

May 22, 2026

To,  
Listing Department,  
**National Stock Exchange of India Limited,**  
Exchange Plaza, 5th Floor,  
Plot no. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai-400051

**Name of the Company: Proventus Agrocom Limited**

**ISIN: INE0ONE01016**

**NSE Symbol: PROV**

**Sub: Transcript of Conference Call - Earnings Call to discuss Audited Financial Results for the half year ended and Financial Year ended March 31, 2026**

Dear Sir/Ma'am,

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of Conference Call - Earnings call held on Wednesday, May 20, 2026, at 12:00 P.M. (IST) to discuss the Audited Financial Results for the half year ended and Financial Year ended March 31, 2026 of the Company is enclosed herewith.

The same is available on the website of the Company and can be accessed through the following link:

Link: <https://www.proventusagro.com/investors-1>

Under Investors> Intimation to Stock exchange> Intimation under Reg 30 LODR> Transcript for Conference Call dated May 20, 2026.

Kindly take the same on record.

Thanking you,

Yours truly,

**For Proventus Agrocom Limited**

Durga Prasad Jhawar  
Managing Director & CEO  
DIN: 02005091

**Proventus Agrocom Limited**

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“Proventus Agrocom Limited  
H2 and FY ‘26 Earnings Conference Call”  
May 20, 2026



**MANAGEMENT:** **MR. DURGA PRASAD JHAWAR – FOUNDER, MANAGING  
DIRECTOR AND CHIEF EXECUTIVE OFFICER –  
PROVENTUS AGROCOM LIMITED  
MR. ANKUSH JAIN – CHIEF FINANCIAL OFFICER –  
PROVENTUS AGROCOM LIMITED**

**MODERATOR:** **MR. RUTU CHAVAN – PHILLIPCAPITAL PRIVATE  
CLIENT GROUP**

**Moderator:** Ladies and gentlemen, good day and welcome to Proventus Agrocom Limited H2 and FY '26 Earnings Conference Call, hosted by PhillipCapital Private Client Group. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference to Mr. Rutu Chavan from PhillipCapital Private Client Group. Thank you and over to you, sir.

**Rutu Chavan:** Good afternoon, everyone. On behalf of PhillipCapital Private Client Group, I welcome all of you to the H2 FY '26 Earnings Conference Call of Proventus Agrocom Limited. Today from the management, we have Mr. Durga Prasad Jhawar, Founder, MD and CEO.

The management will be sharing key operating and financial highlights for the H2 and FY '26 ended 31st March, 2026, followed by a question-and-answer session. Please note, this call may contain some of the forward-looking statements which are completely based upon company's beliefs, opinions, and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainties.

I now hand over the call to Mr. Durga Prasad Jhawar. Over to you, sir.

**Durga Prasad Jhawar:** Good afternoon, everyone. And thank you for joining us today. On behalf of the management team, I extend a warm welcome to all our investors, analysts, shareholders, and stakeholders. We appreciate your continued trust and support as we build ProV into a leading player in India's wholesome nutrition and healthy snacking segments.

I want to start with something very simple. At the beginning of the year, we said we would deliver, and we did. Financial year 2026 has been our strongest year since we started this journey. Our consolidated revenue stood at INR925 crores. Retail revenue crossed INR659 crores, representing a year-on-year growth of approximately 58%.

EBITDA stood at INR19.84 crores as against INR12.92 crores in the previous year, while profit after tax increased to INR14.26 crores, registering a growth of approximately 93% year-on-year. Gross margin expanded by 240 basis points to 22.1%. And based on the momentum, we are seeing across the businesses, we are revising our financial year 2028 revenue target upward to INR1,100 crores from INR1,000 crores. But honestly, numbers are only the outcomes.

What is far more important is why these numbers are happening. Because what we are seeing on the ground today gives us a lot of confidence about where this company is headed over the next few years. When we started ProV, we were fundamentally a dry fruit company -- almond, cashews, a stable and dependable business.

But over the time, especially after COVID, we noticed something important changing in Indian consumers. People were no longer buying dry fruits only for gifting or festival occasions, they were actively looking for healthier everyday snacking options, products that felt nutritious, convenient, and importantly, tasted good. That shift made us rethink the opportunity ahead. And

that is when we took a conscious call. Let us not remain just a dry fruit company, let us build a wholesome nutrition platform.

Today, nearly 48% of our revenue comes from wholesome nutrition products, including walnut, pistachio, figs, makhana, seed mixes, trail mixes, and other nutrition snacks format. This business is growing materially faster than traditional dry fruit and also operate at significantly stronger margins. And that mix shift is one of the biggest reasons you are seeing margin expansion in our numbers today.

In fact, let me share a few data points that reinforce why we believe this shift is still in its early stages. First, the wholesome nutrition segment is growing at 15% to 18% compared to 5% to 7% growth in core dry fruits.

