenever any change required at the customer end, they will not just change in a month or 2 or 3. They will carry the product, they will do the trial, they will do the consumer testing. And then only brand will change for a new ingredients.

So that's the reason it's taking more time. But once it is established, as I told you, the high-end product, once it is approved by any vendor, then quickly, they don't change unless there's a substantial commercial benefit to the brands.

So we are very, very confident, though it's taking time, but this is a game changer for us because waste to wealth, what is talking everybody, and we are also in the similar line. Today, we cannot show the revenue generation because it's taking time.

But in near future, you will be able to see a significant margin or EBITDA benefit for this product as well as, I mean, good benefits on an overall basis. So that's why we are very hopeful and we believe that it's a very good platform for us to present us to the world market on the circular economy.

**Saket Kapoor:** Right, sir. And sir, on the Tetra Recart part, sir, if you could just explain to us. There, sir, we are only doing these boxes? Or can you explain what is the scope of work exactly in this part and we are doing B2B business here in this vertical?

**Moloy Saha:** Okay. I will give a -- sorry, I may take a little time to explain you since you are asking. So Tetra Recart, basically a new generation packaging solution alternative to can. We all know in the market, can product available, okay. Whether it's a Heinz baked beans or some other products, everything is available.

Now over a period of time, world is trying to get out from the can business. The reason is that it is high probability when you open the can, foreign particle go into the product from the tin. So plus can discard after usage is a big challenge across the world. So Tetra Pak has come with a solution, it's a Tetra Recart, it has similar shelf life, but retention of color and the product taste is much, much better than can.

Now in worldwide, this concept is very well accepted. US is having almost six machines, Argentina is having seven, eight machines like that and recently Sri Lanka also launched, installed one more machine. Now India when we bought it and we have tried to work with the many brands, but I think awareness about this whole packaging is taking time. Tetra Pak also jointly working.

Meantime we have changed our focus from India market to export market, where we are seeing that export market already very well aware about this product and easily acceptability. So we are able to gather a momentum which was temporarily paused since we are focusing in domestic market. Now we are getting good traction, we got our large order from US customer and we are also getting good order from Russia, we are already started repeating order in Europe.

Now your question is whether it's a B2B or B2C. If you tell me it's a private label, so likely to be to B2B for the export market, but we are also trying to explore in B2C in India market which may be little slow pace, but first we want to gather our momentum in export market, so that we can quickly recover the revenue loss whatever is happened earlier we can able to recover. That's it.

**Saket Kapoor:** And sir what have been the revenue booking how much revenue we have booked as of now is it in very nascent stage for the nine months?

**Moloy Saha:** Yes as I think Mr. Anand had told it's around INR5 crores so far and next year onwards we are expecting that it can be 5x to 6x of current volume.

**Saket Kapoor:** Okay. And sir, just to add to it, the scope of work is only the job work type that we will be doing, sourcing the material and doing the packaging and the labeling or what is the exact source or scope of work in this packaging?

**Moloy Saha:** We are not doing any job work sir. Everything is under contract manufacturing for B2B. So it's not a job work. We do not do any job work. So we have to buy. The recipe is ours, raw material is ours, everything is ours and then we'll be manufacturing for them and in customer label in the export markets likely to sell. For domestic market is, yes, we are looking our own brand.

**Saket Kapoor:** Okay. So there will be two types of billing. First is on the material sourcing to the finished product margins and then the packaging part. So is what the understanding should be?

**Moloy Saha:** Yes, yes, sir. Yes, sir.

**Saket Kapoor:** Okay, sir. And sir, lastly on the frozen food and the spray drying part of the story also, there in also the similar conceptualization is there. Sir, when we look at your -- the frozen food part, it is the sourcing of -- I mean, if you could just explain to us these two verticals also and the scope that we have currently? I think so in the spray drying you have mentioned about capacity of 1,100 metric tons. So if you could just explain these two verticals also?

