



21st May, 2026

National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Symbol: ADFFOODS	BSE Limited, Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Scrip Code: 519183
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Subject: Transcript of Q4 & FY 2025-26 Earnings Conference Call.

Dear Sir/Madam,

Pursuant to Regulation 30 & 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith a copy of the transcript of Earnings Conference Call held on Thursday, 14th May, 2026.

The same is also available on the website of the Company at www.adf-foods.com.

This is for your information and record.

Thanking You,

Yours faithfully,
For **ADF Foods Limited**

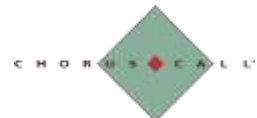
Shalaka Ovalekar
Company Secretary

Encl: as Above





“ADF Foods Limited
Q4 FY '26 Earnings Conference Call”
May 14, 2026



MANAGEMENT: **MR. BIMAL THAKKAR – PROMOTER, CHAIRMAN,
MANAGING DIRECTOR AND CHIEF EXECUTIVE
OFFICER – ADF FOODS LIMITED**
**MR. SRINIVAS AYYAGARI – CHIEF FINANCIAL
OFFICER – ADF FOODS LIMITED**
**MR. SUMER THAKKAR – PROMOTER, VICE
PRESIDENT, SALES AND STRATEGY – ADF FOODS
LIMITED**

MODERATOR: **MR. RAVI UDESHI – E&Y**

Moderator: Ladies and gentlemen, good day, and welcome to the ADF Foods Limited Q4 FY '26 Earnings 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. Should you need assistance during this conference call, please signal an operator by pressing star and then zero on your touchtone phone. I now hand the conference over to Mr. Ravi Udeshi from EY. Thank you, and over to you, Mr. Ravi.

Ravi Udeshi: Thank you, Sagar, and good afternoon, everyone. We welcome you to the Q4 and FY '26 Earnings Conference Call of ADF Foods Limited. To take us through the results and to answer your questions, we have with us today the top management of ADF Foods Limited, represented by Mr. Bimal Thakkar, the Promoter, Chairman, Managing Director and CEO. Mr. Sumer Thakkar, the Promoter, Vice President, Sales and Strategy; and Mr. Srinivas Ayyagari, the Chief Financial Officer. We will start the call with an overview of the business and the recent updates by Mr. Bimal Thakkar, and then Mr. Srinivas will give his comments on the financials. As usual, the standard safe harbour clause applies while we start the call.

With that said, I now hand over the call to Bimal. Over to you, Bimal.

Bimal Thakkar: Thank you, Ravi. Good afternoon, everyone. On the results front, we delivered a strong performance in Q4 of the financial year '26 with consolidated revenues reaching an all-time high of INR196.7 crores, representing a robust 23.7% year-on-year growth. On a stand-alone basis, revenues increased by 11.6% year-on-year to INR150.3 crores.

Despite prevailing challenges, including tariffs, West Asia conflict and supply chain issues, our business saw continued momentum fueled by significant traction from listings secured in the past few years and strengthening of our brand penetration and distribution across all our key markets. Our consolidated EBITDA reached INR34.3 crores with healthy margins of 17.4%.

On a stand-alone basis, EBITDA increased by 24.8% to INR36.5 crores. This was driven by improved product mix and continued focus on cost optimization. Our flagship brand, Ashoka, continues to strengthen its presence driven by strong diaspora demand and our mainstream brand, Truly Indian has exceeded expectations with a marked acceleration in its growth trajectory.

We are proud to announce that Truly Indian has won NEXTY Award in the Best Breads and Bakery category for its Tikka Masala Naan and also won the Freezies Award in the Best Frozen Bread & Bakery category for its Garlic Naan. We have successfully commenced operations at our Surat greenfield facility in Q4 of financial year '26 with a scale-up planned over the coming quarters.

We continue to witness strong brand-led traction supported by deeper penetration. The ongoing West Asia situation continues to pose challenges. However, with our sustained focus on execution excellence and operational discipline, we remain cautiously optimistic in our ability to maintain the current growth trajectory over the long term.

I will now hand over to Srini, our CFO, who will comment on the financials. Thank you. Over to you, Srini.

