



Srivari Spices and Foods Limited

CIN: L15494TG2019PLC130131

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16th June, 2025

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051.

Symbol: SSFL

Sub: Transcript of Analyst/ Institutional Investor/Investors Meeting held on 11th June 2025
Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III (Part A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the transcript of the **“Investors Meeting”** held by **Srivari Spices and Foods Limited** (“the Company”) on 11th June 2025 at 02:00 P.M., has been uploaded on the company’s Website at www.srivarispices.com. The transcript is also annexed herewith.

This is for your information and records.

Thanking You!

For Srivari Spices and Foods Limited

Sushma Barla
Company Secretary & Compliance Officer
ICSI M. No.: A51275



“Srivari Spices and Foods Limited

Investor Conference Call”

June 11, 2025



MANAGEMENT: MR. NARAYAN DAS RATHI – FOUNDER AND WHOLE-TIME DIRECTOR – SRIVARI SPICES AND FOODS LIMITED
MRS. NEIHAA RATHI – CHAIRPERSON AND WHOLE TIME DIRECTOR – SRIVARI SPICES AND FOODS LIMITED
Ms. SUSHMA REDDY – COMPANY SECRETARY AND COMPLIANCE OFFICER – SRIVARI SPICES AND FOODS LIMITED



Moderator:

Ladies and gentlemen, good day, and welcome to Srivari Spices and Foods Limited Investor Conference call. 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.

I now hand the conference over to Ms. Sushma Reddy, Company Secretary, for the opening remarks. Thank you, and over to you.

Sushma Reddy:

Good afternoon, one and all. I am Sushma, Company Secretary, Compliance Officer of Srivari Spices. I am pleased to welcome you all to Srivari Spices and Foods Limited Investor Conference call.

Before we begin, I would like to extend a special welcome to our esteemed investors, Board members and stakeholders who are joining us today. Today's agenda include mainly on discussion on financial performance of the company, growth strategies and Q&A session will be there.

Without further delay, I would like to invite Mrs. Neihaa Rathi, our respected Chairperson, to address the meeting and take us forward. Over to you, ma'am.

Neihaa Rathi:

Good afternoon, ladies and gentlemen and esteemed investors. I welcome you to Srivari Spices and Foods Limited Company and today for the investors' meeting. Today I am pleased to share a vision for growth and innovation. Here I am very pleased to share about our innovation. Our team has worked tirelessly to drive progress and to explore about the future prospects.

Srivari Spices and Foods Limited is founded in 2019 in Hyderabad. It's a fast-growing company committed to delivering authentic Indian food products which has focus on best quality, innovation and accessibility. With our 88 SKUs across the categories like atta, spices, masalas and now we have upcome with oil under the flagship Srivari brand and 500 plus SKUs under the Poushtik brand. 500 SKUs are coming under the Poushtik brand.

The company has established itself a name in both the traditional and the modern grocery segment. Here FY '25 mark as the transformative year for the Srivari with the significant milestone influence the launch of new oil segment, a new oil manufacturing facility is expansion into the e-commerce division called Poushtik.

Grocery segment, we have come up with a deeper market penetration through the strategic tie-ups with the platform like DMart, Jumbotail and BigBasket and also with Udaan. The company focus on the innovation, integrate transparency and the health conscious offerings, continues to drive the customer trust and loyalty. We totally focus on the purity and the quality of the products.

On the financial front, Srivari reported a robust growth with FY '25 revenue from the operations reaching INR11,380 lakhs, up from INR7,828 lakhs in FY '24. Looking ahead, Srivari is well positioned and sustainable and scalable growth.



With the successful roll-up with the Poushtik, this is the trust-led e-commerce model to meet the rising customers' demand for the health and curated food options. So here in the Poushtik they will be having a lot of options where they can go for the quality products. Enhance the dealer networks, targeted marketing and ongoing R&D investments, Srivari aims to explain its footprints deeper rural and urban penetration and unlock long-term values for all the stakeholders.

We remain committed to blending legacy and innovation. We promise here the purity will retain as it is always and it will be always with the purity products will be coming up with more and more new products.

So I'll end up here and I'll forward it to Sushma.

Sushma Reddy:

Now I'll take up you to the presentation about the performance of the company. As discussed, we are going to discuss today about the performance and business strategy and business model. As already explained by ma'am, we founded in 2019 in Hyderabad and we are FMCG company offering 88 plus SKUs in atta, spices and masala, oil under our Srivari band and 500 plus SKUs in our grocery under Poushtik.