Second, organized branded players are growing almost 2.5x faster than the unorganized market. And third, and perhaps most importantly, while the category already represents a INR75,000 crores opportunity, India per capita consumption is still extremely very low.

India consumes roughly 600 gram per capita annually, compared to around 2.5 kg in China and nearly 4.7 kg in the US. So when we look ahead, we believe the category itself has a very long runway for growth.

Now let me come especially to Makhana because this is one of the most exciting opportunities we see today. The Makhana category has grown nearly 6x in the last five years and continue to grow at 25% to 30% annually, far ahead of categories like almond. And the reason is simple.

Makhana sits at a very unique intersection. It's healthy, light, familiar, and deeply Indian. Consumers already trust it. Nobody feels guilty eating it, which makes it perfectly suited for becoming an everyday snacking habit. We genuinely believe Makhana has the potential to become one of India's largest healthy snacking categories over the next five years to seven years.

And importantly, we have now built a strong structural advantage in this category. Our Bihar facility is operational at the source of more than 90% of India's Makhana production. This gives us better sourcing economics, fresher product access, stronger quality control, and far more integrated supply chain.

Over the last few years, we have focused on seeding the category, refining flavours, packaging, positioning, and understanding consumer behaviour. That validation phase is now largely complete. We are now entering the scale-up business of our Makhana, and we expect this category to become one of our biggest growth drivers through next two years -- financial year 2027 and 2028.

At the same time, we are also investing aggressively in the manufacturing infrastructure to support the next phase of growth. Our Mumbai facility has a capacity of 1.5 lakh pouches per day. Bihar Phase 1 is now operational and gives us backward integration into Makhana sourcing with a capacity of 2,500 metric ton per annum.

And Surat, which is our largest investment so far, is a 2 lakh square foot state-of-the-art facility currently under construction, with a planned capacity of over 4 lakh pouches per day. We expect Surat to come online by the first half of financial 2027. Together, these facilities give us the manufacturing backbone required not only for financial year 2028, but for the next phase of scale beyond that.

A quick word on financial discipline. Even we invest aggressively for growth we remain very disciplined on the balance sheet. Our net worth has increased to INR144 crores. We believe entering a high-growth phase from a position of financial strength is extremely important, and this discipline remains a core part of how we operate the business.

Let me close with where we are headed from here. We are revising our financial year 2028 retail revenue target upward to INR1,100 crores from INR1,000 crores. And importantly, this is not an aspirational number, it is a detailed execution roadmap.

The roadmap is built on four clear pillars. First, channels: deepening our presence in Quick Commerce, while continuing to expand general trade distribution across new geographies. Second, products: scaling Makhana aggressively, while increasing the contribution of wholesome nutrition to over 58% of revenue.

Third, infrastructure: bringing Surat and Bihar fully online and integrating them into our national supply chain. And fourth, people: strengthening the organization with leadership addition across sales, supply chain, and marketing as we continue to scale. Every pillar has ownership, every pillar has milestones, every pillar has defined investment plans. This is execution-driven growth.

Let me end with one final thought. We are not chasing milestones, we are building capabilities. Retail revenue INR659 crores is not the finish line, it is validation that the model is working. Healthy snacking in India is becoming a daily habit, and ProV is positioned exactly where this category is headed. And with Makhana at the center of our next phase of growth, we genuinely believe the best years of the company are ahead of us.

Before I conclude, I would like to place on record my sincere gratitude to all our shareholders, customers, employees, and business associates for their continued trust and support. Their confidence and partnership remain central to ProV's journey and future growth.

With this, I would like to open the forum 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 Disha from Sapphire Capital. Please go ahead.

**Disha:** Hello. Am I audible, sir?

**Durga Prasad Jhawar:** Yes.

**Moderator:** Yes, ma'am.

**Disha:** Yes. Thank you so much, sir for this opportunity. So couple of questions, sir from my side. So for FY 2026, we've seen a good increase — so we've seen 48% of our revenue coming from

wholesome nutrition and that is a high-margin business compared to the core dry fruits. But if I see the overall numbers, we are at around -- suppose 2% EBITDA for FY 2026 without including the other income. So why is that increase not translating into EBITDA margins and how do you see these margins going ahead?

**Durga Prasad Jhavar:** As you see, we did lot of investment during the year on the marketing side. And so we want to remain profitable and EBITDA is positive, but we are continuing to invest into the marketing side. And if you will see, our marketing spend almost has grown from INR30 crores to INR75 crores this year. And that is why EBITDA is low, but it's continuously improving.

**Disha:** Sir, just in your overall -- so how do you see the growth for FY '27 on a consolidated basis and what sort of margins do we target?

**Durga Prasad Jhavar:** So on the growth side, we are targeting on the revenue side 30% to 35% year-on-year. So next two years, FY 28 plan which we have shared, we are targeting the growth into revenue is 30% to 35% and same at the EBITDA and PAT margin side.

**Disha:** So what sort of mix will we see for FY '27 between the branded sale and the wholesale sale -- retail and the wholesale?