Srinivas Ayyagari:

Thank you, Bimal, and good afternoon, everyone. I'll begin with the consolidated performance for Q4 and FY '26. For Q4 FY '26, consolidated revenue reached a record high of INR196.7 crores, reflecting a strong growth of 23.7% year-on-year. Consolidated EBITDA stood at INR34.3 crores, up 38.9% year-on-year with EBITDA margins at 17.4%, expanding by 190 bps over last year. Profit after tax was INR25.9 crores, registering a robust growth of 57.6% year-on-year with PAT margins at 13.2%.

Coming to the full year performance, consolidated revenue stood at INR683.2 crores, up 15.9% year-on-year. EBITDA increased 32.8% to INR130.7 crores, while EBITDA margins improved to 19.1%, an expansion of 240 basis points. PAT, excluding exceptional items, stood at INR96.8 crores, up 39.7% year-on-year, translating into a PAT margin of 14.2%.

Now I move to the stand-alone performance. For Q4 FY '26, stand-alone revenues were INR150.3 crores, reflecting a healthy growth of 11.6% year-on-year. EBITDA for the quarter stood at INR36.5 crores, up 24.8% year-on-year with EBITDA margins at 24.3%, improving by 260 basis points.

PAT increased by 40% on a year-on-year basis and stood at INR30.1 crores with PAT margins at a healthy 20%. For the full year ended March 31, 2026, stand-alone revenues stood at INR527.9 crores, registering a 10.3% growth year-on-year. EBITDA increased 24.6% to INR131.1 crores, while EBITDA margins expanded to 24.8%, up 280 basis points year-on-year. PAT, excluding exceptional items, stood at INR104 crores with PAT margins at 19.7%.

As highlighted by Bimal, the improvement in margins was driven by a better product mix, sustained cost optimization initiatives and volumes. We continue to be watchful of the ongoing geopolitical situation and its impacts on our business.

At the same time, we continue to invest in our brands, manufacturing capabilities and leadership talent to build a strong platform for future growth. These investments are already delivering results. Our flagship brand, Ashoka, continued its strong momentum across both core and emerging markets, supported by deeper market penetration and focused market execution. Our global mainstream brand, Truly Indian, is also scaling up well, supported by new listings across leading chains, retail chains like Costco, Raley's, Safeway- Albertsons, Whole Foods Markets and several other chains in U.S.

We now service close to 3,000 stores across the U.S. markets. On the manufacturing front, we have invested approximately INR124 crores in capex over the last 2 years in both greenfield and brownfield expansions. Phase 1 of the Surat greenfield facility commenced its commercial production in March 2026.

The company's financial position remains strong with a net debt-free balance sheet and a robust cash surplus of INR78.2 crores, thereby providing strong financial flexibility for future growth initiatives. The Board has recommended final dividend of 30% of face value, making the total dividend amounting to 60% for FY '26.

With this, I now return to Ravi Udeshi to open the floor for question-and-answer session.

Moderator: Thank you. Your first question comes from the line of Saurabh Beria from Sameeksha Capital. Please go ahead.

Saurabh Beria: First of all, congratulations for a great set of numbers. I just wanted to know, since we just commenced the Surat facility, what is the current utilization? And what is the ramp-up timeline you are expecting? And in FY '27 and also in coming years, when the plant operates at say, full capacity, what is the incremental delta revenue we expect?

Bimal Thakkar: Yes. Is there any other question or should I answer this for you?

Saurabh Beria: Yes, you can answer this one.

Bimal Thakkar: Okay. So the Surat plant, as mentioned by Srinii, we just started production in the third week of March. So the last fiscal year, we barely executed 2 containers because we just had nearly only 10 days of operations. This year, the plant is going to be done in 2 phases. The Phase 1 is 2 product lines, which have been put in. And in Phase 2, which will be in quarter 3 of this fiscal year, there will be another product line which will start.

So we expect in terms of revenue around INR40 crores to INR50 crores contribution from the Surat facility in this fiscal year. At its full capacity, the Surat plant will give us upwards of INR200 crores in top line.

Saurabh Beria: That answers well. Just a follow-up question on this. Since the Surat plant also serves international markets, should we expect initial operating leverage to impact or what is the margin guidance on a consol basis? So what margin lever this plant would have on the overall margins?

Bimal Thakkar: So at its full capacity, we expect to maintain the similar kind of margins that we are getting from our existing facilities.