So our revenue is almost evenly split between two core product categories; masalas contributing 49% and atta contributing 55% and we launched our edible oil on 10th May 2025 and it started its commercial production on 10th May 2025. And when we come to our evolution, we started in 2019 by setting up a state-of-the-art production facility in Telangana focused on manufacturing high quality spices. By 2021, we had expanded our spices portfolio and in 2022 we introduced our chakki atta to growing demand for fresh stone ground flour.

The same year we were honored with the Best Emerging Spices Brand awarded by Business Mint which validated our brand's growing presence. And in 2023, we launched our IPO and secured product placement in several reputed marketplaces greatly boosting our retail visibility. We also partnered with SOLV to streamline and scale our B2B operations. And most recently in 2025, we launched our new oil production plant, introduced a new vertical called Poushtik which focuses on nutritious rich food products aligned with our mission to bring health and tasty together.

Our vision is mainly rooted in making healthy living a right not a privilege. We are working towards a world where clean nutritious food is easily available and doesn't feel like a burden or a compromise. Through our online platform we are committed to delivering top quality healthy food that consumer can trust. It's not just about selling products, it's about building a lifestyle around wellness, honesty and long-term impact.

Our Chairperson, Mrs. Neihaa Rathi ma'am, she's our Whole-Time Director and also a Promoter of our company. She has been associated with the company since its inception and she brings over 17 years of leadership experience primarily from education sector, and she plays a key role in shaping our organizational culture and driving major business decisions.



And Mr. Narayan Das Rathi sir, our Whole-Time Director and Promoter, he brings over 20 years of experience in the food industry. He holds a bachelor's degree in commerce from Osmania University. Before joining us as a marketing head, he was involved in his family business trading grain spices. And Mr Rathi was appointed as an executive director in 2022, later became a Whole-Time Director in '23. He currently leads our production, sales, marketing and quality divisions driving key operations and growth.

Our business model, channel and product strategy. So sourcing of our products and the resource -- we source our chilies from the finest farm across Guntur, Khammam, Warangal, Raichur, Malakpet and Hyderabad regions renowned for their spice quality. For our Srivari Whole Wheat Atta and Sharbati Atta, we procure premium wheat grains from Sehore, Vidisha and Sironj in Madhya Pradesh known for producing some of the best quality grains in the country.

And we process it in India's best Choyal automatic grinding unit and we give the world-class packaging and our key markets are Andhra Pradesh and Telangana and we deliver our products to the suppliers. We deliver our products directly at the doorsteps of our customers using 18,000 plus retail stores.

When it comes to business segment, we currently operate through two business segments; Srivari and Poushtik. Srivari is our traditional business arm. It focuses on manufacturing and sale of our core staples like spices, masalas, atta and oil. This segment forms the backbone of our operations and leverages strong B2B and wholesale network.

And on the other hand, Poushtik is our new age digitally-driven vertical. It focuses on online sales offering direct to customer delivery and targeted distribution to local retailers. Poushtik is designed to meet the growing demand for healthy convenient food choices with an emphasis on nutrition and accessibility.

Our channel strategy is designed to cover our key touch-up points effectively. On the B2B side, we focus on HoReCa that is hotel, restaurant and cafés and institutional clients providing them with tailored large volume supplies. For B2C, we leverage a multi-channel approach like general trade reaching traditional retail outlets, modern trade including supermarkets, organized retail chains and a strong network of dealers and distributors who ensure wide market penetration.

Additionally our e-commerce presence plays a vital role especially through grocery platforms and our direct-to-consumer brand Poushtik which caters to the growing online demand for healthy and convenient food products.

And we have successfully placed our products on a new e-commerce limited online portal that is DMart and also successfully placed on our products in 29 Ushodaya supermarket stores across Hyderabad and Secunderabad and captured consumer's base at 13 premium large format outlets at Balaji Grand Bazar. Looking forward to introduce our Poushtik products in all third-party e-commerce platforms under Srivati brand name.

Then Poushtik product strategy. Our product strategy mainly maintaining healthy margins while delivering consistent value across categories. Like for spices and masalas, cart value is between

30% to 35% wherein with a margin of 35% to 40% and pulses and grains and whole space cart value will be 40% to 45% and margins with 30% to 35%. And oil and ghee and other products, cart value will be 15% to 20%; margins will be 18% to 22%.

And our manufacturing setup is designed for a capacity and operational effectiveness. For spices and masalas, we have an installed capacity of 3,600 tons per annum with the current utilization at about 2,637 tons. When it comes to atta, 14,400 tons per annum installed capacity and we have utilized 12,650 tons. Regarding oil, we have installed capacity of 7,200 tons per annum but this plant is yet to be commercialized.

