Registered office:
Annapurna Swadisht Limited
Chatterjee International Building, 13th Floor, Unit No. A01, and
AO2, 33A, Jawaharlal Nehru Road, Kolkata – 700071
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August 26, 2026

To,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Mumbai-400051

Symbol: ANNAPURNA

Dear Sir / Madam,

Subject: Transcript of Analysts/Investors Earning Conference Call pertaining to the Unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June 2026.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015")

In continuation to our letters dated August 19, 2026 and August 24, 2026, and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the transcript of the Analysts / Investors Earnings Conference Call held on Monday, August 24, 2026, at 11:00 A.M. (IST), in connection with the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2026, is enclosed herewith.

The Earnings Conference Call was followed by an interactive Question-and-Answer session with the Analysts / Investors.

In this regard, the transcript of the said earnings conference call has been uploaded on Company's website and can be accessed at this link https://www.annapurnasnacks.in/investors/investor-presentation

Further, please take note that no unpublished price sensitive information (UPSI) was discussed/shared during the call.

You are requested to kindly take the above information on record.

Thanking you.

Yours Faithfully,

For, Annapurna Swadisht Limited

SHAKEEL AHMED
Digitally signed by SHAKEEL AHMED
Date: 2026.08.26 17:06:56 +05'30'

Mr. Shakeel Ahmed
Company Secretary & Compliance Officer
Membership No.: A46966

Encl.: as above

Annapurna Swadisht Limited
Q1 FY '27 Earnings Conference Call
August 25, 2026

Moderator: Good morning, ladies and gentlemen, and welcome to the Q1 FY '27 Earnings Conference Call of Annapurna Swadisht Limited.

At this moment, all participants are in listen-only mode. Later, we will conduct a question-and-answer session. At that time, you may click on the Q&A tab to ask a live question. Please note that this conference is being recorded.

Annapurna Swadisht Limited was incorporated in 2015 by Mr. Shreeram Bagla and Mr. Ritesh Shaw and is one of the fastest growing FMCG companies in Eastern India, dedicated to making quality and affordable food products accessible across the rural heartlands of Eastern and Northeastern India. With state-of-the-art facilities in Asansol, Siliguri, Gurap, Dhulagarh and Indore and support from five white-label partners, the company ensures large-scale efficient production.

Let us now begin with the introduction of the Management Team:

We have with us today Mr. Shreeram Bagla – Chairman and Managing Director of the company, Mr. Ritesh Shaw – Whole-time Director, Mr. Pawan Jaiswal – Chief Financial Officer, and Mr. Manoj Sharma – Whole-time Director at Annapurna Swadisht Limited and Madhur Confectioners Private Limited.

I would now like to request Mr. Shreeram Bagla – Chairman and Managing Director, to give his opening remarks. Thank you and over to you, Mr. Bagla.

Shreeram Bagla: Thank you. Good morning, everyone, to attend this Investor Con Call. We are very happy that we had a great quarter and most of it we have completed our migration from SME platform to main platform.

So, as other companies with a good corporate governance, we are now in a process to start the journey whereby we can address the investors' queries quarter-on-quarter. So, I assure all the stakeholders that from now onwards, every quarter on, we will do this kind of an Investor Con Call so that everybody can get a good amount of clarity on what management is doing and what your company is about to do according to the laws, by-laws set by the SEBI.

Now I would request Mr. Ritesh Shaw to take over the chair and answer the queries of the investors.

Ritesh Shaw: Good morning, everybody, and welcome to the 1st Conference Call of Annapurna Swadisht Limited.

We are all grateful that you all have taken time out of your schedule to be here today. I would just briefly make a presentation. I would request somebody from Fortuna PR to put the presentation on the screen.

So, a brief snapshot of the company, we are amongst the fastest growing FMCG companies in Eastern India and over the last six years of our operation, we have managed to consolidate our position as a leading fryums manufacturing company over here with over 1,000 distributors now working with us. We are selling approximately 3.3 million packets a day. So, that is a huge accomplishment for us and we are confident that going forward, these numbers are only going to get better.

If you see a comparison from last three years, we have increased our manufacturing facilities. The numbers would not justify it. It is not only three to five, it is the amount of square feet that we occupy which has almost doubled. We are having a manufacturing capacity of approximately 180 metric ton per day. Our product categories have grown from 6 to 13. We have about 180 SKUs right now with 250 stockists and 1,150 distributors.

We are reaching a retail touchpoint of 8.5 lakh retail outlets with presence across 15 states but mostly concentrated in Eastern India with 33 lakh packets being sold every day. This year we completed a revenue of Rs. 521 crores on a consolidated basis and achieved a PAT of Rs. 30 crores.

We have evolved from being just a fryums company in 2020 to now having a portfolio spanning namkeen, biscuits, cake, sweets, noodles and confectionery. So, we are basically looking to position ourselves as a collection of brands. So, one distribution network catering to the Eastern India market, a robust distribution which basically helps us push various categories of products in the mass consumption segment.

We are focused on the Rs. 5 to Rs. 20 segment. And we have successfully managed to crack that business model. And after our initial success in fryums and namkeen, we are now focused on repeating the same performance with our noodles and biscuits category, both having the potential to be a Rs. 250 crores annually.

If we look at the individual financial performance of the company, I would like to introduce Pawan to the call. Pawan is our CFO and he can just briefly explain the numbers to you. After which I will take you through the rest of the presentation.

Pawan Kumar Jaiswal: So, hello everyone. This quarter we have generated a revenue of Rs. 127 crores in consolidated basis with EBITDA of Rs. 21 crores and PAT of Rs. 9.81 crores. If you see the standalone revenues, we have generated revenue of Rs. 108 crores with EBITDA of Rs. 17 crores and PAT of Rs. 7.97 crores. So, we have achieved a growth of 17.74% in consolidated basis in our revenue, and 21% growth in our EBITDA and 50% growth in our PAT.

