



BIKAJI FOODS INTERNATIONAL LIMITED

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Ref: BFIL/SEC/2025-26/106

Date: February 02, 2026

To,
Dept of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001 (Maharashtra)
Scrip Code: 543653

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051 (Maharashtra)
Trading Symbol: BIKAJI

Subject: Transcript of Earnings Conference Call for the quarter and nine months ended on December 31, 2025

Dear Sir/ Madam,

We hereby inform you that in continuation to our letter bearing Ref. **BFIL/SEC/2025-26/97** dated **January 14, 2026** and pursuant to the requirements of the Regulation 30, read with the Part A of the Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, from time to time, an Earnings Conference Call with the Investors and Analysts to discuss the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended on December 31, 2025 was conducted on **Wednesday, January 28, 2026 at 12:00 P.M. IST**. Please find enclosed herewith the transcript of the Earnings Conference Call.

In compliance with the Regulation 46 of the Listing Regulations, the transcript of the Earnings Conference Call is also available on the website of the Company and the same can be accessed at www.bikaji.com.

You are kindly requested to take the same on record.

Thanking you

Yours faithfully,
For Bikaji Foods International Limited

Rahul Joshi
Head – Legal and Company Secretary
Membership No.: ACS 33135

Enclosure: As Above



“Bikaji Foods International Limited
Q3 FY '26 Earnings Conference Call”
January 28, 2026



MANAGEMENT: **MR. RISHABH JAIN – CHIEF FINANCIAL OFFICER –**
BIKAJI FOODS INTERNATIONAL LIMITED
MR. MANOJ VERMA – CHIEF OPERATING OFFICER –
BIKAJI FOODS INTERNATIONAL LIMITED

MODERATOR: **MR. AMBESH TIWARI – S-ANCIAL TECHNOLOGIES**



Moderator: Ladies and gentlemen, good day, and welcome to Bikaji Foods International Q3 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 then zero on your touch-tone phone. I now hand the conference over to Mr. Ambesh Tiwari. Thank you, and over to you, sir.

Ambesh Tiwari: Thank you. Good afternoon, everyone, and thank you for joining the Bikaji Foods International Q3 FY '26 earnings conference call. From the management team, we have with us Mr. Rishabh Jain, CFO; and Mr. Manoj Verma, COO. I now request Mr. Rishabh Jain to take us through the key opening remarks, after which, we will have the floor open for question-and-answer session. Thank you, and over to you, sir.

Rishabh Jain: Thank you to all the investors and friends. So largely from this quarter perspective, this quarter is a story of 2 halves. So, in October, where we have seen some prepone of Diwali this year, so we've seen sweet business being in negative growth this year. But overall, when we see our core business, which is ethnic snacks and Western snacks, so ethnic snacks have grown at close to 13.5% versus Western snacks grow at 20% plus growth.

So, we've seen overall snack category growing at 14% plus in this year. And we've also seen some early sign of GST benefit, which government has passed on in September month. So, we are seeing good volume growth also in ethnic snacks and Western snacks overall. So, we're seeing good sign in our core business. That's what in this quarter. And also, January is going on, and we are seeing some good results also in this quarter also.

In this quarter, we have also done some 2 big campaigns, which is regarding with respect to Bhujia, so Bikaji, Bhujia Ho Toh Bikaji campaign, which we started in September month and ran in this full quarter and has given a very good result in the Bhujia category in our traditional snacks category, which has grown at upward of 16%, 17%.

Also, we have started one UP specific UP campaign, which is Kya Baat Hai Ji, which has started in December month. And it's early to say, but yes, getting good results in UP. From bottom line perspective, we are seeing gross margin at a steady level at close to 35%, which is including PRI. But yes, overall, we have seen gross margin 35%.

Ad cost, of course, this October month is always big on ad quarter, ad cost. And so, our ad cost was close to 4% in this third quarter. So, our EBITDA is close to 12.5%. But overall, we are seeing good operational efficiency as well as GP has remained stable in the last 2, 3 quarters. From a raw material perspective, we're seeing stability in all key raw materials, except peanut, which we have seen some uptick.