Growth drivers, Poushtik. Now I request our Whole-Time Director, Narayan Das Rathie sir, to take up on Poushtik.

Narayan Das Rathie:

Thank you, Sushma, and welcome to all investors. I am very much happy to address this investor's meet. So as our growth drivers have gone through the presentation, but I want to focus on the Poushtik. Some investors have a confusion that Poushtik is just like Blinkit or Zepto or any quick commerce platforms, but it's not like that.

So we are focusing on -- our USP in Poushtik is clearly and purely on high quality ingredients. Our product will be high quality range and Poushtik is a premium kind of application which delivers only premium quality range. And if you go through all the quick commerce that will deliver in 10 minutes or 15 minutes or whatever the 30 minutes. We are not in quick commerce. We will deliver second delivery.

As a grocery, we are purely doing only grocery on the e-commerce platform. We are not doing any other kind of product like snacking or chips, soft drinks or anything; simply only purely kitchen-related grocery stores. So that is not needed in an instant within 10 minutes or within half an hour. People plan properly grocery segment. So we are focusing only on grocery in the Poushtik though all the perishable commodities will be there in this segment and high quality range.

So we will be operating with only one warehouse in the city. So it will optimize our cost as if you go through the other this platforms, quick commerce platform, there are multiple dark stores in cities for 30 to 40 they have to operate to give the service of within 10 minutes or 20 minutes or 30 minutes. But we will be a purely second day delivery platform. We will definitely optimize this timeline also, but not initial status.

We are assuring second day delivery. So we can operate with single warehouse and with the proper low cost operations. Generally if you go through the cart value of the application or the other e-commerce platform is around INR400 to INR600 any other -- all the platforms, but our cart value will be more than INR900 to INR1,000 in between we are assuming that exactly as per our research, so it will be minimum of INR800 to INR1,000. That is the bare minimum.

And operational cost for the quick commerce will be the high due to the instant delivery or 30 minutes delivery or 20 minutes delivery. Our cost will be very much, we will be -- comparatively



we will be getting the same high cart value with the low cost at 25% of the cost of the other e-commerce platform.

So this will be our USP and we are not going with the discount and offers. We are focusing just only on the quality and we will advertise or in media wherever then, we will focus on the quality. We are not discount store. If you are looking at good quality, we will be the best solution for this.

As I said and if you go the other platform, there will be a lot of confusion if you select any of the product, you will get the multiple range of products. For example, if you select one oil, you will get 100 numbers of oil. So it creates a confusion in the customer's mind, what to buy, which to buy? Either we have to go price wise or quality wise or brand wise, so they'll get confused. So we don't want to make confused customers. It will be very clear. The best will be available on Poushtik.

So this is a segment -- we are not focusing on the burning of the money or doing advertisement or just getting the consumer on board with the high spending of cash. No. We will be going slowly in the Poushtik with steadily, but our rate of just customer will be -- our acquisition cost will be bare minimum with the minimum cost of this will get the consumers on the board. So this is a kind of platform I want to address. Switch to our next slide, please.

Second thing, we will be delivering the complete Poushtik with this electric. So it will reduce our operating cost for that. Next slide, please. This is a category wise, phase wise. We are not launching at a time into pilot the inventory, we are focusing in a phase wise manner. We will come out with the small first initial range of 500 SKUs just as our in-house Srivari products are -- 35% of the products are in-house in Srivari out of 500 SKUs.

So how we will focus and how will be the high profitability, as our own portfolio will be around 30% to 35% and 45% will be white label in the name of Srivari on this platform. So that will make in a high profitability and grow drivers.

So phase wise, we will go in the second phase and third phase will launch other food products and healthy snacking. So it is a kind of platform will be purely with the healthy platform for grocery as well as future it will be in snacking also without any preservative or without any chemical process. So we are not claiming any organic in the Poushtik, but we are giving the best out of the market which product are used without any chemicals and preservatives.

Next slide, please. So many of the products, 20% to 25% of the product will be outsourced from other brands to keep up the range of this inventory, which will be stickered as a Poushtik sticker. So it will be clear that our R&D has been done on this product and safe and healthy trustworthy product.

So this is our how we will create a Poushtik brand to make them a clarity on the product. So if there is any sticker on the Poushtik, it means it's a quality tested properly; properly sourced and quality tested. This is how we want to brand symbolize a brand and community building encouragement will be there in the future.