Now, over to you, Ritesh sir.

Ritesh Shaw: So, good quarter for us. The first quarter happens to be one of the slowest for us, for both the companies, for Madhur as well as Annapurna. From here onwards, things are only going to get better.

So, speaking about our journey, the company was started in 2016 as a partnership firm. And it was in manufacturing of snacks products for other brands. In 2020, we basically metamorphosed the company into being our own brand company. And the first fryer was installed in Asansol with which we started our packaging. The Annapurna brand was launched at the Rs. 5 price point. And in the first year of our operation, we achieved about Rs. 13 crores revenue.

Over the next two years, we expanded our distribution channel. We got into other product categories. And we commissioned our Siliguri plant in 2022. In March 2022, in September, we did our SME IPO. We listed on the SME Emerge.

In '24, we acquired Madhur Confectionery. Completed the acquisition last year in November. And now we have also migrated to the main platform. And this year, we acquired Andri Agro, which is into the manufacturing of soya chunks, pasta, vermicelli, and 3D papad. All ready-to-eat kitchen items, ready-to-cook kitchen items. And this is a very big segment we are looking at very aggressively expanding into this. We hope to generate a revenue of about Rs. 60 crores to Rs. 70 crores this year and double the revenue over the next two years in Andri Agro.

So, the Board comprises right now of Shreeram, me, and Manoj. We are the Whole-time Directors and Promoter category. Mr. Chandan Ghosh is the independent director, ex-Nestle. Ms. Rachna Yadav is a senior HR executive. Mr. Harish is an ex-Britannia, Unilever, a senior executive. So, we have a strong independent board who also provides very insightful and meaningful context to our conversations.

So, if you look at our business model, we are focused on the Rs. 5 to Rs. 10 price points. That is where the mass markets are. And the rural distribution is completely catering to that price segment. We have a product portfolio of about 188 SKUs, which gives us a very broad reach of the market. And we have managed to create a distribution channel that penetrates the deep rural markets and semi-urban markets.

One of the strong points of the company was the Madhur acquisition, which was initiated in '24 and completed in '25. So, this company was an existing unit in Indore. They were one of the leading manufacturers of lollipops. And we acquired this company at a valuation of around Rs. 181 crores, which was funded through a QIP which was done in 2024.

Now Madhur has added a lot of synergy to the operations of the company. There is a very strong opportunity with this company to be at about Rs. 250 crores to Rs. 300 crores over the next 2 to

3 years. And we have Manoj with us right now. He has been leading the effort from our end to take Madhur to the next level. And any questions that you have relating to Madhur, he will be happy to answer during the Q&A session.

So, this is the state-of-the-art facility that we have in Indore. And now the company has diversified only from lollipops to chocolate candies as well which is showing a lot of potential.

Andri Agro is our latest acquisition. It is a relatively smaller facility but has huge potential with this company's volume. So, it is one of the more recognized brands locally manufacturing soya chunks. This company has a revenue potential of Rs. 120 crores with a Rs. 6 crore PAT that can be generated from this operation. Again, this is a product which syncs very well with our distribution base, which caters mostly to the rural markets where soya chunks happens to be the main source of protein for a large portion of the population.

We have also ventured into healthy snacking now. And we have launched a brand called OFFSIDE with Sourav Ganguly as the brand ambassador. And we are targeting products that are catering to the urban more health-conscious segment with products like banana chips, makhana and diet chiwda.

So, these are some of the products that are there, some of our leading products. Noodles, we have our ZIMBA brand, which is doing very well in the Northeastern markets. We are confident that**.**

So, now speaking about what the company intends to do over the next couple of years, to put it roughly in a numerical perspective, we are targeting a revenue in excess of Rs. 1,000 crore and with a PAT margin of roughly 8% to 9%. That is something which we hope to achieve over the next few years.

And some of the strategies that we have taken in order to achieve this objective is that now we are targeting a segment of the market that has remained out of our ambit for a long time now. So, we are emphasizing now on the brand building exercises.

So, basically we are targeting a pricing-led penetration in the market. And premiumization is going to give us that additional margin that we are looking for. And with the increasing raw material prices, the way forward happens to be catering to the segment that is between Rs. 10 and Rs. 15.

If we look at the financial performance of the company over the last few years, we have grown considerably from having a revenue of Rs. 160 crores to Rs. 520 crores last year. Our profits have also grown exponentially from Rs. 13 crores to Rs. 73 crores on a consolidated basis.

We are targeting an EBITDA of Rs. 100 crores over the next, maybe next year or the year after that, and a PAT of Rs. 30 crores, which has grown from Rs. 7 crores in 2023. Our profitability margin has also improved significantly from having a PAT margin of 4.5% to approximately

6% now. EBITDA margins have grown from 8.5% to 14% blended, mostly due to the benefit of having Madhur with us which is a high margin product category.

So, if you put it in a nutshell, what are the strong points that we are looking at? We are a very strong regional brand and we are leading manufacturers in certain categories. Mostly in fryums, we are one of the leading manufacturers in Eastern India. So, we have established a very strong foothold and created a moat around our distribution. Our scalable and efficient production infrastructure, that is one of the key areas again where we have managed to keep ourselves very nimble despite our growing size, changing our product portfolios quickly, adjusting our production according to pricing changes in the raw material. All of that has kept us profitable even during very difficult times.

So, the confectionary portfolio is going to yield much higher margins for us going forward. And we have a clear vision targeting a Rs. 1,100 crore top line by FY '28 and a PAT in excess of Rs. 100 crores. Confectionary gives us that additional reach as well. We have still not integrated both the distribution networks. But the moment we do that, our market penetration can increase from a 400 km radius from the factory to 1,100 km from the factory. So, a large market expansion is achievable.

And we are looking at a multi-channel growth acceleration. So, we will be entering modern trade, general trade and also export markets are going to be explored in a big way right now. Again, all of these benefits are only because we have a very strong portfolio of confectionary which makes it possible for you to logistically transport goods over longer distances, and then a strategic investment which goes into brand building of the company to create that premiumization in the brand as well as the company.