Moderator: Your next question comes from the line of Rehan Syed from Trinetra Asset Managers.

Rehan Syed: Sir, I have only 2 questions. First was that Ashoka continues to deliver strong growth despite already being a well-established diaspora brand globally. So what according to the management are the key levers that can sustain the guided 20%, 25% growth trajectory from here and especially considering the large revenue base now? So is the next phase of growth likely to come more from deeper penetration within existing geographies or from entering new consumption occasions and product categories?

Bimal Thakkar: So it will be a combination of both. I mean we are still looking at widening our penetration in our existing core markets, adding on new markets. And of course, continuous product development and adding new product lines. So it will be a combination of all these 2 things, which will help continue the growth of the brand.

Rehan Syed: Okay. Fair enough. And sir, my second question is around like Truly Indian seems to be gaining strong traction in the U.S. mainstream channel with presence across nearly 3,000 stores now. So could you help us understand whether the growth is currently being driven more by distribution

expansion or by healthy offtake and repeat purchase at existing stores? And also, are you seeing any meaningful difference in consumer behaviour between India origin consumer and mainstream non-India consumer in the terms of product acceptance and repeat consumption pattern?

Bimal Thakkar: So that's a great question. The Truly Indian brand at the moment, the initial traction is more from a distribution point. We have had repeats happening with some of the Costco divisions. So that is very encouraging where we've already had 2 to 3 rotations in some divisions. The other supermarkets, some of them have had repeats, which have happened. Some are fairly new listings. So it's a combination of repeat as well as new listings, which is leading to the growth. The ethnic Indian food category within the mainstream American consumers is getting more and more popular. Consumers are preferring to go more vegan, healthy products. So the Indian category is at this inflection point where we feel over the next few years, it will just -- there will be a huge growth in this category and which is where we feel Truly Indian is poised to grow in this space.

Moderator: Your next question comes from the line of Dhananjai Bagrodia from Alchemy.

Dhananjai Bagrodia: Congratulations on a very strong set of numbers. I just wanted to ask you, are we seeing any impact of at least in U.S. and people talking about Ozempic. Are we hearing anything from any of these players accordingly?

Bimal Thakkar: Sorry, can you just repeat that?

Dhananjai Bagrodia: Any impact from any of these players? Are they speaking about like Ozempic and GLP-1s reducing the intake for these kind of foods?

Bimal Thakkar: No, no. We are not seeing any kind of impact on that. And in fact, our whole product range is vegetarian and vegan. So if anything, it will lure the consumers towards these kind of products when compared to meat and other things.

Dhananjai Bagrodia: Okay, fine. And maybe I missed this, but how is it -- how is the numbers coming along in Middle East considering the whole war situation?

Bimal Thakkar: So the Middle East has been -- I mean, because of the current situation in the month of March and April, we've not been able to service that market apart from a few ports because there are no shipping companies which are taking containers there. So March and April have seen a very insignificant sale out there. And we hope the situation improves so that Middle East can start contributing as well in this financial year.

Moderator: Your next question comes from the line of Charchit Maloo with Genuity Capital.

Charchit Maloo: Congratulations on a good set of numbers. Sir, what was the capacity utilization as of FY '26?

Bimal Thakkar: So we have different lines, different product lines. So at an average, I would say we were anywhere between 70% to 75% capacity utilization.