Next slide, please. Some campaigns are running as newspaper campaigns and some community-based campaigns and location-based campaigns to focus and create the customer base properly with the minimum cost. We won't spend as like other companies do. We will optimize the cost properly and we'll use this funds very systematically on the advertisement and we'll use influencer marketing and performance-based marketing. Social media will be becoming the, now it's a daily life, people say the regular life recreation actually.

The next slide. Segmental growth as already Sushma has given the outcome exactly on the tons usage of our plants. So next slide, please. This is what we have started with, the 12 SKUs at the start and today we are running with 88 SKUs and more to come, many more SKUs. Our Srivari is purely focused to get the every kitchen product in our brand name with the proper quality and this touch.

Next slide, please. Yes, this partnership with this B2B model, Jumbotail, they are doing almost 2 lakh stores in their platform. So we started with now Hyderabad and soon we are going to launch in Karnataka and other four states with them. So this is a strategic tie-up with Jumbotail. They soon will be announced for the other regions also.

Next. Yes, financial performance. Yes, as we have in the earlier this investor's meet we have committed some growth percentage and we didn't reach out in the last year that we do because of the challenges of this new setup. It's a huge setup and second thing was the delay in the rights. We have planned in June, but it will be placed on October.

And second thing, because of that our oil part was delayed so we couldn't get the numbers reach up to the mark as we promised. But definitely now it's operational in this and the product will be placed in till month end. All the oil product will be placed in the complete marketplaces. So the growth driver will be -- we will maintain as per in our last conversation what we committed in this investor's meet.

Still the one thing I want to focus and just give the clarity on that. Our PAT has been decreased. See PAT has been decreased due to the new plant commencement and we have claimed the depreciation of the 6 months because of that PAT has been decreased, but our overall numbers are positive. Our gross profit are positive in around INR0.12. So the growth is on and with the proper profitability. Only because of the depreciation we are -- our net profit has been a little bit down with the last -- comparison with the last year.

Next slide please. These are the results as everyone knows about it, so thank you for this. Sushma, over to you.

Sushma Reddy:

Now I request the investors to start with your Q&A session.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We'll take a first question from Shubham Gupta, an individual investor. Please go ahead. Mr. Gupta, please unmute yourself and go ahead with the question.

- Shubham Gupta:** Hi sir. Thanks for the chance. My question would be since we are now targeting a 100% growth as we have stated earlier or a next set of growth for the company. But if I look at the financials at the balance sheet, we are tied up -- a lot of funds are tied up in working capital. So how do we plan to go forward the blood of the business to arrange for the funds for the company for the next set of growth?
- Narayan Das Rathi:** So now it's clear. Is it audible, Sushma?
- Sushma Reddy:** Yes.
- Moderator:** Yes. We can hear you.
- Narayan Das Rathi:** Yes. Exactly. Thanks for the question. As we already raised the funds, so as of now we designate till next set of numbers of this financial year. So half yearly will be computed with the same kind of this funds. We are having the -- as we are raising the rights. And further we have future is not a plan exactly. But we have backup of the banking also parallelly. So we can go with the banking also. We can add borrowing from this banking also as a parallelly.
- Shubham Gupta:** So what would be the facility right now from banks for the working capital, sir?
- Narayan Das Rathi:** INR12 crores is a facility, INR200 lakhs is a facility with the banking. So we can move further. We can fund from the banking also. And parallelly, we will be -- as of now we are not looking any fundraise for the next, this H1. After H1, we will ask for -- once the achievement is there later on we see if it is a cash stream, we will definitely address on that because we don't need much fund in the Poushtik.
- Poushtik is a platform we can sell. It is a 100% cash and carry. So we don't need huge fund on that. So only in this regular our segment which are our own manufacturing we need for that. So capacity utilization is already, it's up to the mark and we will reach 100% by this financial year. So we don't need any expansion in that kind of machineries on that. So we will be able to manage with the bare minimum funds.
- Shubham Gupta:** Okay. So out of INR12 crores facility, how much has been utilized till now?
- Narayan Das Rathi:** So, see, almost 15 is utilized and it's going to be updated in the NSE also. So we are having the backup of this financial year.
- Shubham Gupta:** No, no, I think there is a mismatch. You said there is a INR12 crores facility limit for you.
- Narayan Das Rathi:** That is completely used. That the bank facilities you are asking about that is used already.
- Shubham Gupta:** Do we plan to raise that as well?
- Narayan Das Rathi:** Yes. Soon we are going to raise it after a quarter. As of now we doesn't need any funds.
- Shubham Gupta:** Understood.