So next, this current year, we are targeting a consolidated revenue of about Rs. 750 crores with an EBITDA of Rs. 113 crores, which is pretty much in line with what we have done till now. And the year after that, definitely we hope to cross the Rs. 1,000 crore top line with a PAT hitting the Rs. 100 crore mark.

So, if we look at our peer group comparisons, in terms of revenue, we definitely have a lot of catching up to do with our peers. But to put it in perspective, we have been in business for only 6 years and some of these companies have been there for decades. So, we have done reasonably well in terms of capturing a key market.

And if you look at the EBITDA level that the companies are doing, we are almost at par with Bikaji. We are much better than what Prataap Snacks does. And we have achieved a higher PAT than Prataap. Bikaji has definitely Bikaji and Prataap.

So, maybe this shift to the main platform would help us unlock our valuation. And we hope to see more investor participation, and we are also planning to engage more with the analysts and the brokering community in the coming years so that our story can reach as many investors as possible.

So, some of our marketing activities which we do regionally. So, again, thank you everyone for being patient and listening to the presentation. I think, Fortuna PR team can take over from here, and then we can go to the Q&A session.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Anupama S from RatnaTraya Capital. Please go ahead.

Anupama S: So, my question was on the revenue or top line side. You had given a projection of Rs. 1,000 crore by FY '28. So, I just wanted to know how are you thinking of your three businesses like the standalone snacks business and Madhur and also on the new acquisition of the Andri business. So, like, what is your thought process or how are you thinking of scaling them up?

Ritesh Shaw: So, Anupama, roughly, the way we look at it is basically our fryums business is already at a Rs. 250 crore run rate and our namkeen business is also doing similar numbers. So, fryums and namkeen put together would be about Rs. 500 crores. Rs. 250 crore would be coming in from Madhur. And the balance Rs. 250 crores is going to be a combination of our other categories which are in the growth phase.

So, noodles, biscuits and Andri Agro together should contribute the balance Rs. 250 crores. So, Andri would be reaching a Rs. 120 crores top line. Noodles would do about Rs. 80 crores and then we have biscuits which should do for Rs. 40 crores round about.

Anupama S: But confectionery, the Madhur business is around Rs. 100 crores, right? Like, if I look into your…

Ritesh Shaw: When we acquired the company it was Rs. 100 crores. This year…

Anupama S: This year how much we are closing at? FY '26?

Ritesh Shaw: This year, FY '26 we did Rs. 108 crores.

Anupama S: 108, yes.

Ritesh Shaw: So, this was a first, not even a first year because November 25 we took over the management. So, we had only about 5-6 months of operations with us. And this year we are at a comfortable pace to reach a number close to Rs. 150 crores.

Anupama S: 150 or 250?

Ritesh Shaw: 150 this year. 150.

Anupama S: 150. Can I just push on that, like, how are we looking at it? Because if I look at historical numbers of Madhur also, like, last 4-5 years, they have been at this 90-100 range. So, how are we looking to scale up this confectionary business like as new management?

Ritesh Shaw: In fact, there are lot of initiatives that have been taken. We have, for one, immediately added chocolate confectionaries to the product mix. Chocolate was not existing before, and that is going to add a substantial amount of volume.

Even the production shifts that we were utilizing initially was about 8 hours, which has now been increased. And we have a target of doing 2 shifts of 8 hours now. And a number of other things maybe Manoj can explain in more details if we have the time, but if you want other questions to be answered then.

Anupama S: I mean, yes, if Manoj sir is available, we can hear from him also.

Ritesh Shaw: Manoj, if you can just give a brief idea about how we are planning to grow the Madhur business.

Manoj Sharma: That is Rose that we have has immense potential, and it has not been utilized till date. So, we have changed the pack size where our realization or sale price has increased. So, we foresee that we did approximately Rs. 36 crores of business from Rose last year which should be around Rs. 50 crores. Because we used to sell like in one carton, there is box of 24 pieces. We have made it 30 pieces. So, number even if the number of cartons doesn't increase, the volume increases significantly 25%.

So, apart from that, we have been able to increase price by around 1.5% to 2%. So, that would give us increase of around 27%. Then we have launched Rose in gift packs, for which we are getting very good feedback. So, that is also going to contribute significantly in our business. So, we see Rose at around Rs. 50 crores.

And then we have launched a number of chocolate. We have added capacities in chocolates, molding chocolates, which was not there. And those are giving good results. So, we plan to have another 15 odd crores from business of chocolates. So, that adds Rs. 30 crores of business to the total business.

Apart from that we have increased, we have become more competitive in candy with few changes that we have made. So, that is also giving us good business. So, overall, we plan to reach around Rs. 145 crores to Rs. 150 crores by end of this financial year.

Anupama S: That's super helpful. Also on this, on the chocolate capacity that you have added the molds, are we doing any CapEx for this year or is it already done? Like the mold chocolates that we have done. Is my question clear or?

Shreeram Bagla: I think Manoj is out of network area. So, just to add to this, we would require little bit of CapEx to scale up the chocolate facility which we have recently introduced. But that would all be done through internal accrual. So, we are not looking for any kind of debt raise for an additional capacity for chocolate production.

Anupama S: How much would that be like the CapEx like number?

Shreeram Bagla: Not more than Rs. 5 crores - Rs. 7 crores. Plus existing infrastructure, we have ample amount of space to put all the new machinery, which we would require to scale up the production. So, that way only few machines which we need to get from China, that is the only CapEx which is required for the scaling up.

Anupama S: So, yes, since you mentioned debt, like the debt on the balance sheet right now is around Rs. 200 crores. So, are we looking to reduce this sometime in the future?

Ritesh Shaw: So, the revenue of the company currently is comfortable, and we are easily servicing the debt that we have on our books. And going forward we would be using some of our internal accruals to repay the debt also.