**Durga Prasad Jhavar:** So our focus is always on the retail branded sale only and where we are targeting 30% to 35%. On wholesale side, we are not targeting the growth side, though wholesale is always important because that gives us leverage to the better efficiency on the cost side. But just to give you perspective on numbers always 75% will be the retail revenue -- 75% to 80% will be the revenue will be from the retail side.

**Disha:** Okay. And sir, this Surat facility, what sort of capex are we doing for this and what is the revenue potential of this facility at optimum utilization?

**Durga Prasad Jhavar:** So this facility is 2 lakh square feet facility and in the first phase we are targeting 4 lakh pouch per day. And just to give you perspective, today we are at 1.5 lakh pouch per day. We are producing 1.5 lakhs pouch per day. But easily this facility can go to 10 lakh pouch per day when you will be fully commissioned everything.

**Disha:** Yes, when all the phases come online.

**Durga Prasad Jhavar:** Yes. So we are targeting in three phases right now. So first phase we are targeting in FY '27 first half.

**Disha:** Okay. So what will be the potential from the first phase, sir? Revenue potential?

**Durga Prasad Jhavar:** So we are targeting revenue at 30% to 35%. So 4 lakh pouch easily it can go to like INR1,000 crores, INR1,100 crores next two years. But the revenue we are targeting 30% to 35%, but the capacity will be in the first phase, 4 lakh pouches. And generally, pouches does not translate directly into the revenue because now we are more targeting snacks category, which is lower grammage products.

So earlier the grammage per pouch was higher, now like you are when you are targeting snacks side, the pouch gram is 30 gram to 100 gram pouches are more. So it will not directly translate into the revenue as this one. But on revenue, that is why I said revenue we are targeting 30% to 35% year-on-year.

**Disha:** Okay. And sir, the final question on the impact of the war. How has that affected our sourcing and what sort of impact are you seeing in our business because of the war?

**Durga Prasad Jhavar:** Sorry, I missed your point.

**Disha:** My question was on the Iran war -- Middle East war. So what sort of impact are you seeing on our sourcing and in generally on our business? And how protected are our margins?

**Durga Prasad Jhavar:** So this war is impacted on two-three fronts. One is the on the supply side. So one, means, large part of dry fruits also comes to India from Afghanistan and Iran, so that supply got affected. But India is sufficient at least for the current season till – and current season is like till Diwali. So India is sufficient because war has started post-winter and in winter most of the dry fruits comes into India. So India is sufficient till Diwali.

If this situation continue post-Diwali or around Diwali then the things will get affected or you India may look for other channels to get material into the country. As far as like freight cost, currency, forex, all these are -- has affected, but large part of the things we have transferred or translated to the margin -- revenue side. So margin is largely not affected. But prices has gone up.

**Disha:** So we'll be able to protect our margin going ahead.

**Durga Prasad Jhavar:** Yes, yes.

**Disha:** Okay. That is it from my side. I'll join back the queue. Thank you.

**Moderator:** Thank you. Next question is from the line of Mahavir Jain from Astrum Advisors. Please go ahead.

**Mahavir Jain:** Yes, congratulations on the very good set of numbers. I had a couple of questions. First of all, how important is Quick Commerce for ProV? I wanted to know what is the current contribution of Quick Commerce and for the FY '28 numbers how much can Quick Commerce contribute?

**Durga Prasad Jhavar:** Yes.

**Mahavir Jain:** As a percentage of revenue, yes.

**Durga Prasad Jhavar:** Yes. So right now, the Quick Commerce channel is very important and it's expanding continuously and last one year we are focusing this channel as well. Right now, we are at around 5% to 7% revenues coming from this channel. And we are targeting this -- by this year-end, we will not be lesser than 10% of overall revenue from this channel.