- Sushma Reddy:** Sorry to interrupt, sir. I just want to clear it. We have completely utilized the rights issue funds whatever we have raised like by 31st March '25 like for the plant and whatever as mentioned in the letter of offer for the utilization of the objects we have utilized it and the funds whatever you are talking about like how are you going to manage? So maybe we have, as sir said, banking channels. We can raise borrow funds from banks and all. So we haven't yet decided anything regarding raising of funds.
- Shubham Gupta:** And based on the present financials, till what limit we can increase these bank facilities?
- Narayan Das Rathi:** Based on the financials, we can double the facilities.
- Shubham Gupta:** So we can go to up till INR24 crores.
- Narayan Das Rathi:** Yes.
- Moderator:** We'll take our next question from Vaibhav Lohia from Commercial Freight Movers. Please go ahead. Mr. Lohia, please unmute your connection and go ahead with your question please.
- Vaibhav Lohia:** Sir, I wanted to understand what is the mathematical calculation for 100% growth for FY '26 because I can see that the atta and the spices factory are almost 100% utilized like almost and the new facility only has a potential revenue of INR60 crores. So what is the calculation for 100% growth for this year?
- Narayan Das Rathi:** Welcome back, Vaibhavji. You are the consistent investor. You are with the Srivari and thanks for that. So I'll address this about the 65% of the spices is utilized and now we are taking up spices. In the first phase we are taking up spices with other states. We are focusing on the next driver with the four states growth. So that will be with the entry level with the spices, later on with the atta. Not with the oil and these spices will be the next driver for other states growth.
- And already if you go through the presentation, utilization of spices is done with 65% only. So overall, if we go for this utilization, go through the utilization, these numbers, it's growth drivers enough for us for this financials and we don't need any expansion. Only atta is utilized. Atta we are not focusing on the other state and it's a cost -- it's a high cost for the freighter and this transportations.
- So we cannot focus in all the states with the atta initially. So we'll start with the spices and oil. So this is how we -- and spices if you go through that, it's 65% is utilized and 35% still is there. So we can utilize up to the mark and 100% with the spices. Then 88 is also atta. So atta will be done 100% this year and we are expecting this year, all our capacity utilization will be up to 90% plus in all the three segments, including oil.
- So this will be the growth driver for, if you go through that atta utilization and oil. Oil is a -- we haven't utilized anything in oil the last financial year. So it will be adding at least INR30 crores to INR40 crores of numbers with the oil. So you can estimate that calculation and it will be a growth. And parallelly, we are coming out with the Poushtik. Poushtik will add another benchmark on this, specifically revenue, revenue growth will be.

And Poushtik is a platform for e-commerce. Parallely, we are focusing on our own brand, our own label with all the groceries. We are entering Srivari as a multiple product with repack also will be in Srivari name. And that will, our focus will be in other platform parallely with other e-commerce platform or big commerce platforms.

That will be, we are into the process of listing of all our products in Instamart, Blinkit, as well as this BigBasket and everywhere. So it will add a huge revenue for that, that will be repacking. The 400 plus, 500 around SKUs will be repacked by Srivari in the brand name of Srivari. So that make a sense of adding the growth percentage as we have mentioned in the earlier calls.

Vaibhav Lohia: Okay. So, I can expect a large chunk of revenue coming from Poushtik as well, right?

Narayan Das Rathi: Yes.

Vaibhav Lohia: Okay. Got it.

Narayan Das Rathi: So all together will be see oil, Poushtik and existing spices, all these making a contribution of parallely, every segment will contribute. So it will be achieved.

Vaibhav Lohia: Okay, understood.

Moderator: Does that answer your question Vaibhav?

Vaibhav Lohia: Yes, yes. Understood. Thank you.

Moderator: All right. Thank you. We'll take a text question from Arjun Singh, an individual investor. Our oil unit capacity is 7,200 ton per annum. Average rate of oil is INR200 per litre. So total revenue will be around INR150 crores. How management said oil unit will generate INR5 crores revenue per month, although it comes around INR12.5 crores per month.

Narayan Das Rathi: We are not, revenue we are not targeting INR150 crores with the oil itself. So our focus is on a complete segment with the spices, oil and this Poushtik and this growth drivers will be this. Oil will go slowly, it will take some time for the placements. So we are not clearly saying that only the contributor will, the big contributor will be oil, but major, all the segment will contribute parallely in the segments, all the segments.