So, the fast growth of the company has come backed by liquidity. The company has grown exponentially from Rs. 13 crores to Rs. 520 crores in 6 years' time. So, most of the growth that has happened was fueled intensively by capital. So, debt and equity both helped us reach where we are right now.

But having said that, we are in a position now to comfortably start repaying some of our debts. Because the internal accruals are available and if we do not have any further CapExes happening in the company, some of this liquidity can be utilized for the debt reduction.

Anupama S: Yes, that's all from my side.

Moderator: Next question is from the line of Shikhar Mundra from Vivog Commercial. Please go ahead.

Shikhar Mundra: So, what are the short-term loans and advances of Rs. 48 crores and this long-term loans and advances of Rs. 15 crores as on ending balance sheet 31st March?

Ritesh Shaw: Pawan, you can answer that. You are referring to the balance sheet on 31st March?

Shikhar Mundra: Yes, 31st March. The last balance sheet. So, on the asset side, we have short-term loans and advances of Rs. 48 crores.

Ritesh Shaw: I think, it probably refers to that there are certain advances which we have made for land acquisition. So, the company is planning an integrated facility in Siliguri, which is our three year project. Over the next three years, we plan to have a large Balaji-type facility in Siliguri, which would have complete backward integration, starting from flour mill to besan mill and even our own lamination unit are going to be there.

So, we are putting the entire setup of back-to-back integrated in starting from milling section to extrusion to frying, packing and lamination, all together in one setup. The process has already started, and we have started making advances to land owners and land aggregators. So, I think the numbers you are referring to, we are looking at acquiring about 30 acres in Siliguri.

Shikhar Mundra: And what would the cost of the land be for 30 acres?

Ritesh Shaw: It should work out to something close to about Rs. 60 crores-Rs. 65 crores.

Shikhar Mundra: Rs. 60 crores-Rs. 65 crores. So, the entire amount we have paid because the short-term loans and advances are Rs. 48 crores and long term are Rs. 15 crores, together they add up to Rs. 63 crores. So, we have paid the entire amount of land upfront?

Ritesh Shaw: Not the entire amount for sure. Because once we complete the entire payment and all the paperwork is sorted out, we would go for registration of the land. So, that is still pending.

Shikhar Mundra: What is the cost of the project? What is the total cost of the project?

Pawan Kumar Jaiswal: Some of our advances also include advances for the sheds we have taken on rent.

Shikhar Mundra: No, no. What is the cost of your project? You plan to buy a land worth Rs. 66 crores. What is the total cost of the project?

Pawan Kumar Jaiswal: The land is Rs. 60 crores. The project cost would be roughly...

Shikhar Mundra: I want to know what is the total cost of the project.

Pawan Kumar Jaiswal: So, the land and site development would cost us roughly around Rs. 70 crores. And the project cost would be in the range of Rs. 450 crores to Rs. 500 crores.

Shikhar Mundra: Have you taken the shareholders' approval for such a large expansion?

Pawan Kumar Jaiswal: No, we would be placing the proposal in the coming AGM. The TEFR report is being prepared by SBI Caps. And once that is done, at the AGM we are looking for the approval to come in.

Shikhar Mundra: Whether your company can absorb these kind of investments? Because your track record does not substantiate to do that kind of investment. You have bought a Madhur. You are still not making Rs. 180 crore acquisition, I think. And you are doing about Rs. 15 crore PAT or something.

Pawan Kumar Jaiswal: Rs. 15 crore is what we are projecting.

Shikhar Mundra: What are you projecting? Current PAT in Madhur Confectioners?

Ritesh Shaw: Yes.

Shikhar Mundra: Sir, what would be the current PAT in Madhur Confectioners? Because we have done an acquisition of Rs. 180 crores. It's been more than a year. So, how do we justify this? Because what is the current PAT? Because still now we are projecting it to be Rs. 15 crores 2 years down the line. For the Rs. 108 crores we did in Madhur this year, what was the PAT we did?

Pawan Kumar Jaiswal: It is about Rs. 10 crores PAT.

Shikhar Mundra: So, how do you justify your investment? For an investment of Rs. 180 crores?

Ritesh Shaw: So, when we had acquired Madhur, we had acquired the company at an EBITDA multiple of 10x, which was a very fair valuation. And one of the objectives at which time our company was basically trading at a multiple of 20x the EBITDA. So, it was a very reasonable acquisition which we had done. But I think the problem happened post acquisition when the QIP which we had done. The shares, when those shares came to the market for selling being in the SME platform, there was not enough liquidity to absorb that kind of selling. And generally the market...

Shikhar Mundra: No, we are not discussing about your share price, sir. We want to know your thesis of doing business. You paid how much? What is the enterprise value you paid for your Madhur?

Ritesh Shaw: So, that is what I am trying to explain you know. 10x multiple of EBITDA was very reasonable.

Shikhar Mundra: What is that amount, sir?

Ritesh Shaw: Madhur was doing about Rs. 18 crores EBITDA when we had acquired it. And it was acquired at 10x the EBITDA multiple, Rs. 180 crores.

Shikhar Mundra: Entire was equity?

Ritesh Shaw: No, Rs. 140 crores was equity. The balance Rs. 40 crores was debt.

Shikhar Mundra: And now you are planning to do PAT of Rs. 15 crores after 2 years?

Ritesh Shaw: Rs. 15 crores PAT after 2 years, no. We are looking at a PAT of roughly Rs. 25 crores after 2 years.

Shikhar Mundra: Just now you said Rs. 15 crores.

Pawan Kumar Jaiswal: FY '28, I think you said Rs. 16 crore PAT in Madhur we are projecting, right? As per the PPT?

Ritesh Shaw: 250, 10% of that, Rs. 25 crores.

Shikhar Mundra: So, this year, FY '27, we are planning to do Rs. 150 crores in Madhur.

Ritesh Shaw: Right, and Rs. 25 crores EBITDA in Madhur.