But overall, peanut is not so big in our overall portfolio. But yes, all the other raw material has been stable, and we have started doing long-term parking of each key raw material because it's a peak season or peak crop season. So overall, next 3 to 6 quarters, what we see, we see some



stable growth being we are at low category, low utilization as of now 50%, 52%. So, we're seeing early sign of good recovery due to GST and good demand uptick.

So, we see at least 14% to 16% growth in our core category. That's what overall. From investment perspective, we have committed close to INR131 crore of investment in Hazelnut Factory last year. Out of which INR60 crore has been invested, and we have taken 40% stake. We are putting additional INR40 crore as per agreement this year. And we have taken the approval from the Board also for this. And after this, our overall stake will be close to 48%.

And also, we have done a JV with T. K. Khaleel. T. K. Khaleel is a big name in Middle East and having more than 4 decades of experience in bakery category. He has made some big business in bakery in Middle East, and we have tied up with him and formed a JV where he will be having 30% stake, and we will be having 70% stake in our company in Bikaji Bakes, a separate company under Bikaji.

And that's a futuristic investment. But yes, we see that it can become INR100 crore business because now all the children and all new TG normally see this business as a big business, and we also have done some investment in this.

Overall, from the 9 months numbers, our gross margins close to 34.9% with EBITDA at 14.2%. Our revenue from operation, if you see, that's without PLI, we've grown at close to 14% revenue from operation at consol level. From a distribution perspective, Manoj Ji, you can update.

Manoj Verma:

Yes. So, in terms of distribution and which is what is identified growth lever, so we continue to grow. If you look at in terms of our overall reach as Bikaji, we are now close to 1.4 million outlets. And in terms of our direct reach, we are now at about 3.35 lakh outlets directly. The marketing campaign, which Rishabh just spoke about, so what we had identified was that we need to infuse something so as to accelerate the growth in Bhujia category.

With that in mind, we started a campaign Bhujia Ho Toh Bikaji, which has given a good and excellent dividend in terms of increasing our reach and increasing the consumption both resulting into our overall Bhujia growth numbers, which was primarily focused in our core states.

The other campaign, what we also did was we roped in Mr. Pankaj Tripathi as a celebrity, and this was more towards UP and nearby markets, Kya Baat Hai Ji, that's the campaign which we started. This was in the latter half of quarter 3. So, it's too early to comment, but yes, the initial reads and the responses what we are getting is very positive.

And we are very confident that this should help us build quarter 4 and thereafter business for us. So, we did went on to multiple communication vehicles and very aggressive on digital media on this stuff. Another big thing which has happened in this quarter is we have relaunched our logo, Bikaji.

So, the one which we have is more vibrant, it is more enticing and this is a refreshment of our old logo and effective this year, this calendar year, we have now moved on to this new logo, which is also there in the deck of ours.



Growth, if we look at, so quarter 3 volume growth, so this is supported by the GST stuff. So, volume growth picked up for the quarter was 8.4%. And ethnic snacks, western snacks did extremely well, so was papad. So, if you see there's 2 contrast pictures that where it was up till H1 and now what was quarter 3. So, this quarter 3 performance has led YTD performance moving up. But to underline, ethnic sacks and Western snacks have done very well and things getting back on track.

On a YTD basis, if we look at, so now ethnic snacks stands close to 10% and Western Snacks is 6% above, which in H1, if you look at was a concern which had come up was pretty low, but in this quarter, it's made up for the first half. Sweets, of course, was low, and that we had explained in our earlier calls as well that it is always good to see quarter 2 and quarter 3 put together.

So, this was early Diwali, hence quarter 2 numbers were high. And quarter 3 was a negative growth. But on a YTD basis, if we look at, so sweets, again, on a positive stuff and a growth of 8.1%, while quarter 3 was a negative stuff.

Now this sweets and gifting category has impacted the growth of focus states because the contribution of these 2 categories in focus and other states is very, very high. So just to put a number and this is in effect in the core states, it is 7%, 8% in other states, it's about upwards of 30% and in focus states, upwards of 25%.

So, when these 2 categories because of Diwali got shifted, so therefore, the growth of focus states or other states looks muted or negative. But if you see net of sweets and gifting, the growth for these 2 state categories is also in line with the core state. Exports has done very well.

This is now the results what we are getting from the investments made in the yester quarters and years. That is about building our capacity wherein we invested behind Ariba Foods, scaling up our capability on production for the frozen items, which is most salient in these markets and also our people investment, what we did in the exports market.