**Mahavir Jain:** So are the margins in Quick Commerce similar to the margins we make at a gross level?

- Durga Prasad Jhawar:** Yes, yes. Means little bit here and there, but margins are almost same.
- Mahavir Jain:** All right. And another question which I had was now that we are completing three years of listing at the SME platform, do we have any plans to migrate to the mainboard?
- Durga Prasad Jhawar:** I will just hand over to this question to my CFO, Ankush Jain. Yes.
- Ankush Jain:** Yes, we on June say 2023 we did listed on NSE SME segment. At the end of the three years, we are eligible. We are in the process of doing the same, so by this financial year end, we should be --we are targeting to get listed on the mainboard.
- Mahavir Jain:** All right. That is all from my side.
- Durga Prasad Jhawar:** Thank you.
- Moderator:** Thank you. Next question is from the line of Sajal Kapoor from Antifragile Thinking. Please go ahead.
- Sajal Kapoor:** Yes, hi. Thank you for the opportunity. Hi, team, great set of numbers for sure. I have three questions. First, would you agree that the real stress test is not whether revenues can grow 30% this year and next year, it is whether multiple things kind of play out simultaneously. So things like wholesome nutrition mix keeps improving, right, that's one.
- Second, marketing efficiency improves despite scaling, because we have been spending a lot in the marketing over the years. And third is of course, Surat plus Bihar capacity ramps up on time without working capital stress. And then fourth one is the Diwali, you know, war situation ending by Diwali that you just mentioned.
- So how do you assess the probability of us struggling with one or more of these areas because it's kind of a cascading effect or a sequence of all these four events playing out simultaneously, which kind of increases the bar as far as the internal execution is concerned, plus we also are dependent on some of the external factors like war, etc. But majority of these factors are internal?
- Durga Prasad Jhawar:** Yes. So I would address that this the whole focus since last two years was on the margin side and core dry fruits are always low margin business. And so last two years, we started focusing on the other part of the either on the snacks side or other dry fruit side. And the two reason was one is margin is on higher side and definitely growth on these items are higher compared to the core dry fruits.
- So last two years, we were focusing and expanded channel accordingly, our marketing efforts accordingly also. So -- which started giving us and last two years we were also saying on that we are targeting every year 5% shift from the core dry fruits to the wholesome nutrition side. And this year like we have reached last year we were at 57% and this year we are at 52% on the core dry fruits side and year-on-year we want are targeting 5% shift from core dry fruits to the wholesome nutrition side.

So that is like long journey and we are continuously focusing on that and that finally turn out into the higher profitability and which we are able to see this year on the PAT side or EBITDA side also.

Infra definitely gives us the sustainable growth and also reduce the or improve the efficiency. And that is why we have built this year Bihar facility because we are focusing now more Makhana. Like one input I want to give, we believe in next -- today like almond which is one of the large item on the dry fruit side and India market is around INR15,000 crores to INR17,000 crore, I'm talking only on the almond side.

And today Makhana sits at around INR6,000 crore. And we believe Makhana will grow 25% to 30% as a category, but almond is growing around 5% to 7%. And we believe in next five year to seven years, Makhana can cross the almond market overall size.

So that is why we invested directly at the source and probably we are the like first one, two units in there where invested there. That is giving advantage on the cost side also and the quality side also. So -- and same with the Surat, we are building up large facility. So we have taken this 2 lakh square feet space already and building infra over there. So that will give like next five years, seven years growth from that place.

So we have invested lot on that and same time we are investing lot on the marketing side. So probably we will be the one of you can say one of the large or maybe the number one company on the -- this space and continue to deliver.

As far as war and this one Diwali, so -- because we are having direct sourcing and we are able to plan better on the inventory side, on the visibility on the prices side also and visibility on the demand and supply side also. So because we have relationship direct to the grower and that is helping us. So even if war situation is there, we are continuously -- we don't have any stress on the inventory side.

**Sajal Kapoor:**

Understood, understood. Helpful. And DP, what percentage of the next two-year growth is expected to come from higher throughput per outlet, the existing outlet versus, you know, simply adding more outlets and distributors? I mean, how is the mix there because -- because then it kind of joins with the marketing spend because we have taken our marketing spend significantly up in the last three years.

EBITDA definitely has improved, we are back in operating cash flow. I mean, that's one thing that I really liked in these numbers because we have kept the discipline of working capital in check. Otherwise, you know a growing company -- see, we are not a slow grower, we are a small company, we are growing pretty aggressively.

And if you can grow and still report positive operating cash flow, I think not many start-ups do that. So that is really excellent execution. But coming to my question, over the next two years, do you have confidence that the same-store growth, whether it's GT or modern trade, can also give us higher volumes or do we have to add more distributors and stores to grow?

**Durga Prasad Jhawar:** Yes. So the like coming two years, we are focusing around 30% to 32% growth. And approximately 10% is coming from the existing outlet or existing channel and 20% from expansion of channels or I would say that more outlets and or the new stores will come from the 20% from them. 10% I am saying because from this one -- this will also add that we continuously adding the few new product also NPD and that is also giving the extra revenue from the existing channel.

**Sajal Kapoor:** Sure, sure. Okay. And then going forward, we expect to stay in positive operating cash flow because as far as I'm concerned this is the highlight. I've not seen many start-ups report positive operating cash flows so early in their journey.

How confident is the management team that yes, this is not a one-off flash in the pan and we can continue to stay vigilant and disciplined in working capital management and continue to report positive operating cash flow even going ahead?

**Durga Prasad Jhawar:** Yes. So as I said, we are targeting 30% to 35% on revenue side and the same or maybe the higher number because now operate -- if you will see the last year, operating leverage also started giving extra margins and that we are expecting the same. So higher to 30% to 35% will be the growth in EBITDA, growth in PAT, and definitely on the operating cash flows.

**Sajal Kapoor:** Wonderful execution, DP. Thank you so much. I'll rejoin the queue. Thank you.

**Durga Prasad Jhawar:** Thank you so much.

**Moderator:** Thank you. Participants, you may press star and one to ask questions. The next question is from the line of Risabh Joshi from Top Ventures. Please go ahead.