Shikhar Mundra: And next year we feel this 150 can become 250?

Ritesh Shaw: Right, yes.

Shikhar Mundra: I mean, right now we are doing 108. So, we are expecting our scale to become 2.5x. So, that is a very big stretch. I mean, how do we plan to do this?

Ritesh Shaw: It is not something which is unachievable or something that we have not done before. We have grown from Rs. 13 crores to Rs. 500 crores over the next 5-6 years. So, if that is possible, Madhur going from 150 to 250 is definitely something that is achievable.

And in terms of capacity it is already there. The machineries are there, the market is there. It is just that effort for marketing has to be put in which we are doing. We have now a dedicated team looking after the marketing of Madhur products. And it is a huge market. I mean, the market is like completely humongous. I mean, we are catering to a very, very small segment.

So, one vehicle of Madhur confectionery is about Rs. 15 lakh. So, if you look at the market that we are catering to, we are very fragmented. And there is this huge opportunity. Across the country, you can send it wherever you want because logistics is not a problem as far as confectioneries are concerned.

So, this can, in fact, be a Rs. 500 crore business over the next 3 to 4 years' time. And that is what we internally target. But for the sake of propriety, it is better to be a conservator. So, Rs. 250 crores-Rs. 300 crores in Madhur should not be a problem at all.

Shikhar Mundra: No, we are just concerned about your such a big ambitious plan of doing Rs. 500 crore investment in this company. Today, your total market cap itself is less than about Rs. 200 crore or I don't know how much.

Pawan Kumar Jaiswal: Rs. 320 crore.

Shikhar Mundra: Rs. 320 crore. And you want to do Rs. 500 crore expansion with your track record I think. And what is the debt equity you plan to keep? And also I mean what kind of revenue scale will be doing it? So, Rs. 500 crore, I mean, we might be aiming for at least Rs. 1,500 crores of revenue. How will you generate this kind of demand?

Ritesh Shaw: See, by the time we get start moving to that point where we are shifting production to the new facility, we would have already be in the range of doing Rs. 1,000 crore top line. So, there will be challenges which we will have to face once we start scaling up. So, if we are not prepared for those challenges now…

Shikhar Mundra: So, you bought this private land or is it a land from some authorities?

Ritesh Shaw: No, we are acquiring in West Bengal, basically, there is no support from the government. From the previous government, there was no support. Now with the new government, maybe we will get support in the land acquisition process as well. And we are in discussions with the MSME ministry over here. So, they are also identifying some ways of helping us. All of that is in process. So, as and what development takes place, we will keep updating.

Shikhar Mundra: I was wondering why did you buy some industrial estate where they could have allotted you the land and the transaction could have been smooth.

Ritesh Shaw: But there are no industrial estates like that in West Bengal.

Shikhar Mundra: But sir, this loans and advances is as on 31st March. So, this decision of putting up this huge project of Rs. 500 crores was taken long back, let's say, 7-8 months ago.

Ritesh Shaw: Yes, it's been in the pipeline for, in the thought process for a long time now. I mean, this is something that we have to constantly work on because we don't want to get to a point where we are not caught on the wrong foot because our productions are not matching up to the demand.

I mean, we face that a lot of times. This is a very volumetric product. I mean, your production takes a lot of space because mostly what we are packing is air. And your pack sizes are, and if you are dealing in millions and millions of packets every day, the amount of space you required is huge.

So, if you do not have the right facility and the infrastructure, going forward, as you scale up production, it would be a big bottleneck. So, before we reach that point, if we are not taking steps today, 2 years, 3 years down the line we will be at a point where growth would not happen anymore.

So, we have to start the process now so that by the time we reach a Rs. 100 crore revenue every month, we should have the right facilities with us.

Shikhar Mundra: So, this is going to be in Siliguri?

Ritesh Shaw: This will be in Siliguri. Because Siliguri in terms of location is very convenient. It caters to some of our key markets. North Bengal, North East and North Bihar. All 3 are some of our largest markets.

Shikhar Mundra: Do you think you can utilize this investment in next 3 years in terms of land?

Ritesh Shaw: Yes, next 2-3 years, and it will keep on happening. I mean, it is not something that we will be able to put a hard stop to it. It will probably spill over 4 to 5 years. So, the idea is that we keep expanding the facility and shifting our existing production to the new location but without disrupting any of our existing supply chains.

Shikhar Mundra: So, you will discuss this proposal in your AGM now?

Ritesh Shaw: Absolutely.

Moderator: Next question is from the line of Aditya Shaw from Happy2Invest. Please accept the prompt and proceed with your question.

Aditya Shaw: Sir, if I am understanding the business model correctly, you guys were earlier, way back in 2023-2024, mainly in packet-size chips like Rs. 5 or Rs. 10. And over the years you guys are acquiring Madhur and Andri. So, more on a shifting like on a FMCG side, if I am understanding correct.

And we are competing some of the businesses like with ITC kind of businesses. Like FMCG more shifting on that side?

Ritesh Shaw: Yes, to an extent, right. I mean we are migrating from being a pure snacking company to more of a miniature version of a ITC or a similar company. Because what we are basically trying to do is create a very robust distribution base and using that distribution network to populate all kinds of categories in the FMCG segment that relate to ready-to-eat and ready-to-cook market.

So, it is going to be, basically, the way we look at it is that if you can bifurcate your market into 6 to 7 segments and every segment does about Rs. 250 crores annually, then you have a clear target of reaching out Rs. 1,500 crores to Rs. 2,000 crore top line with a very comfortable EBITDA margin. And in the process what we have created is a similar company with a very strong distribution reach in eastern Indian markets having a product portfolio which caters to all the segments in the RTE and RTC segments.

Aditya Shaw: Sir, I just want to understand is it sustainable that business model, like competing with ITC-like business and competing with like Nestle-like business?