- Charchit Maloo:** Okay. And like with Surat plant getting started, what kind of utilization are we expecting going forward in F '27 and FY '28?
- Bimal Thakkar:** So as I mentioned, Surat is going to be done in 2 phases. So the Phase 1, we would expect about close to 35% to 40% capacity utilization in Phase 1. Phase 2 will be towards the third quarter of this financial year. So that would hardly be 10%, 15% capacity utilization for this financial year.
- Charchit Maloo:** Understood. And just one more thing, like I just wanted to understand at what extent are we impacted from this war situation like from the export business? If you can just quantify.
- Bimal Thakkar:** I'm sorry, can you please just repeat your question?
- Charchit Maloo:** So at what extent are we like getting impacted from this war situation because we are unable to export, if I'm not wrong?
- Bimal Thakkar:** So at the moment, for us, our biggest challenge has been servicing the Middle East market, the GCC market because there is no availability of ships. No one's going there. Few ports are only open. So I would say the GCC business has been impacted by at least about 80%, 85% for us.
- All the other markets, what has happened is we have containers going -- I mean, ships are accepting cargo there. It's just that the transit time is longer and the freight rates have increased a little bit. But all these other markets, we've not had any impact. The main impact has been in the GCC for us.
- Moderator:** Your next question comes from the line of Rishi Maheshwari with Aksa Capital.
- Rishi Maheshwari:** A couple of questions, Bimal. Firstly, the current revenue for Q4, can you break it down versus volume and value given the benefit of rupee depreciation that you would have also witnessed in this quarter? And if there is -- what was -- if you can quantify what was the impact of the export to the GCC countries?
- Bimal Thakkar:** So I would say the growth is more 60%, 65% towards the volume growth. There has been some benefit with the devaluation, but majority of the growth has come through with volume growth. And the Middle East business, as I mentioned, I mean, March was literally -- we didn't have any shipments go into the Middle East in the month of March.
- April has started off with 1 or 2 ports. The GCC overall accounts for about a little under 15% of our overall revenues. So that's the markets which we are struggling with at the moment. So they haven't contributed at all for March and April. And we hope the situation improves because then that will help us feeding these markets back again.
- Rishi Maheshwari:** Sure. And you projected for INR1,000 crores of revenue in FY '27. We've done INR308 crores via Ashoka and you projected 20% to 25% growth there. That's about INR385 crores. So to get the balance INR615 crores in FY '27, you'd require about 75% growth from the rest of the business.
- I was wondering what really is scaling up over here. I know that the distribution growth over here is about INR100 crores is what you have already exhibited in the presentation. Truly Indian

in the last call, you mentioned that in 3 years' time, you intend to reach back to about INR100 crores, which means that by this year end, it may be about INR50 crores, INR60 crores. So what is really the balance that I'm unable to reconcile with the 34%, 35% growth?

Bimal Thakkar:

So the guidance on the revenue, we've said INR925 crores to INR1,000 crores. That's the kind of band which we are looking at. And we feel fairly confident of being able to achieve it provided the geopolitical situations improve. I mean if it continues that way, we will have to relook at the numbers and our guidance.

But if things stabilize within the next month or so, which we hope, then we would be able to meet our guidance of around between INR925 crores to INR1,000 crores. Truly Indian brand has grown more than what we had expected in this last fiscal year. This year also, we are hoping for a much higher growth. I mean our estimate is if everything goes well, we are looking at anywhere between INR75 crores to INR80 crores on Truly Indian for this year.

So that will help grow. The Ashoka brand also, we feel will grow much more than what it is currently. We are opening up. As I mentioned, we are looking at deeper penetration. There are new markets which are coming into play. So we expect the Ashoka brand to grow close to 30%, 35% in this fiscal year.

Moderator:

Sorry to interrupt Rishi, sir, we request you to rejoin the queue for follow-ups, please. Your next question comes from the line of Naitik from NV Alpha Fund.

Naitik:

So sir, my first question is Ashoka brand, we have roughly INR300 crores of top line currently and the reach of roughly 3,000 stores. So what sort of store additions do we anticipate to be adding per year?

Bimal Thakkar:

No. So the Ashoka brand is not 3,000 stores. Ashoka is much more than that. 3,000 stores is for the Truly Indian brand, which is what we've achieved. So Ashoka continues -- as I mentioned, the growth on Ashoka is going to come from deeper penetration within the existing stores across all our main markets, new product categories, new products that we will introduce and new markets which we are going to open.

Naitik:

And if you could just mention, I believe core markets would be U.S.A., but apart from that, which market?

Bimal Thakkar:

North America is -- which includes Canada is our core market. U.K. and Europe is our core market for the Ashoka brand. Australia, New Zealand, that's also a market which is growing well for us. So these are the main markets where the Ashoka brand focus will be.

Naitik:

Got it, sir. Sir, last question, if you could give us a breakup of how much percentage is coming from private label and Truly Indian, I believe it's INR100 crores, INR120 crores right now or what is the run rate?

Bimal Thakkar:

So Truly Indian -- so okay, the B2B and private label business accounts for about 20% of our overall revenue. So -- and the Truly Indian brand is approximately \$4 million, \$4.5 million.