**Risabh Joshi:** Hi, DP. Thanks for taking my question. I just had a query on, you know, a relative market share. So today in this wholesome nutrition space, what is sort of our relative market share if I had to ask you to assess compared to some of our other privately funded competitors?

**Durga Prasad Jhawar:** Okay. The -- I would say total number today is around like INR14,000 crores to INR15,000 crores on the retail space is -- organized retail space is around INR14,000 crores to INR15,000 crores. And we did around INR659 crores or INR660 crores last year. So we are around 4% market share. But definitely our market share on the wholesome nutrition side is the better than the competition. So where we are around 7% to 8% and this one is around 3% and we are continuously focusing on that.

**Risabh Joshi:** Got it. So just to add to like even the previous question that Mr. Sajal said is that, you know, as we continue scaling, our competitors in the wholesome nutrition space are, you know, well-funded private companies who are -- who seem to be actually operating at negative EBITDA and negative cash flows, I'm guessing for, you know, gaining faster volume share or faster revenue growth.

So how confident are we to, sort of, you know, continue our growth path or our glide path without this marketing intensity having to proportionately increase purely because our competition is also spending aggressively?

**Durga Prasad Jhavar:** See, so I would as I said earlier, the wholesome nutrition part is growing 15% to 18% and core dry fruits are growing 5% to 7%. And our focus since last two years is on the -- that side and it's not only the sales side focus, the marketing efforts are towards that. Also on the infrastructure side is efforts towards that only. So I believe we have invested lot since last two years and efforts will be continued on that side.

And it's not only on the only one side, as I said marketing, sales, infrastructure, even the value chain side. So we are every -- we have built every -- every place on that side. So we are relatively ahead of other competition. And we believe we will be all these will materialize or fruitful finally on the profitability side.

**Risabh Joshi:** Got it. And so last question, over the next few years do you think from a strategic perspective, there is a case for probably, segregating the wholesale business from the retail operation because just generally speaking, private companies are getting far higher multiples on the wholesome nutrition side of the business as compared to, our wholesale business to some extent at the overall level is masking our true strength of the quality of our business that we are building, especially on the wholesome nutrition side. So do you think there could be a case to, sort of, spin-off one of the two in the future or would you like to keep this as one company itself?

**Durga Prasad Jhavar:** So for us actually the wholesale business is giving advantage towards the quality because we import directly ourselves. We have the grower relationship. And wholesale business we are not focusing but still essential for us because wherever the quality when we import and quality does not fit for our retail business, we just sell into the wholesale market.

So that is why wholesale business is important for us, though it is not giving much or the finally not converting large part of EBITDA or PAT. So that is why we don't see right now to spin-off. So it will go together. Yes.

**Risabh Joshi:** No, sir. I'm asking mainly from a perception standpoint, right? Because what's happening is our inherent wholesome nutrition business is so strong, we're growing operating cash flow positive when we are delivering 30% to 35% growth, but because the volume is coming from the wholesale segment, the overall margins look a little suppressed, of course, because we're also investing in growth on the retail side.

But the multiples that we are kind of commanding less than 1x price to sales today, is there a case do you think for a perception rerating in the years to come if, you know, we are able to build a stronger narrative on the wholesome nutrition side and show our capital strength also on that side of the business because that will be a much higher gross margin business, right?

**Durga Prasad Jhavar:** Yes, I understand your point and market -- this market cap always is important, but our focus always on the building the -- in right manner the whole business which is like growth on the all three numbers; EBITDA, revenue, and PAT side. And that is why we are transparent to give our numbers also what is total revenue and what is the retail branded revenue. So we more focus on the execution, improvement in the financial performance, governance standards, and long-term value creation.