Ritesh Shaw: We are not competing with ITC. ITC is a completely different scale. I mean, what we are trying to basically do is disrupt the local manufacturers. It is not that we are trying to compete with ITC or Bikaji or anybody right now because the numbers that we are talking about, if you put it in perspective, so, we are becoming a very small version of an ITC or for that matter, you know, even a local brand like Anmol or Bismarck does Rs. 2,000 crore annual business in biscuits.

We are trying, okay, we will do only Rs. 250 crores in biscuits. We will do Rs. 250 crores in fryums, Rs. 250 crores in namkeen, Rs. 250 crores in noodles. So, if you put everything together, then you are looking at a Rs. 2,000 crore revenue.

But individually, if you look at all of the segments, again, you are looking at something which is easily achievable. And the only disruption that you are causing is in the local markets. So, the local manufacturers get shifted out because you are giving better quality at more reasonable price to the distributors. And your distribution is making more cash flows dealing with you rather than the local manufacturers.

Aditya Shaw: And sir, how much revenue contribution from the like earlier products like Rs. 5, Rs. 10 products? What is the total…

Ritesh Shaw: So, that is still Rs. 5, Rs. 10 happens to be a major stay even now. I mean, about 90-95% of our portfolio comes from there. Madhur has a different SKU composition. So, it has a different revenue profile.

But in Annapurna, we still have Rs. 5 as the major contributor of our top line. But we will add like in noodles we are adding Rs. 10, Rs. 20, Rs. 40, all of those segments are getting added. So, going forward we will have verticals in the other price points as well. But as of now, Rs. 5 still is the major contributor.

Aditya Shaw: And sir, my second question is like over the years, like 4 to 5 years, we are still in a, cash flow side is still negative, right? So, sir, any kind of like cash flow side we are still negative over the last 4 to 5 years.

Ritesh Shaw: So, that is primarily the growth that has happened in the company has been like even before I was talking about, it takes a lot of capital for you to grow your businesses aggressively. So, we have chosen to have a very deep penetration of big market share. And for that we have incentivized our distributors by giving them credit over 90 days.

Now we have reached a point where we can dictate the credit terms. We can bring it down. We can start reducing the number of days of credit that we are giving to our distributors. So, that process is still on and the number of the credit days is going to come down from 90 days to about 30 days over the next 2 years. So, that would also release a lot of cash back into the system.

So, all the negative cash flows which were accumulated over the years can get released back into the system once the distributor outstanding goes below. And also because we have all these manufacturing facilities across locations, so, our SKU, our raw material requirement also goes up considerably.

We have to stock the same raw material, the same lamination in all our factories. So, that also is not a very prudent way of managing your raw material stock. So, again, that facility that I was talking about earlier, once we have that kind of facility, the working capital cycle is also going to improve considerably.

So, we will see both the things happening. So, the distributor outstanding is going to go down as well as the raw material stock that we hold, that is also going to go down. So, there will be substantial amount of funds getting released back into the system which will be utilized for further CapEx or for debt repayment.

Aditya Shaw: So, cash flow side it might be positive from I think FY '30, right?

Ritesh Shaw: Right.

Aditya Shaw: And sir, I have some my questions, but I will connect with you guys offline. That will be very helpful.

Ritesh Shaw: Yes, we will do that.

Moderator: Next question is from the line of Varun Singh from AlfAccurate Advisors. Please go ahead.

Varun Singh: So, a couple of questions. First is on, I think, you pointed out about choosing aggressive growth by deploying capital. And also, I think during the call you made some market cap relevant commentary comparing our company with other peers like Prataap Snaps, Gopal Snacks etc.

And in that context, I was just looking at all the companies, and I could see at the scale of Rs. 400 crore-Rs. 500 crore of top line which is revenue. Prataap Snacks never had debtor days of more than 8 to 10 days. But when I look our case, I think, our debtor days has been constantly at a very, very higher level. Yes, 50 days, 60 days, 70 days.

So, please help me understand the point that I am missing given that both the companies operate at the popular price point which is Rs. 5-Rs. 10 pack. And what explains this huge differential in the debtor days itself. That is my first question.

Ritesh Shaw: So, we are relatively new to the market. I mean, we were an unknown entity before 2020, and it took us a couple of years to even have our foot on the ground. So, by the time all of these established players are already there in the market, the distribution is there in the market.

Especially Prataap and the others, they have a very strong Eastern India presence as well. So, when we are competing with them, the challenge is how do you create your own market. Because all the good distributors are already working with some company or the other.

So, the only way you can manage to kind of incentivize them and have them working with you is by giving them some kind of credit and comfort in terms of payment. Because you are a new entrant, they don't know how the market is going to react to your product, whether they are going to like it, what kind of rejections are going to be there, how the company is going to behave with the distributors. So, all of that takes time.

So, the first couple of years we were kind of being very conservative and then later on we started giving out more credit. And we saw that that strategy worked, and we managed to win away a lot of good distributors from established companies. Like Akash and Prataap and a lot of other companies distributors also started working with us. And that growth in penetration and sales happened.

So, it was a strategy that we had taken deliberately and with an intent to first create our presence in the market. And once the products are established and the market demand has been generated, then we can slowly start working on giving terms which are more favorable to us.

Varun Singh: So, I mean if you look at from FY '23 to FY '26, yes, our debtor days has doubled. So, are we saying that we need to give even more credit to acquire even more business and if the credit becomes the...

Ritesh Shaw: What has happened is now we have reached critical mass. So, once you reach critical mass, then that requirement is not there anymore. And last couple of years was launches of all our categories happening simultaneously.

So, we were launching namkeen, we were launching noodles, we were launching cupcakes, we launched biscuits. So, all of that was happening over the last couple of years. So, now that phase is done.

Now it is the consolidation phase. All of these products established, our market presence established. The company's brand pool is already there. So, going forward...

Varun Singh: So, that is fine. That is fine, Ritesh. So, in a steady state, how many days you think debtor days should look like at the end of FY '27?