Moderator: Your next question comes from the line of Ankur Gulati with Genuity Capital.

Ankur Gulati: In Q4, I guess you said there's no Middle East revenue in March. So what was the Jan and Feb billing?

Bimal Thakkar: Only in the month of March, there was no shipments in the Middle East.

Ankur Gulati: Yes. So what was the revenue from Middle East in Jan, Feb out of INR197 crores of revenue?

Bimal Thakkar: I don't know the exact number. But as I mentioned, the GCC accounts overall for about under 15% of our revenues.

Ankur Gulati: Okay. So out of, let's say, INR200 crores on a run rate basis, INR30 crores is where there is a bit of a potential risk on a quarterly run rate basis. Is that fair?

Bimal Thakkar: Yes.

Ankur Gulati: Okay. Second, what is the increase in logistic cost for the entire quarter, which I'm assuming escalation happened in March, but if you can give me the increase in logistic cost, shipment cost.

Bimal Thakkar: The increase has been roughly about 3% to 4% at the moment. Of the total revenue, yes. Markets like the Middle East, which have just started operating, there the freight costs are very high. And it's -- as I mentioned, it's just 1 or 2 ports that are currently operational. So in those markets, we are sharing the cost with our distributor on a 50-50 basis. So the distributors are also contributing 50% towards that freight cost.

Ankur Gulati: So 3% increase on INR200 is INR6 crores. That's the increase in logistic cost for 1 month. On a quarter basis, this translates to roughly INR15 crores, INR18 crores.

Bimal Thakkar: Correct. But the increase for the last quarter happened only in the month of March.

Ankur Gulati: Correct, So INR6 crores increase is in one month, the quarter run rate this will be INR18 crores, which will show up in April quarter. Is that correct?

Srinivas Ayyagari: No, Ankur, may be Bimal I'll take it. Ankur, so March was a very big aberration month because the West Asia situation unfolded and there were a lot of containers and vessels which had got jammed and we could not get vessels, and we had to use long transit timelines towards the U.S. markets.

April, we saw the slightly toning down of the freight costs coming down. March, you have to look at it as a very, very aberration month. After the second week of April, these numbers have toned down slightly because the situation now is more or less the same or static for some time. So you can't just extrapolate that numbers. But March being a very exceptional month, we had to spend additional amounts on freight costs for our shippings.

Ankur Gulati: So that's comforting, sir. Just, let's say, INR59 crores was your other expense in Q3. So if I have to pencil in for this quarter or next quarter, should I add INR10 crores at least purely because logistic cost has bumped up? I'm referring to Q3 as a base, not Q4 as a base.

- Srinivas Ayyagari:** I think you can very well add roughly around 1 percentage basis points in terms of the freight of what we spent right now. So apart from that, I think the situation will -- should come into control over a period of the next 2 months basically.
- Moderator:** The next question comes from the line of Ravi Naredi with Naredi Investment Private Limited.
- Ravi Naredi:** Bimal ji, in this adverse situation, ADF Food has done very well in this March quarter and for the full year. I am shareholder in last 10 years, I never saw such an energetic number in our company, which you deliver now. Sir, how much PLI incentive we received from government in quarter 4 or full year of 2026?
- Bimal Thakkar:** Srini, do you want to get that, please? Thank you, Ravi-ji. Thank you for your encouragement.
- Srinivas Ayyagari:** Just one second. Yes. So from a PLI perspective, for the full year, our number is roughly around INR16 crores for FY '26.
- Ravi Naredi:** Okay. Sir, U.S. warehouse working at what level of our capacity? Can you tell in that way?
- Bimal Thakkar:** So I mean, there's -- in terms of utilization of the -- we have -- the warehouse is split between freezers and ambient products. Freezer is in excess of 100%. So I mean, we, in fact, are using outside storage because our freezer space is small, small -- I mean, it's less compared to what the demand is. As far as the ambient products go, we have about 85% utilization on the ambient products.
- Ravi Naredi:** So it means we will go for new warehouse soon, right?
- Bimal Thakkar:** Yes, the plan is to open up another warehouse as well later on in -- probably in the third quarter. We just want to see how everything stabilizes, and then we'll open up one more distribution center in.
- Ravi Naredi:** Okay. Okay. Sir, my last question, in 2027, you had predicted INR1,000 crores top line. So our margin will be same or higher?
- Bimal Thakkar:** Well, as the Surat facility would not be fully utilized, but we feel fairly confident that we will maintain these high-teen EBITDAs, which we've been giving guidance for. So we feel fairly confident of being able to do that. And hopefully, the situation in the Middle East improves and things start stabilizing. So these are the assumptions that we are making.
- Ravi Naredi:** Fantastic results really. It was good to see.
- Moderator:** The next question comes from the line of Shialditya Chaudhury, an individual investor.
- Shialditya Chaudhury:** Can you hear me? Okay. So my question is on this Surat facility, the ramp. Can you -- both the phases we talked about, right? So can you tell me the peak revenue potential for each of these phases and how the ramp-up of the utilization will happen timelines-wise?
- Bimal Thakkar:** So as I mentioned earlier, at full capacity and with the second phase being executed, the Surat facility will give upwards of anywhere between INR200 crores to INR250 crores in top line.