**Risabh Joshi:** No. Perfect sir. So just..

- Durga Prasad Jhavar:** So we believe over the time market will reflect.
- Risabh Joshi:** Definitely, sir. I mean, great job so far. My last thing before signing off is, sir whether the medium-term or even maybe at a slightly longer time horizon, what do you think this retail to wholesale shift mix will, sort of, look like? I know you're guiding to about a 5% switch on a Y-o-Y basis, but, you know, is there some sort of a plateau that it could hit or this will eventually over a longer term, you know, largely be driven by the retail operation?
- Durga Prasad Jhavar:** So 5% I said the wholesome nutrition compared to the core dry fruits business. On wholesale business versus retail branded business, we continue to keep like 75% to 80% will be the retail branded business will be continued.
- Risabh Joshi:** Okay. Perfect, sir. All the very best. Thank you.
- Durga Prasad Jhavar:** Thank you so much.
- Moderator:** Thank you. Next question is from the line of Chirag Fialoke from MS Capital. Please go ahead.
- Chirag Fialoke:** Hi, good afternoon team. Congratulations on a great set of numbers and continued execution team, DP. Just two questions. One, could you help us just bridge that gap between when you report 22.1% gross margins and the gross profit that we report which is INR92 odd crores? The delta between that I believe is one kind of marketing cost. Could you just help us understand, you know, what that is?
- And is that something that you control, is it in the nature of just plain discounts and hence can't be rolled back, or is it something that in an year if you choose, you can completely withdraw and that would fall to the bottom-line? That's the first question, the difference between the reported branded 22.1 which I believe comes out to be INR145 odd crores of gross profit as opposed to the reported INR92 crores of gross profit?
- Ankush Jain:** Yes, hi Chirag. As it is specified by the DP also, the consolidated revenue is INR925 odd crores and out of which 73% to 74% is the branded retail business. The branded retail business commands a far more higher gross margins than the wholesale gross margins.
- So overall if we see, the branded business commands 22% gross margins and with some of the items, I would say marketing expenses items which we have already discussed multiple times, due to the accounting things, it comes under the COGS.
- But due to a but actually during the representation point of view, actually the purpose of such expenses comes below the COGS itself. So the reported gross margins I would say is 22%, while you calculate on the accounting standard-wise for the representation purpose, it comes around say 14% to 15%.
- Chirag Fialoke:** Understood, Ankush ji. This is very clear. And I was trying to understand then that INR50 crores -- INR55 crores that is the delta, that what is the nature of that expense is that if you want, maybe DP you can help us understand this better, if you want, you can -- you can shut those expenses down without having a impact on at least current sales. Is that the right understanding or if you

don't do those expenses, even current sales is not sustainable is the question that I was trying to get to?

**Ankush Jain:** I would say that the increase in the spends is largely aligned with our long-term brand building strategies. And since we are targeting, like, higher nutrition, I would say wholesome nutrition mix itself, which leads to a higher margin product, automatically such expense would be there going forward also, but at the same time, we are too cognizant about, like say, improving the efficiencies, improving the margins itself and the bottom-line also. So creating I would say it's a spend is a strategic investment for future growth rather than we treat it as a short-term expenses.

**Chirag Fialoke:** Perfect. Sir...

**Durga Prasad Jhavar:** Yes, but like as you are asking, if today we will stop these expenses, whether this will affect my current revenue, I don't think so that will affect current revenue because we are not spending continuously only one product, it's a diversification of product and wherever we want to focus, we are spending more. And as we build the category, it reaches at particular size, we reduce the expenses and start expanding or investing on the other new products.

So I don't think so that will affect the current revenue if we will stop completely. But at the same time, we want to target like the -- because market is going towards that, so 30% to 35% sales or revenue growth we want to achieve and calibratedly we are spending on that side.

**Chirag Fialoke:** Understood, DP. Very clear. So largely these spends are for categories which are in as per your presentation's parlance in the seeding phase, right? That's where you are spending this kind of largely. Is that is that fair?

**Durga Prasad Jhavar:** Yes, yes, it's right.

**Chirag Fialoke:** Okay, perfect. Thank you. Second question, I just wanted to understand, you know, continuing on the question of a previous participant, obviously the working capital control and the cash flow generation has been phenomenal for such growth.

One of the reasons why that has happened is because sort of receivables as a number of days either on branded sales or on total sales has come down from last year and it's now in the 15-20 days kind of range. Is that something that you think you can continue to do with Quick Commerce increasing and with sort of GT probably increasing, is that something that's sustainable? Just second question. Thank you so much.

**Durga Prasad Jhavar:** So overall working capital always we are targeting less than 60 days and we are around 60 days only. And we think at this number, we will be able to continue to grow. As I said like Quick Commerce targeting 10% of overall revenue, I believe we will be able to achieve that. So we are very generally very disciplined on the working capital side and always focus on that side. So I think, we will achieve whatever in, means, all including all the revenue channel mix, we will be able to achieve that.