We expect this exports growth to continue. And for the next 2, 3 years, we should be witnessing same kind of growth. Family pack and impulse pack is again, if we look at family pack, it looks weak in this quarter.

This is on the back of the gifting and sweet, which is primarily large pack only. There's nothing small pack in that. That is now impacting that mix this picture weak in terms of family pack growth. But if we look at traditional snacking growth, so we have grown higher in family pack than the small packs.

Rishabh Jain:

So overall from retail business perspective, so our retail business has grown at 86% growth. We have in quarter 3, being it's the biggest because Diwali is big for THF as well as for Bikaji. Diwali and sweet gifting is very big in retail stores. So, we delivered INR47 crore business from 23 stores as on date and the target is to open at least 10 stores next year in THF as well as in Bikaji.



Overall, from a revenue perspective, our revenue has grown close to 11%, with EBITDA growth compared to last year in quarter 3 at 77%, being increase in EBITDA margin compared to quarter 3 last year. That's part from the presentation. We are happy to take all questions. Thank you.

- Moderator:** The first question is from the line of Abneesh Roy from Nuvama Institutional Equities.
- Abneesh Roy:** My first question is on dry fruits and nuts. So, consumer treats dry fruits and nuts also as a broader part of the snacks category. And clearly, consumer is focusing more on health. And we have seen many companies create big business. For example, Tata Consumer, already INR250 crores ARR in nuts they have created.
- What will be your thoughts on this because this is a very low-hanging fruit because part of the same broader snacks category. Any thoughts on this? Have you tried this at any point of time? Any pilot projects you have done in this?
- Manoj Verma:** So, if we look at into the mass category, so this is not mass, this is niche and the top of pyramid. If we look at in terms of just the dry fruit, so that's a commodity. But yes, when you do process this stuff, that becomes the snacking part of it, which is actually 2% of the overall snacking category at this point in time.
- So, we also do have some cashew nuts and these nut stuff, but that has not been our focus thus far. And in near future, this is not our priority because this is importantly on some few channels where the premium products could be sold. So, our focus has been more on the range of Namkeens and Bhujia.
- Abneesh Roy:** Sure. One follow-up on the core versus focus. My question is why is sweets and gifting higher in focus market? Is it easier to do that, especially in a new market? What is the reason?
- Manoj Verma:** No. So, 2 reasons, Abneesh. One is that the play of modern trade is very high because by virtue of our modern trade presence in all these states, Reliance and DMart. So, we are over-indexed in these states. And there, because modern trade does very well in all these stores, so therefore, our sweets and gifting goes very high. So, this is the reason that our contribution of sweets and gifting is very high in focus and even high in other states.
- Abneesh Roy:** Sir, my next question is on your overall advertising strategy. Generally, we don't see 2 brand ambassadors in the same category, in the same geography. So, Amitabh Bachchan, till when do you have him as the brand ambassador as per the agreement? And what is the specific reason for having in the same geography, Pankaj Tripathi as the brand ambassador for Namkeen. So how does it help? Is it a long-term transition from Amitabh to Pankaj Tripathi? Is that the reason?
- Manoj Verma:** No. So one is that not same geography. If you look at Amitabh Bachchan is our brand ambassador nationally and internationally as well and will continue to be our brand ambassador. We have extended his contract for another 2 years. So that's one. Pankaj Tripathi, we roped in for a campaign basically. So, these are the geography specific, which we would be doing.
- So not that in UP, we are not using Amitabh Bachchan as our brand ambassador. That is it. But for specific Kya Baat Hai Ji is -- we also engaged with one of the known agency. So, this is



Ogilvy we have worked with, and we have done this now as a campaign. So, this does not impact anything with what Amitabh Bachchan has been doing or would continue to do in that stuff.

Abneesh Roy:

But I didn't understand what was the need?

Manoj Verma:

So, no, point is that Amitabh Bachchan helps us do all category, right? Now getting one brand ambassador for specific stuff. So, he's a generic overall stuff. Pankaj Tripathi, we roped him because this connects more closer to this geography to the masses and the TG what we are looking at.

So based on the research, we figured it out the options were, one, we could have used Amitabh Bachchan, so one is the overall broad messaging and then focused for particular state. In state, the option what came brighter was that we have a different celebrity, but this is nothing to do with replacement of one over another.