- Shialditya Chaudhury:** Okay. Okay. And how the ramp-up we should expect over the next couple of years?
- Bimal Thakkar:** So we are hoping to get to full capacity utilization in year 3.
- Shialditya Chaudhury:** Okay so this year FY27 we are expecting around 35% and then gradually ramp up to full capacity utilization.
- Bimal Thakkar:** Yes.
- Shialditya Chaudhury:** All right. So the next question I have is on the Middle East. As you said, almost 15% of your revenues come from there. So it's a sizable portion of the revenue. And obviously, we don't know what the situation is going to be in the future. So if the situation stays, worst case, let's say, it stays as it is currently for the next foreseeable future, what is the impact on your guidance? And what is the kind of mitigation you are looking at? Can you throw some light on that?
- Bimal Thakkar:** All the other markets are -- all our other core markets, we are aggressively growing in those markets. And we will -- we are continuing to put -- make investments in terms of people, in terms of marketing activity. So we feel fairly confident in all these core markets on our core brand, Ashoka, that we will grow upwards of 30%.
- That is what the goal is. So if the situation in the Middle East continues, of course, it will have an impact, and then we will look at revising our guidance. But at the moment, we feel fairly confident of being able to get to the -- I mean, with the hope that over the next 1 or 2 months, things stabilize, we feel confident of being able to achieve the guidance, which we've given of around INR925 crores -- between INR925 crores to INR1,000 crores.
- Shialditya Chaudhury:** And sir, what could be the impact in the worst case, let's say, because none of us knows what happens in the future, right, here? So let's say, it continues like this. So the impact is like INR100 crores kind of an impact, what kind of impact we should see?
- Bimal Thakkar:** In terms of growth, then over our financial year '26, we would look at growth of about 12% to 15% overall.
- Shialditya Chaudhury:** 12% to 15%.
- Bimal Thakkar:** If the Middle East remains at 0 level, right.
- Moderator:** The next follow-up question comes from the line of -- Aditya from Securities Investment Management.
- Aditya:** Sir, first question was on the distribution -- agency distribution business. So for the last 2 quarters, we are seeing strong growth over there. So if you could just help us understand what is leading to this growth? And what is the outlook for this business? Have you added any new customers?
- Bimal Thakkar:** So we've added some new brands on to the distribution. It's not just the tea brands that we had. There are a couple of new brands which have been added on, which has helped in growing the business. And these are, again, brands which are complementary to our current product line,

where there's synergy with the distribution. So we continue to look out for adding on some more brands. That's what the plan is, again, which are complementary, not conflicting with our products and where there's synergy in distribution.

Aditya: Understood. So are these brands larger brands like the tea brand which we have or these are much smaller brands?

Bimal Thakkar: No, they are smaller regional brands which are there, which we are adding on. And then even our product line in the Ashoka range also has increased, which is going through this distribution company again, where we've added on staples, certain oils, flour. So it's a combination of all these things, which is helping us grow this business.

Srinivas Ayyagari: I will add one more point to this. We also have increased our SKUs also from 440 to roughly around 600. So that also helps us basically in terms of our distribution and achieving this growth.

Moderator: Aditya sir, sorry to interrupt. We are not able to hear you. Your questions were not audible. As there is no response from the line of current participant, we'll move on to our next question. Your next question comes from Deeya from Sapphire Capital.