**Chirag Fialoke:** Congratulations again for a great set of numbers. Thank you.

- Durga Prasad Jhavar:** Thank you, Chirag.
- Moderator:** Thank you. Next question is from the line of Vedant from Early Age Advisors. Please go ahead.
- Vedant:** Hello. Hello, sir. Good afternoon. Could you share the contribution of top customers? How diversified is the revenue base?
- Durga Prasad Jhavar:** Yes. So I would not be able to share the individual customer-wise the revenue, but from channel-wise we are like well-diversified on the revenue mix side. And this is one of the key focused item where we don't want to, means, concentration -- we should not have concentration risk.
- But yes, as you see, suppose I talk about modern retail in India and where like three players are there. If we talk about Quick Commerce, three players top players are there. When you speak about E-commerce, only two players are the only large or large shares with the two players. So that way, yes, but we don't have very high concentration on one customer.
- Vedant:** Okay, sir. Thank you. Congratulations for the great set of numbers.
- Moderator:** Thank you. Next question is from the line of Ansh Himavat from Capital One. Please go ahead.
- Ansh Himavat:** Hello, sir. Am I audible?
- Moderator:** Yes, sir.
- Durga Prasad Jhavar:** Yes.
- Ansh Himavat:** Congratulations on the good set of numbers, sir. Sir, I had two questions. One on the channel mix, could you be able to specify as to what is the channel mix currently from GT, MT, and Quick Comm? And also from your website sales?
- Durga Prasad Jhavar:** Yes. So we are -- on the channel side like we have four channel I would say, which is one GT, then modern retail, then E-commerce, and then Quick Commerce. These are the channels are between 25% to 40% is the individual channels. And as far as our direct website business, which is very low, we don't have much sales on the direct website side, maybe around 1% kind of number.
- Ansh Himavat:** So GT, MT, and Quick Comm is around 25% to 40% between the all three of them?
- Durga Prasad Jhavar:** No, see. So I will repeat like as I said earlier, Quick Comm is around 5% to 7%. But rest of three channels, which is E-commerce, modern retail, and GT these are between 25% to 40%.
- Ansh Himavat:** Okay. And sir, could you give us any guidance as to what would be the marketing spend for the upcoming year?
- Durga Prasad Jhavar:** Yes. Ankush?
- Ankush Jain:** Yes, the total marketing spend for the coming year would be closer to around say INR85 crores to INR95 crores going ahead.

- Ansh Himavat:** INR85 crores to INR95 crores ...
- Ankush Jain:** Because last FY '26, we did total spend of INR75 crores, it can increase to INR95 crores for consistent I would say brand building investments would continue to be continue to be there.
- Ansh Himavat:** Okay, sir. And sir, going back to the mix question, sir is there any possibility to give a geographical mix as well? And as far as I am -- as far as we're concerned, sir, I think the main reason for expanding to Surat was trying to capture the North market. So is there any plans or is there any guidance on that, sir?
- Durga Prasad Jhavar:** No, so we are not focusing on the geography size. We are like -- if we talk about modern retail, we are across the country. We talk about E-commerce side, we are across the country. Only on the GT side, we are most of the business is from the South of India and we continue to focus on that market. So our strategy is go the deeper rather than wider on the GT side. And Surat facility is not to tap the North market. This is like this facility will supply across the country.
- Ansh Himavat:** Okay, sir. That's helpful, sir. Thank you.
- Durga Prasad Jhavar:** Thank you.
- Moderator:** Thank you. Next question is from Deepak, an Individual Investor. Please go ahead.
- Deepak:** Hello. Yes, sir. Sir, congratulations to the team on the great set of results. My question is more of a, more of -- a in a longest term, like where do you see, like how do you see the, you know, the net-net operating margins expand?
- Because lot of players in this space, traditionally and even for the new-age start-ups the problem has been that it's a very, low single -- it has stuck to a low single-digit margins rather than, you know, going towards, high single-digits or even mid-teens. So how do you see that happening for you in the long-term?
- Durga Prasad Jhavar:** Yes, as I said, we build this model where our focus or where we started more focusing on the supply chain. So today we have relationship till farmer level. And that is giving two advantage largely, one is consistently delivering the quality and then the definitely there is a little advantage on the pricing side. And that is giving us like compared to other people more advantage.
- As far as margin, because we are focusing more and more on the wholesome nutrition side rather than only on the core dry fruits side. I am not saying that will -- so as I said earlier, right now we are at 52% core dry fruits and year-on-year we are targeting 5% improvement on that side. So like next two years, we will be around 42% on that side.
- And that part is giving us extra margins on the gross margin side and which is where we are targeting like 2% to 3% year-on-year improvement and finally it is turning out to, means, finally going into the bottom-line.
- Deepak:** Okay, okay.
- Durga Prasad Jhavar:** Yes. Thank you.

- Moderator:** Thank you. Next question is from the line of Disha from Sapphire Capital. Please go ahead. Disha, please go ahead.
- Disha:** Hello. Am I audible?
- Durga Prasad Jhavar:** Yes, yes.
- Disha:** Yes. Thank you so much, sir, for this opportunity again. So sir, given the 30% to 35% sort of revenue growth that we're targeting in -- with 75% to 80% being retail, so FY '28 our actually retail turnover could be much higher than INR1,100 crore. So is it fair to assume that this INR1,100 crores is also a bit conservative given this trajectory that you've mentioned?
- Durga Prasad Jhavar:** Yes, so like we are targeting like 30%, 31% of approximately I think it will come that number only. I think it would come INR1,100 crore. But yes, means like INR50 crores here and there, but we will reach there only.
- Disha:** But if I take 30% growth, so next year we're at around INR1,200 crores and then after that we're around INR1,600 crores sort of number.
- Durga Prasad Jhavar:** No, 30% to 32% I said from the retail revenue point of view. So which we did this year like INR660 crore.
- Disha:** Correct. Correct.
- Durga Prasad Jhavar:** So it will come to INR1,100 crore.
- Disha:** On an overall basis – I was asking about the consolidated revenue growth, sir.
- Durga Prasad Jhavar:** Yes, so the 30% to 32% growth I said for retail revenue side, which is where we are focusing. And overall revenue like 75% to 80% will be retail revenue and balance will be the wholesale revenue.
- Disha:** Okay. Okay.
- Durga Prasad Jhavar:** It will go overall revenue if you precisely on that side around INR1,300 crores -- INR1,400 crores kind of number will come by 2028.
- Ankush Jain:** So overall INR1,400 crores, out of which INR1,100 crores would be the branded business.
- Disha:** Okay. Okay. That is clear. Thank you so much, sir.
- Durga Prasad Jhavar:** Yes.
- Moderator:** Thank you. Next question is from the line of Rishabh Tripathi, an Individual Investor. Please go ahead.
- Rishabh Tripathi:** Hey, hi. Thanks for the opportunity. Sir, would like to start with I started ordering the products of ProV, did lot of comparison and it find it the quality is really good, comparable to Tata