Moderator: We have a live question from Tejas Jadhav, an individual investor. Please go ahead. Tejas, can you please unmute your connection? Since there is no response, we'll take the next question from Saurav Jalan from SJ Capital. Saurav, please unmute your line and go ahead with your question, please. Mr. Saurav Jalan, please unmute your microphone and go ahead with your question. Do not have a response. We'll take the text question from Aravind Kumar, an Investor. What revenue we can expect in FY26?

Narayan Das Rathi: Sushma, you have to address this question as we cannot disclose the exactly revenue numbers.

- Sushma Reddy:** Hello, Aravind Kumar. Actually, we cannot give any kind of numbers like this as these are like all UPSI related information. I hope you can understand. We cannot comment on these revenue numbers.
- Moderator:** Thank you. We have a question from Tejas Jadhav, an Individual Investor. Please go ahead, Tejas.
- Tejas Jadhav:** So, sir, I have two questions. First one is on the oil plant. So, recently we have started the oil plant. Is it only for the groundnut oil or will there be other oils that will be launched in future in this financial year? And my second question is on the Poushtik segment that we have started. So, was there any market survey done for this and what kind of orders or monthly run rate that we are expecting with this?
- Narayan Das Rathi:** Yes, this is by Tejas Jadhav, right?
- Moderator:** Correct.
- Narayan Das Rathi:** Yes, Tejas Jadhav. So, first question was what exactly?
- Tejas Jadhav:** First one was in the oil plant, so....
- Narayan Das Rathi:** Yes, okay. So, with the oil plant, we have started with the groundnut oil and later on we will add sesame oil and safflower oil parallelly. These three oils will be operated in this plant. Actually, we can grind any kind of oil, any product in this unit. It is a premium unit completely based out of export oriented unit. So, our focus is on all the oils which are into the double filter or cold press. Both we can produce is both the oils, double filter as well as cold press.
- So, initially with the starting as we have in the South India, we are having a very good market share of groundnut oil. So, we started with the groundnut oil. Generally, overall if you see the positioning of the groundnut oil is percentage wise 7% to 8% is the overall sales of this oil segment. Major out of the all other oils as refined oil is there, sunflower oil is there and palm oil is there apart from that. So, 7% to 8% is a groundnut oil.
- So, we are focusing on the 7 to 8 percent major segment. Sesame oil and safflower oil, it is 1% to 2% of market share. So, we want to start with the high market share of the product. So, we started and secondary thing our USP is in groundnut is we are into the base of the raw material. From our factory 50 kilometer radius, we are getting all the materials in groundnut.
- This Telangana is the biggest producer of the groundnut parallelly and specifically our location of factory 50 kilometer radius is a complete sourcing. So, it will reduce our transportation cost as a high quality product we can get from that. So, second biggest producer in Gujarat also, but there is a difference in sourcing of the product in Gujarat as well as Telangana. Telangana product is high quality and flavored and this Gujarat product is a big and is a hybrid one.
- So, this is our USP, we made it USP because of the sourcing and market share. We have focused on the oil and we will come out with the other oils also parallelly soon in coming quarters. After

two quarters, we will plan for the others, other segments. And secondary thing, second thing is on the Poushtik. The Poushtik we haven't launched yet. It is current, we are processing, soon it will be announced in this month end.

So, we are ready with that to take off that. We are on the final stage of the takeoff. It's a delay of this iOS deployment of this application that was delayed. So, we got the approval the last week. So, now we are updating that application and in month end we will launch, but we are focusing on some community-based focused out there.

We have a database of community which are really needed, badly needed. The quality is missing in the market as I said earlier in the investors made Atta. Specifically Atta we are not finding any good quality Atta in any other brands. So, our major focus is on Atta to get direct to consumer, we can get from direct consumer with the good margins. And we can get focused on specifically focused on the Atta as well as our range of products.

So, if you go through the grocery, monthly spending, if you take average family will get spending of 4,000 to 5,000. So, out of the 5,000, 35% of the products are in-house manufacturing and 40% will be we are manufacturing in our label. Not manufacturing, we are rebranding this. So, not rebranding, it is completely unorganized.

40% as raw spices are there and pulses are there. The pulses and raw spices do not have any brand, specific brand, which cannot be purchased with a specific brand. So, that 40% is our strength as we will be repacking in our own this packaging. So, that will build a brand image as well as we will get the revenue sharing also. So, this will be the main driver. So, both are 20% will be just as ghee.