Moderator:

The next question is from the line of Rehan from Trinetra Asset Manager.

Rehan:

So, I have a couple of questions. First of all, on the distribution strategy side. So direct distribution reach has increased to 13.9 lakh outlets as of December '25. So, from here, should growth be driven more by higher throughput per outlet or by entering new micro markets? And how should we think about the margin impact of it? This is my first question?

Manoj Verma:

Yes. So, growth has come both, so it's a two-pronged growth strategy. One is that continue to drive growth, which is more if you look at in terms of our core states because that's where our numeric distribution or our reach is already at a higher level. So there, the growth story is more about throughput of store.

In the focus and core or the other focus and other states, it is both that the stores where we are, they will grow and the inorganic growth in terms of new stores where we were not present earlier and as we reach in that stuff. Now talking about the margin impact. So yes, we make better margins in our core states.

And there increasing or driving growth from throughput helps us mitigate for whatever when we expand more in our focus states. So overall, there's no margin impact in that stuff. This is a thought through thing what we do.

Rehan:

Okay. And just continuing my first question and just more focusing on the margin side. Like right now in quarter 3, your family pack continue to contribute 62% of primary, with impulse pack at 38%. So, if impulse packs start growing faster in non-core markets, so could we expect any margin or working capital pressure from a mix perspective?

Rishabh Jain:

No, no. So, it will not have a major impact because the gap between family and impulse pack in overall gross margin is not more than 2% in ethnic snacks category to do it. So, what we see there in next 2, 3 years is 55-45 should become -- so family should become 55% and 45% should be impulse pack. So, it will have less than 10 to 20 basis point impact. And we are doing multiple things to improve build on efficiency and overall pricing strategy.



So, this will offset this. So, we don't see any major impact if impulse pack goes up to and we want to improve our impulse pack contribution, being it's a trial to in a focus state.

Rehan: Okay. Fair enough. And I'd like to ask one more bookkeeping question. Like I want to understand regarding marketing intensity has increased with multiple regional campaigns and ATL and BTL spends. So, what -- as per management view, what internal metrics such as volume update repeat per case for outlet productivity, do you use to assess ROI? And in what timeframe do these campaigns typically break even?

Manoj Verma: So, these are multiple steps in it and multiple vectors if you look on this. So, one is -- the first and foremost is that we look at the efficacy or effectiveness of the campaign. So, there are these agencies, which gives that what was the viewership, how many viewed and how many did multiple times. So that's the part of campaign that how that gone below. But this is all, so this is nothing to do with numbers, just how the campaign has gone.

While this has a correlation with our numbers in terms of that your productivity, sales team productivity starts going up, which means that there is some demand creation or which could be a new entry and also in terms of repeat purchase or the throughput of the store. So, both ways, this gets measured. So, one, to the marketing team, they have a KPI to deliver.

And similarly, in synergy, sales team is to deliver KPI in terms of that how many new stores, how many, what kind of productivity and throughput it has. So those are the measures what we track and then we call out that was it successful or not or should be repeated or not that.

Moderator: The next question is from the line of Harpreet from Global Consilient Research.

Harpreet: My question is regarding the stock runout, like this has been a serious issue for the company for some time now. Like for some retailers, they did not purchase on purpose and wait till the 24th of a month, which causes stock run out and as a result, loss in your consumption. So, what has the company been doing to deal with this?

Manoj Verma: Can you be a little more specific on this question? I mean I'm so sorry, I couldn't understand well.

Harpreet: Like for some retailers, they do not purchase on purpose and being aware of the fact that discounted prices will be available from 24th of a month, which leads to stock runout and as a result, loss in your consumption, like customers are not able to buy due to unavailability of product. So, what has the company been doing to manage this?

Manoj Verma: Yes. So one is that it is not that 24th onwards, there are schemes. The scheme starts on the 1st of the month itself. That is one. Also, none of the retailer because if company loses something, that's a sales loss to the retailer as well, right? So that's not the case. But what happens is that whenever any schemes are anticipated, unless until you're talking in specific to the GST when announcement was to happen, right?

So, till 23rd, people were waiting that now the post-GST rates will come down and then they buy. So even at that point in time, it was not that sales was 0. What happened was that these



retailers started destocking. So, let's say, giving an example, if a retailer keeps it 20 pieces or 15 pieces of one particular SKU.