Sampann and much better than Natraj and all those other brands which are offering. So great work there.

I think the part where you are discussing about being backward integrated, having relationship with farmers, I think that is really helping in maintaining the quality even if like okay we have to consolidate when those business. So congratulation on that. So one question that I have is, we know we are spending aggressively on marketing and that's the requirement.

But do we have like certain numbers like a threshold number where like at a particular point of revenue, maybe INR1,500 crores or INR2,000 crores, where we start like proportionally additional incremental spend required -- requirement of marketing will be lower and we will start seeing that flowing into the EBITDA margin and consequently in the lower PAT margins as well -- sorry, higher PAT margins as well. So that's the question number one. I will ask my other question after this. Thank you.

**Ankush Jain:**

Yes, on the marketing spend, just as we discussed already, like, we are expanding our distribution footprint and strengthening consumer presence across different channels. Say digital outreach, channel activation is also becoming important day by day. So we always consider this spend as a long-term spend rather than a short-term spend.

And with regard to a questions on the numbers front, like, we can say till FY '28 the spends would be I would say in line with the currently, but post FY '28 once a brand get established and we also falls into 1000 plus category, such spend as a percentage of sales will definitely come down.

And on the margins front, as it can be highlighted like since last two years to three years, our gross margin is consistently improving, not only the gross margin but also the EBITDA front. So by I would say on the EBITDA front, we can expect 150 bps to 200 bps improvement over the next two to three years.

**Rishabh Tripathi:**

Thank you, sir. That's helpful. Sir, the other thing is whenever I am ordering the products of ProV, particularly I am able to get it in Amazon primarily and Flipkart sometime. Again, the search which I do, since I am trying to buy it I can search it, but at the position which it appear is bit lower. And secondly, specifically in North Indian side, I am from Uttarakhand, so I am not able to find these products primarily on Blinkit, which is like very widely used.

So I just wanted to understand like in terms of different channels we have, like E-commerce, Quick Commerce, GT, are they are like different set of margin profile for each of those channels where these Quick Commerce are more working capital intensive so that that's why we are not aggressively expanding on it?

So I just wanted to understand rationale being aggressive on one front and not on the other front and that search engine optimization is the other thing. So thank you, that would be my second and last question.

**Durga Prasad Jhawar:**

Okay. On -- see that is why since beginning we are focusing all channel whether it is general market, modern retail, and E-commerce side. And when sometime few people are aggressively

spending on the E-commerce side, we want to spend calibrated, so we are always there, but means like will not go out, but we don't want to burn or the spend aggressively on that side.

So the because of that, sometimes we may look from outside like my product is coming on the fifth number, sixth number kind of number this. But like this year we have large focus on the Quick Commerce and that is why beginning I said we will be 10%. So we have taken calibrated approach and where we are negotiating or negotiated our whole the like channel margin, our freight cost or advertisement cost, all these things we have negotiated properly.

And even during that journey if somebody is spending our competition spending on the higher side, we just want to remain like little quiet on that side, we don't want to go overboard on that side. So then we take the approach to spend product to product rather than everywhere. And then push the growth calibratedly. But we are quite confident between all these channels, we will be able to achieve 30% to 32% growth and same with the EBITDA and PAT side.

**Rishabh Tripathi:** Thank you, sir. That's really helpful. All the best. Thank you.

**Durga Prasad Jhavar:** Thank you.

**Moderator:** Thank you. Due to time constraints, that was the last question of the day. I now hand the conference over to management for closing comments.

**Durga Prasad Jhavar:** You know, on conclusion front, I would say like, the journey has just started for the ProV because as -- we are at the inflection point to grow consistently over the next I would say like five years to ten years. So the journey has just started.

So I would like to place on record my sincere gratitude to all our shareholders, customers, employees, and business associates for their continued trust and support. Their confidence and partnership always remains central to ProV's long-term journey and long-term future growth.

So with this, I would say great thanks to all the -- I would say investors and individual institutions who have come to join our call. Sincere thanks to all of you. Thank you so much.

**Ankush Jain:** Thank you so much.

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