We are not going to manufacture ghee and some other products. So, we will be sourced, which is the best quality available in the market. So, out of the 100%, 80% will be in-house our branding only. So, this will add on to our complete this company branding will be added with. So, final price SKUs. So, it will create a brand image and we are not in a hurry in the race with the other quick commerce platform.

Overnight, we want to get this number, that number. See, slowly within the six months of time frame, in the two quarters, we are targeting per day targeting deliveries of 300 deliveries. So, we are hiring very low with a low inventory as well as low manpower. We are working on that. So, as I said earlier in that, we are not a quick commerce. We don't need any additional manpower, additional warehouses and this will operate with a single warehouse and slowly with this.

And again, parallelly this warehouse and this inventory will be used to cater the other e-commerce platform that will be in Srivari, that will be used in the other platform also parallelly. So, we can get a proper order base and huge order base in this and without any burning of money. So, this is how we are targeting this in the Poushtik.

Moderator:

Tejas, does that answer your question?

Tejas Jadhav:

Yes. Okay, sir. Thank you and all the best for these two new verticals.



- Moderator:** Thank you. We'll take our next question from Saurav Jalan from SJ Capital. Please go ahead. Saurav, can you please unmute your microphone. Since there is no response, I'll move to the next question from Nithin James. Nithin, please unmute your microphone and go ahead with your question, please.
- Nithin James:** Hi, sir. I'm Nithin James here. I just joined the call. I had just a couple of questions. One is, you had initially promised that you will deliver a 100% return on revenue and if you see year-on-year, the growth is nowhere close to what you had initially guided for. Second is, I want to know, there was rights issue. How are the funds utilized? I'm sorry if this question has been answered already. I just joined the call and that's why I'm posting this? Thank you.
- Narayan Das Rathi:** Sushma, utilization, you just update about the utilization of funds?
- Sushma Reddy:** Yes, sir. One second. Yes, as already disclosed in the letter of offer, our main objects of the rights issue was to for the oil plant, which is around INR8.64 crores, sorry, 864.02 lakhs, that is INR8 crores 64 lakhs change and repayment of unsecured loans, which is about INR1.90 crores and for working capital requirement, it is around INR10 crores and for general corporate purpose, it is around INR4 crores.
- So, as disclosed in the letter of offer, we have utilized the entire amount for the specified purpose without any deviation.
- Narayan Das Rathi:** I will address the second question as a growth driver, 100%. Yes, actually, due to the delay in the rights and raising the capitals, our numbers were now up to the mark as I said, but we will be maintaining this as just now, I think you are joined now, right? So, with these four segments, different segments, spices, atta and oil, as well as our caustic is our e-commerce platform. With this, we will achieve the numbers as we have committed in this earlier stages.
- Next question. I think some text question is there.
- Moderator:** We have the text question from Vijay Chauhan, RH PMS. Approx REV growth for next 3 years, EBITDA margin guidance for next 2 to 3 years?
- Sushma Reddy:** Mr. Vijay as already discussed, we cannot give any kind of guidance. Sorry. Yes, can you please take our next question?
- Moderator:** Thank you. The next question is Santhosh Varma from Viansh Ventures Private Limited.
- And the question is, how are we planning to market and create a brand presence, both Srivari and Poushtik as this market is highly competitive and in South, we are competing with Archie, MTR, Eastern, etc. How are we planning to attract customers to our products?
- Narayan Das Rathi:** We are into the South Indian markets. We know the pulse of the customer, the whole consumer exactly, what how we can place it. So, strategically, we are moving properly in every quarter, we are going to start in different, different states, as I said now. So, now our growth will be from next focused states will be Karnataka and Tamil Nadu as well as Maharashtra and Odisha soon.

Means our USP is only quality. We are placing with the B2B exactly new players, which are already established players, just like I said, we are going to venture with the Jumbotail on this platform and other B2B platforms are there, Kirana stores and different 4 to 5 platforms are there.

So, we, to enter the market with the low cost, we are tying up with them and we'll enter the market as soon as the Tamil Nadu, Karnataka as well as Maharashtra we are focusing. So, we, our strategy to compete with them is we see, first of all, is our is a high quality product, but competitive price and we start with the small placements, small stores focus initially. So, we will focus in the general trade, not in the modern trade initially.

So, it will be not tough further to enter the market as it will be a service based business. We are mostly focusing on the service base, which get a small number, small ticket sizes, which are INR1000, INR1500, INR2000, INR3000 with their kind of this, we utilize this B2B platform for that to maintain our profitability. So, this is our strategy to enter the other states and compete with them. Next question please.