So that point in time, he brought this inventory down to 5, 6, and he did not purchase in anticipation of that now the rates GST impact benefit will come, and then I'll buy again 15, 20, whatever. So that was a momentary stuff. Otherwise, in FMCG space, this is how it works that around the month or all 4 weeks, there are purchases. But yes, always you look at week 4 becomes a little high and week 1 are high, 2 and 3 are the regular servicing of that stuff.

Harpreet: Got it. And like the Nepal JV is expected to start production in a year and in the ethnic snacks category, which is a core category. And we aim to become among the top 3 players there and gain high single-digit market share. So, what is the progress there?

Rishabh Jain: So largely, from Nepal perspective, our plant will come up in next close to next 8 months largely. And we've started and we will start working with CG Group in maybe by end of this year, end of this financial year. So, we are hopeful that they are a big group there and we're having good distribution. So, in next 2 to 3 years, we will be top 3 players in Nepal. That's why we've done a JV with them, and that's what our aspiration is with them.

Moderator: The next question is from the line of Nitin from Emkay Global.

Nitin: Can you please help us understand the monthly revenue trend? Like I want to assess how the GST rate cut is aiding demand? And also, I want to know your view on the GST benefit aiding demand ahead, like how you think the GST rate cut will help overall improvement in the growth trajectory? That's the first question.

Rishabh Jain: So largely, what we've seen that you see our core ethnic snacks in first half has grown at 5%, 6% versus this quarter, the third quarter has grown at around 13%, 13.3%. And we're seeing good uptick in family pack as well as impulse pack. And that's what we see the result of some GST input benefit what we've given. We have done some MRP reduction. So, it's more affordable to consumer and also some grammage increase in impulse packs.

So, we see there is possibility that there is smaller player who is largely doing not a business in a much more professional way. So, we get the opportunity to do like 5% GST, the chance of doing that type of business will be limited. So, we're seeing some benefit of this also. So overall, you will see a volume growth also in traditional snacks is close to 11%, 12%. So, we are seeing some good results after the GST rate cut. And this will be continued in coming quarters.

Nitin: Yes. This is really helpful. I just want to know like December would be the clean month with GST benefit. Any sense you can provide on like how would have been the growth in December month, if you can?

Manoj Verma: So, Nitin, if we were to look at in terms of ethnic snacks or the Western snacks, so immediately after GST, so complete even in October also, these categories did extremely well. So, it is only on account of sweets and gifting that October was a weak month in terms of overall company. But GST benefit started reflecting or coming in October onwards.



So, it is not that it has only come in December, but the good thing is that the momentum continues. So, what it was like September end, there was a little confusion, chaos around that GST will bring the rates down.

And so, the purchases were on hold, which someone took up as a question as well. But these were picked up October onwards. So, all 3 months, our growth has been by far high than what we had delivered in the earlier yester quarters.

Nitin: This is helpful. And do you expect like further acceleration in growth possible?

Manoj Verma: So, I think, see, now it rests on overall category growth as well. But momentum is good. January almost is about to get over. We don't see any disruption or look back on this stuff.

Nitin: This is helpful. Second question pertains to your gross margin. So, like despite relatively weaker mix where packaged sweet salience down almost around 900 bps Q-o-Q. I'm talking sequentially. Our gross margin correction has been limited to only 40 bps. So, can you help me understand like what other factors are helping to keep the gross margin stable on a sequential basis?

Rishabh Jain: So, we are seeing good growth in our core product, which is Bikaneri Bhujia, and that's highest in gross margin in our ethnic's snacks. And we're seeing good growth being we done 2 campaigns around this, majorly Bhujia Ho Toh Bikaji campaign. So, we're seeing good growth in Bikaneri Bhujia, and that overall has been improving gross margin. Also, the product mix, what we're trying to improve and focus product, which are higher in gross margin, and we started this 2, 2.5 years back. So that has also worked well with this.

Nitin: Okay. So, which is largely to do with the Bhujia, that's basically has helped us. And lastly, in the core market growth at around 8%. So, like how should we see this growth shaping up ahead?