Deeya: Am I audible? So this 12% to 15% revenue growth that you've mentioned, that is for FY '28 or FY '27?

Bimal Thakkar: No, no. Firstly, this 12% to 15% is if the Middle East contribution is 0 altogether, okay? And that's for FY '27. If we are able to resume business with the Middle East as normal, then we are looking at a much higher growth, which is in the range of around 30% plus.

Deeya: Okay. So this 12% to 15% will give us around INR925 crores to INR1,000 crores revenue, right, for this year?

Bimal Thakkar: No, 12% to 15% will not get us to that, right? That will get us to more towards the INR800 crores to INR850 crores kind of number. When it gets up to the upwards of 30%, that's when we will come to the INR925 crores to INR1,000 crores.

Deeya: Okay. So conservatively, you can take INR800 crores to INR850 crores. And if things normalize, then we can reach our target of INR1,000 crores?

Bimal Thakkar: Yes.

Moderator: The next question comes from the line of Rakesh, an individual investor.

Rakesh: Congratulations on good set of numbers, first of all. Kudos to the whole team. And my question is, do we have any plans of entering Costco in the U.K.

Bimal Thakkar: So we are -- based on the success we've had in the U.S., our team in the U.K. is connecting with the Costco buyers and presenting the products there. So yes, we do have plans. We have already entered in Costco in Australia. We are also pitching for Costco in Canada. So yes, we are going to go try and pitch for Costco everywhere.

- Rakesh:** Fantastic. Because one of our competitors are already in there. So I was just wondering if we have any plans. Good to know that. And also in the Surat facility, do we have any plans of like making any pizza products like frozen pizza, pizza pockets kind of stuff?
- Bimal Thakkar:** So we've got a line which is going to be installed in the third quarter of this fiscal year, where we have the capability of making pizza base.
- Moderator:** Your next question comes from the line of Anupam Agarwal from Lucky Investments.
- Anupam Agarwal:** Congratulations on great numbers, sir. Just one question. Sir, you mentioned in your opening remarks, you spent about INR124 crores capex in the last 2 years. All of that has been gone into the Surat plant, including land building, machinery, everything? And how much are we going to spend on the Phase 2?
- Bimal Thakkar:** No, no. So INR124 crores has been spent over the last 2 years, which includes our brownfield, which is Nadiad and Nashik facility and Surat. Surat total investment in Surat with Phase 2 completion will be a little above INR100 crores. The balance amount has gone towards the existing factories where we've increased capacities and done some modernization.
- Anupam Agarwal:** Is there still some portion of capex spending for the Phase 2?
- Bimal Thakkar:** Yes. Srin, do you want to let them -- take that question, please, of how much is still pending in Phase 2?
- Srinivas Ayyagari:** Yeah. So basically, if you look at our overall capex, the spends have been INR124 crores for both greenfield and brownfield projects. The majority of the capex spends have happened in the last 2 years. There will be some bit of capex still as Bimal was saying, the new line for pizza base will be coming up. So those payments will be coming up. This will be roughly around INR20 crores to INR25 crores this year, we will be still spending on capex. A majority part of it would be the new line and some balance payments for the Phase 1 and Phase 2 basically, which will happen.
- Anupam Agarwal:** Understood. And so just fair to assume that INR100 crores Phase 1 and another INR20 crores, INR25 crores, Phase 2. So put together, INR125 crores should give us upwards of INR200 crores, INR250 crores?
- Bimal Thakkar:** Yes. And no, so the -- again, I don't know the Surat -- total Surat Phase 1, Phase 2 is about INR100 crores. And the balance INR40 crores to INR50 crores by the end of this fiscal year will be towards the brownfield which we've already spent in these last 2 years. And there will be some amount which will go in Nadiad, Nashik, maybe around INR15 crores to INR20 crores this year and another INR10 crores, INR15 crores balance left for Surat.
- Moderator:** The next follow-up question comes from Rishi Maheshwari with Aksa Capital.
- Rishi Maheshwari:** There is a directive from the Supreme Court on the refund of the tariff, which you may have been charged earlier. Is there any benefit that has already arrived to ADF via its subsidiaries or anything that is in prospective that we should assume?