Moderator:

We have a question from Aravind Kumar, an Investor. Can you explain the market size of spices, atta, oil in India? How we can capture the market with other companies? Are we also competing in this? Is the market size big enough?

Narayan Das Rathi:

So, the market size is very huge on this, actually. So, it is quite easy. India is the most consumption market -- biggest consumption market in the world as far as the consumption and 80% of the spices are utilized and wheat is utilized in our India itself. So, it is a huge marketplace out of production, more than INR2 lakhs crores is the spices market.

As I said, one important thing is in the spices, still 70% is an unorganized trade. So, after the post COVID, now people are moving to the packaging and quality products. So, 70% will now come down by 2030, we are expecting 70% will be the organized trade. So, it is a huge opportunity and opportunity for our company, for our type of companies to grow with the shifting of from unorganized to organized.

As well as atta is also same, 70% is in the loose atta which is unorganized. So, it is quite easy with the shift of the market, we can target our consumer, we can get either. So, it is no point of discussion on the competition because the market is growing with the huge percentages. So, we can acquire that market for us. So, it will be easy to target this organized market.

Moderator:

Thank you. We will take the next text question from Arjun Singh, an Individual. Oil unit plant cost as per offer letter of right issue is around INR8 crores and INR10 crores for working capital for oil unit. In balance sheet in FY '25, we have purchased fixed asset around INR17.5 crores. Is our cost for oil unit setup double? Please tell reason for so much high cost.

Narayan Das Rathi:

So, parallel that is including that working capital is included in that, that INR17.5 crores as a Company Secretary had mentioned and delay was because of we have invested more into this infrastructure as it is a civil work was huge in this setup plant. So, it was increased by INR1 crores to INR1.5 crores of this as we expected in this.

And again, delay also same with the kind of civil work. So, this is a -- as mentioned is almost with the including working capital is only the 20% is increased our cost, which mentioned apart from the mentioned in this DRHP.

Neihaa Rathi:

Sorry to interrupt. I just want to tell this. Our plant is totally automatic and it is with, it is with a new advanced technology where you cannot see those type of plants like it's a rare plant. And we have very advanced technology where our product like oil, where you will not find the oil is like we have a more what the rate, the rate of the oil, I want to say exactly is, the conception of the oil, whatever the storage, the storage is very good and it will be stored like without any, decade or anything, the storage will be very good for that means the storage quantity is good.

And whatever the plant we have made, that is totally automatic plant where we are not depend more on the employees. Like we are not depend more on the labors. So, it is like here again, we have a cost cutting of, like utilization of our income over there. So, this I can say, and again, up to you, you can just explain.

Narayan Das Rathi:

Thank you. So, as I said, then it's a completely automated and export oriented unit. So, the price was somewhat high and so increase that cost because of that. And it's a kind of first unit in the Andhra and Tamil Nadu. We are the first unit, this kind of automated plant, premium plant. So, this is what, as we have utilized and updated in this. So, next question please.

Moderator:

Thank you. Yes. Next question is from Saurav Jalan from SJ Capital.

Hello, sir. Thanks for the opportunity. Since revenue from Poushtik and Oil business will start contributing from this financial year. So, what is the overall EBITDA and PAT margin, which we are expecting in FY '26? Also, when are we expecting to generate positive cash flow from operations? Thanks.

Narayan Das Rathi:

Yes. Sushma, you have to address as EBITDA and PAT margin, we cannot, it's a compliance issue.

Sushma Reddy:

Yes. Same for this as well, this question. Anything relating to numbers like, any EBITDA, PAT or any guidance on the coming years, we cannot disclose. Please understand and do not repeat these kind of questions. Sorry.

Moderator:

Thank you. We'll take our next question from Aravind Kumar, an Investor. Can we expect export revenue in FY '26?

Narayan Das Rathi:

I think this question will be addressed by the Chairman. See, revenue, see, there is no, not a plan for the revenues and these numbers of the exports, but definitely we are the second, H2, we are going to start the export. As of now, we cannot comment on that revenue part.

Moderator:

Thank you. As there are no further questions, I hand over the call to management for closing comments. Over to you.



Sushma Reddy:

Thank you all and all for joining us today. Thank you, Neihaa ma'am and Narayan sir for your valuable time. And thank you, to this Chorus Call for arranging this call. Thank you all the investors for joining us today. Hope we have addressed all your queries. Thank you.

Moderator:

Thank you, members of the management. On behalf of Srivari Spices and Foods Limited, that concludes this conference. Thank you for your participation and you may now exit the meeting. Thank you once again.