Ritesh Shaw: It should be in the range of 60 days by end of '27.

Varun Singh: Still at 60 days because none of the other snacks companies operate at such a high debtor days. Everyone else is just 8 days, 9 days, 10 days. At Rs. 10 price point, why we need to give so much high credit?

Ritesh Shaw: But we cannot change the business model overnight. See, we have been giving distributors a certain amount of credit. It is not going to be possible for them to pay up and start doing cash business day one. It is like telling them if you want, so, there can be a reduction. A 30 day reduction over the next year or so is a very good reduction in terms of payment terms. And you can slowly break it down to 30 days over the another year or so. And once you are in the 30 to 15 days range, I think that is comfortable enough for any company.

Varun Singh: Sir, my second question is on the high degree of promoter pledge. So, what is the objective? What are the timelines for reduction of the pledge? How should we look at this from the allocation point?

Ritesh Shaw: So, we have already brought down the pledge from a peak of 86% to now 70%. And the unpledging process would take another couple of months. So, hopefully by the half year ending, we should have zero pledge in Annapurna. That is a process which is also working simultaneously in the background. And maximum [**Inaudible** 00:59:59] September end.

Varun Singh: And my last question is regarding the need for such heavy investments. I think a previous participant has asked you for, what is the need of that Rs. 500 crore CapEx ambition plan etc. And you pointing out that we don't want to run out of production capacity compared to the demand situation which is out there.

So, how should we as an investor, as a shareholder, how should we look at the company from the point of view of return on capital that we are generating on the existing business and plus incrementally whatever the new business that we want to build. So, please help us understand on the return on capital guidelines, guardrails. How are you thinking about it?

Ritesh Shaw: So, what we have to understand is that this CapEx is not happening in like one shot. It is happening over a number of years. It will be spread over 4-5 years. But the facility will start operating, say, in 2 years' time. It is not that everything has to happen in one shot.

But definitely the CapEx is required because we are very closely following what Balaji has done in Western India. So, if you have a facility which basically integrates your entire production chain and your production and your supply chain, then you are looking at production costs which are a fraction of what any of the other companies achieve.

And then that can be passed on to your consumers. You make products that are unbeatable in the market and you make higher margins in the process as well. So, this is something that we would love to be like a Balaji of Eastern India.

So, this is something that is playing at the back of our mind. And we want to replicate that business model because we think it is something which is a very strong business model. And it gives you a defensive strategy against any kind of competition.

So, in terms of revenue, we are looking at a Rs. 2,000 crore revenue from that integrated facility generating about 15% EBITDA. And if we can achieve those numbers, it is that your entire CapEx can be recovered over 1.5-2 years' time.

So, having said that, it is not that the entire CapEx is required in one shot again. And that numbers are also not going to come in one shot. It is a process of growth. It will take about 3-5 years' time. But that is something that we start to need working on right now if we want those numbers to come in the next 5 years' time.

Moderator: Varun, I will request to come back for a follow-up. Next question is from the line of Jash Bhurjee from Jash Bhurjee Investments. Kindly accept the prompt and go ahead with your question.

Jash Bhurjee: Sir, my question is on the auditors. Are we going to be changing our auditors for ongoing?

Ritesh Shaw: Yes, now that we have migrated to the main board, we are in discussions with some of the larger audit firms. Maybe by the time of the AGM, we would have zeroed in on somebody and the announcement would be made at the AGM.

Jash Bhurjee: Who will it be? Have we zeroed in on anyone?

Ritesh Shaw: We have a couple of names here. We have S. Jaykishan, we have Singhi & Company. We are also talking to Grant Thornton. But one of these larger audit firms are going to take over.

Jash Bhurjee: Good. And on the CapEx that we have announced on the con call, how will it be funded?

Ritesh Shaw: So, we will start with internal accruals for now. And maybe going forward, if required, we can consider doing a debenture issue or we can look at other modes of financing the CapEx through a QIP placement in future.

But right now, I mean, it is something which is still at a very, very initial stage. We have still not defined the timeline of the CapEx requirement. We just have started doing the groundwork to have the project ready. But all of that is going to depend on a lot of other factors, on the company's operations side as well.

Jash Bhurjee: And the payback period you expect will be?

Ritesh Shaw: Payback period would be pretty quick. It is not going to take, because with that integrated facility, like I said, the numbers are going to be completely different from what we are looking at currently. So, we will have numbers which would reflect similar to a Balaji or a Haldiram type numbers with their integrated facilities.

Jash Bhurjee: The land cost you mentioned is about Rs. 65 crores, right?

Ritesh Shaw: Yes.

Jash Bhurjee: And the machine cost?

Ritesh Shaw: Again, these are numbers, and there will be a detailed report coming in. So, depending on what all modules we are putting, what modules we don't want to do right now, we want to do it after 2 years, 3 years. So, it is not something that is kind of happening now.

So, immediately next 2 years, we are just consolidating our manufacturing facilities, our existing ones. Madhur is getting ramped up. All of that is happening. This is something which has now taken precedence over others in the conference call. But it is not something which is top of our mind.

Jash Bhurjee: And the brand endorsement that we have paid for Saurav Ganguly in that aspect, how is that going currently?

Ritesh Shaw: That is going very well. So, one of the things that we have managed to do successfully with Saurav Ganguly's endorsement is that a lot of other local manufacturers who were copying our products, we have managed to stop a lot of counterfeiting that was happening locally by having Saurav on the packets. We have also created a clear brand identity for our company. And the market is resonating very well with that initiative.

Jash Bhurjee: How much have you paid Saurav Ganguly and his team?

Ritesh Shaw: Specific numbers, I think, you know, we would not...

Jash Bhurjee: Rough ballpark?

Ritesh Shaw: It is what ballpark is like, it is a very reasonable number. It is like not even a percentage of anything. It is not something that will bother us.

Jash Bhurjee: And the revenue that we generated from the OFFSIDE brand?