- Bimal Thakkar:** Yes. That's a great question, Rishi. Firstly, no, nothing has been received in this last fiscal year. We have made applications for refund, and we are keeping our fingers crossed that we get it in this financial year. So when it does come in, we will accrue it in this fiscal year.
- Rishi Maheshwari:** And how much is that application amount for?
- Bimal Thakkar:** So it's upwards of \$1.5 million.
- Rishi Maheshwari:** And initially, you mentioned the benefit of rupee depreciation I asked in the colour of revenue for Q4. You mentioned 60% to 65% was volume growth. Was the balance on account of rupee depreciation or have you taken pricing improvements as well?
- Bimal Thakkar:** So it's again product mix. And no, we haven't increased the price. So it's volume growth, product mix and some benefit towards the rupee depreciation, yes. So a combination of these.
- Moderator:** Your next question comes from Aditya from Securities Investment Management.
- Aditya:** Sir, you mentioned that we had INR16 crores of PLI incentive this year. I believe this is the last year for this PLI incentive. So would this amount be 0 next year?
- Bimal Thakkar:** So this financial year '27 is -- yes, this year will be the last year. And then yes, after that, I don't know what -- if there are any new schemes, which will come in from the government. The PLI scheme, which we got was for marketing expenses. So whatever marketing monies we spent, 50% of that was given to us by the government. So that is how -- that was the scheme we got. We did not get anything under the capital expenditure or anything of that sort.
- Aditya:** Understood. And how much we are expecting for FY '27?
- Bimal Thakkar:** Yes, it should be in the same range.
- Moderator:** Your next question comes from Saurabh Beria from Sameeksha Capital.
- Saurabh Beria:** I just wanted to understand one thing. You guided FY '27 revenue to be in the 15% range if there is 0 contribution from the Middle East, but if the contribution is there, 30% growth. Am I right on this part?
- Bimal Thakkar:** Yes, sir.
- Saurabh Beria:** But the Middle East contributes 15% to the total revenue. So I don't understand the math behind if the Middle East is not contributing, we are able to grow at 30%.
- Bimal Thakkar:** Sorry. Sriniv, do you want to just?
- Srinivas Ayyagari:** Yes. So no. So the question from one of the participants was what would be the contribution for Middle East. So here, what Mr. Bimal answered that if there is 0 contribution from the Middle East, then you go down to 15% in terms of your growth rate. But if the situation holds good in the next couple of months, we are on the target to grow at upwards of 30%.

- Saurabh beria:** Overall, not just Middle East, right?
- Srinivas Ayyagari:** Correct.
- Saurabh Beria:** Can you give me a broad revenue bifurcation between all your brands? So basically, your total revenue breakup of your FY '26 revenues?
- Bimal Thakkar:** No, we don't normally share detailed information. But as I mentioned, 70% of our revenues comes from all our brands, and there is then the B2B and private label business, which is the balance part.
- Srinivas Ayyagari:** Yes. Also as a guidance, you could see actually, Ashoka, we have been giving the guidance of our flagship brand. So you can actually work out those numbers.
- Moderator:** Your next question comes from Anupam Agarwal from Lucky Investments.
- Anupam Agarwal:** Sir, what's mentioned -- you mentioned about 60%, 65% of growth coming from volume growth. What percentage of that growth has come from debottlenecking activities at Nadiad and Nashik in FY '26? And how much are we looking to debottleneck further in existing capacities in FY '27?
- Bimal Thakkar:** So in the debottlenecking, there were certain lines which we were totally full up on capacity. So that has helped us get this growth coming in. So these are certain flat breads, snack lines, which have helped in growing. So most of the growth has come from debottlenecking and addition of these capacities.
- Anupam Agarwal:** Any further debottlenecking in FY '27?
- Bimal Thakkar:** Yes, we are -- as Srini mentioned, there is about close to INR15 crores -- INR15 crores to INR20 crores, which will further be invested this year in both these plants. Some will be, again, debottlenecking and some will be for modernization.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Bimal Thakkar:** Well, thank you, everyone, and hope to catch up with you all in the next earnings call. Thanks once again, and have a great day.
- Moderator:** Thank you. On behalf of ADF Foods Limited, that concludes this conference. Thank you, everyone, for joining us, and you may now disconnect your lines.

(The above transcript has been edited for readability purposes)