**Moloy Saha:** Okay. Frozen food is B2B, similar kind of thing. We are since 1993 we are in frozen food business. So we are doing private label for export market. Initially started with UK, but now it has expanded to across the globe like US is a big business, Canada is quite a big business, then Australia we have started, now we are starting Gulf countries also.

So it's a pure B2B business and in India we have started our own brand called Green Top, but not in a big way we have started. We are -- small-small geography we are considering and trying to concentrating our product in that geography. So it will take lot of time, but export market is growing in a phenomenal place. So it will be a B2B segment.

And spray drying, sir, spray drying 100% B2B because this is not a final product. This is a ingredient for seasoning. Like any confectionery or any snacks industry, they need the seasoning. Seasoning basically, I'm sure you are having lot of potato chips. On the potato chips, on the top there will be a dressing, a powder type product like Lays Potato Chips or Balaji. So that dressing is our product and our product goes for making the seasoning. So it's a 100% B2B.

**Saket Kapoor:** Okay. And here in, sir, you have mentioned about robust capacity in place. So what currently what is the contribution from this segment and how are when are we expecting to scale up or optimum use of the capacity?

**Moloy Saha:** For the spray drying is a 100% capacity we are using and we are as mentioned in the investor note, we have expanding our capacity by 120 metric ton in a year. Construction is already started and likely to complete in another 9 months period.

We are going in a slow pace, but we are under discussion and with a strategic -- some kind of strategic relationship, we are also trying to do with some customers for the further bigger expansion. So it is a small expansion. We are doing it. And if everything goes smooth, then in future, we may go for a bigger expansion in this sector.

- Saket Kapoor:** Okay. And we are -- if you could just mention the name of some of the clients. We are doing business with big giants like ITC also, they are also big into this food and all category where you have mentioned...
- Moloy Saha:** Major clients for -- is the PepsiCo for their Lay's, we are supplying. We are also supplying to Unilever for some of their products. We are supplying to ITC. We are supplying to Dabur, Nestle. So a lot of customers. I mean most of the MNCs are -- our customer base, if you see, most of the customers are from MNCs. That's a good part of us. In fact, if you see our revenue, 65% of revenue comes from almost 12 MNC companies.
- Saket Kapoor:** Okay, sir. And sir, can you give me a peer comparison also in the space wherein we can look at the margin comparison and the business profile?
- Moloy Saha:** Very difficult because...
- Anand Krishnan:** So the only listed company which is actually there in this space is basically Jain Irrigation, but they have a subsidiary of that company, which is called a Jain Farm Fresh. As far as I understand, they are expected to actually list that company separately is what they have actually indicated in the recent Investor Call and all those things which have happened. But there is no direct numbers that you can actually get from them.
- Moloy Saha:** Because the product basket are different for everyone. So that's the difficulty.
- Saket Kapoor:** Okay. Thank you for all the elaborate answers. Sir, our answers are being addressed by Mr. Anand, our CFO; and Mr. Moloy, the Chief Executive Officer...
- Milan Dalal:** It's a team that works at Foods and Inns. So whether I'm silent, there are people who have to play the silent role as well. But when they are doing well, why bother them.
- Saket Kapoor:** No, sir. I'm new to the team. So...
- Milan Dalal:** He was right, yes, because it was quite an elaborate thing. They have already replied, but as and when I'm always available.
- Saket Kapoor:** No, sir, thank you for the elaborate answer today. We'd dig deeper and get further understanding and we'll get back to the team in case of any further. All the best sir. Thank you, sir, and please do continue with the call, so that we get an opportunity to participate.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to management for closing remarks.
- Anand Krishnan:** Thank you so much, guys, for all the questions that you guys actually put forth. I mean we might not have been able to answer all questions basically because some due to competitive reasons, some due to certain reasons at the operational level as such. But having said that, your continued support is of great value to us, and we hope that you will continue supporting us, and we'll hopefully deliver value to you pretty soon. Thank you.
- Moloy Saha:** Thank you so much.

**Milan Dalal:** Thank you.

**Moderator:** Thank you. On behalf of Arihant Capital Markets Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

**Anand Krishnan:** Thank you.