Ritesh Shaw: So, OFFSIDE was just launched 4 months back. We have already started generating a revenue of Rs. 2 crores per month from OFFSIDE products itself. This is going to go up to about, in the range of anywhere between Rs. 5 crores to Rs. 10 crores we should be doing over the next year or so. And these are all Rs. 10 plus packs that we are talking about in the OFFSIDE brand. But with Saurav Ganguly, we have Saurav Ganguly even on Annapurna packs. Even the Rs. 5 packs carry Saurav Ganguly's image.

Moderator: Next question is from the line of Dr. Purvin Randeria, Individual Investor. Kindly accept the prompt and go ahead with your question.

Purvin Randeria: Actually, I have one retail investment from last 2-3 years. And if you see the market capital of the company, now mostly around Rs. 200 crores-Rs. 300 crores approximately. And trades at around 10-11 PE.

What management sees about it, I mean, maximum of the other companies trading around 30-40-50 PE. Management actually looking to it or squeezing out the liquidity or something like that. Because, I think, Riteshji's wife bought I think Rs. 1 lakh share few months back. Still the stock was not able to hit the upper circuit because current volume.

I am talking about only as an investor, not talking about the free cash flows and other things. That I already heard from the other participants. I am talking about as a pure investor. I am invested from last 2-3 years, right. As an investor, we are looking for a long-term bond with the company, right. For 3 years, 5 years, 7 years, years down the line.

I already heard what is going on for next 2-3 years, right. But just wanted to know how management is thinking about the market capital of the company. Revenue around Rs. 500 crores, company trades at Rs. 300 crores. What you are looking at? Have you reached any HNI investor or mutual fund or something, tell your story going to unleash to the other investors as well.

Company doing currently very good, 30% growing. Everything looks good on the paper. But market not realizing it. Something what we are as an investor missing on it. That it trades at 11 PE. It is quite ridiculous, sorry for my words. But it is very low PE, right?

Ritesh Shaw: So, doctor, basically, this initiative that we have taken today, this conference call, this is the first time for us. I mean, this is something that we should have done earlier. Even when we were on the SME platform, we should have done this.

But now we have realized that having more interaction with the investors, investing community and answering their queries, because being an SME company, a lot of people do not discover you. But now that we have migrated to the main world, we want to be discovered. We want our story to be heard. We want people to come up with their queries and address them.

So, the process has now been started. We will be talking to a lot of other investors also, a lot of senior investors and HNI family offices. So, we will now directly reach out to them with what we are doing, explain to them the opportunity and everything. So, hopefully, all these initiatives will result in some kind of positivity for the market and for the market cap.

Purvin Randeria: What individually you think about the exact? 30-40 PE actually kind of growth you are showing in the company, 30% plus growing. PE ratio is very low. So, what do you expect from the market to see?

Ritesh Shaw: Reasonable PE for any company should be in the range of 30% to 40%. A company which is growing at 30%-40% should have that kind of multiplier. But definitely, the market has its own mind. So, until unless we can address all the queries of the market and the thought processes can align.

Moderator: We will take text questions. First text question is from Ram Pandey from A3 Capital Services Limited.

What is debt as on today? Why presentation not uploaded in exchange? Which you presenting? Promoter holdings 87.4% pledge? When it will unpledge? As the company make brand ambassador Saurav Ganguly to do company doing advertisements in TV or digital media. Plant visit, if possible, arrange for investors.

Ritesh Shaw: So, investor's plant visit, we will organize. We have done that before. We can plan that again sometime next month. And Saurav Ganguly's digital media presence is already there. TV advertisement we are not too keen on because that is a high cost, low impact segment as of now. The promoter's pledge has already been reduced from 87% to 70%. It is a plan to bring it down to 0 by end of September this year. And there was one more thing in the query.

Moderator: Sir, promoter holdings to 87.4% pledge? When it will unpledge?

Ritesh Shaw: Yes, the pledge is getting reduced to 0. Before that there was one more point.

Moderator: What is debt as on today and why the presentation was not uploaded in the exchange?

Ritesh Shaw: The presentation I think is uploaded on the platform. I will just check back with the company secretary if that was done or not. And the current debt in the company stands at about Rs.180 crores.

Moderator: We take the next question from the line of Gursidak Singh from Prudent Equity. What is the current capacity utilization for all of the facilities of the company?

Ritesh Shaw: So, on the shift basis, most of our facilities are 100% occupied on a single shift basis. Asansol and Siliguri are occupied 100% on a double shift basis. We are going to start third shift operations. So, a detailed capacity, if you look at from a pure numerical point of view, we are about 45% capacity utilization. And we have the potential to, with the same facilities itself, we can potentially do twice the revenue that we are doing right now.

But then there are other factors which need to be considered. Storage space is an important consideration for both raw materials and finished goods. So, it does not work in pure mathematical ways. But just to answer the question, we are at about 45% capacity utilization.

Moderator: Thank you. Next question is from Akshay Gupta from Gupta Investments. Just one question regarding the operating cash flow. I understand that we are growing aggressively, but if we want the market to recognize our true value, we have to generate positive cash flow. By when can we expect to generate positive cash flow from operations? Not talking about free cash flow.

Ritesh Shaw: This financial year end, we should have a positive operating cash flow for sure given the steps that we have taken in order to address that.

Moderator: Thank you very much. We will take that as the last question. I now hand the conference over to Mr. Shreeram Bagla, Chairman and Managing Director for closing.

Shreeram Bagla: Hi, thank you everybody for giving us the opportunity to address all the investor queries. Whatever we could do best for the company, we have done so far. And over the period, we would also like to deliver and address all the queries as been discussed in this call. Thank you very much.

Ritesh Shaw: Thanks everyone.

Moderator: Thank you very much. Ladies and gentlemen, on behalf of Annapurna Swadisht Limited, that concludes today's session. Thank you for your participation. You may click on the exit meeting to disconnect. Thank you.