Manoj Verma: So, growth, if we look at in terms of our markets basically, so as we have said that the focus would be growing higher than what the core markets are. But for now, if we look at, in this particular quarter, focus looked weak because, as I explained in my earlier statement that there is a huge play of sweets and gifting, which got shifted in quarter 2.

Otherwise, other than sweets and gifting, if we look at, so the growth of focus and other states is also, in fact, ahead of what core has delivered. So going forward, to your question, focus will be growing higher than what the core states would grow.

Moderator: The next question is from the line of Shirish from Motilal Oswal.

Shirish: Manoj, just one quick question. When we entered the quarter, September and every industry player was very excited with 5% GST and shift, which was expected. But when I look at 9-month number, I think the focus market has grown only 10.2%. The reason why I'm asking is that I'm sure you are not happy with 8.4% volume growth. So, 2 things.



One is that you said there is a GST benefit which you have passed in terms of higher grammage. So, if you can split that 8.4% volume growth, what is the percentage or what is the contribution has added because of the grammage addition?

Manoj Verma:

Sure.

Rishabh Jain:

So Shirish Ji, so largely from increase in grammage in quarter 3, what we done due to GST. So, it has been improving volume growth of 1.5%, 2% in overall yes. But overall, you will see that our overall volume growth in ethnic snack category or all snacks category is close to upper 12%, 13%. So that's high in last 3 quarters, and that's what we targeted.

Manoj Verma:

And any impact in our sweets business because that was same, so papad and sweet space, same it was only in the snacking space.

Shirish:

Okay. The other thing, which is the observation that in quarter 2, most, not you, but most of the players said that there is a destocking because there was a confusion of what the GST will happen and other things. But did you really get any benefit of restocking in the trade in quarter 3? And again, is it settled or it is still ongoing?

Manoj Verma:

Okay. So, Shirish, for the impulse category, no one would wait for this thing. So, the opportunity loss or the day loss is a loss. However, from a consumption standpoint. But yes, if you look at in terms of destocking, so yes, there was certain impact, but then that got over in a week's time itself.

Thereafter, it's an ongoing replenishment model, so weekly servicing, weekly buying in that stuff. But yes, whatever consumption loss happened during that time that the outlets who ran out of stock and all, you cannot replace that stuff.

Shirish:

Okay. The other thing which I came -- I mean, I'm reading from Slide 20 from your presentation. When I compare 9 months growth in the focus state, which is just about 10%. I mean I'm giving the benefit Diwali has come here or there or festive season would have shifted.

But in 9 months, we are still 10% growth is it much lower than your expectation? And how much growth we can expect? I mean you did allude saying that the focus state will grow faster. But I think what are the issues?

Manoj Verma:

Yes. So, Shirish rightly said that 10.2% growth is not a good growth in that stuff. It will not be less than 15%. 15%, 17% should be the bare minimum growth in that stuff. The disruptions when you talk about so that because of GST, because of the sweets could have done or the other categories could have done even better.

This is what and the Western snacks, which again is a higher contribution and focus and core states in focus and other states was weak in quarter 2. Those were the stuff. But if you look at how it has made up in rest of the category, so Namkeen, Western snacks and all, so it is again coming back to what in line for what we have said or in line with our plans, what we have.



- Shirish:** I have a specific question, Manoj here. Out of 6 markets which we have identified in focus state, specifically, UP is a very large snacking market. So, could you strip off what is the growth you are seeing in particularly UP?
- Manoj Verma:** So UP is on a high growth in that stuff. So, 10% is the overall growth. So UP is close to about 14% growth in this stuff. So, it's on a high side. There's one market Delhi, which we call as our focus states, has not done very well in that stuff. And we also did not invest as much in Delhi. So, there's no specific campaign or something what we have done for that stuff. But to your question, yes, UP has done better than the overall focus states.
- Shirish:** So UP would be growing on an average about INR50 crores, INR60 crores now?
- Manoj Verma:** No, no. Shirish, what -- hello?
- Shirish:** Yes.
- Manoj Verma:** Yes. So UP, I said, if you look at, would have about 13%, 14% growth, whereas overall focus states is 10%.
- Shirish:** Okay. Got it. And in export, what are the reasons? I mean, I do understand Ariba is yet to contribute meaningfully. But what are the drivers for this growth? Are you opening more markets? Or is that core market since the export is showing you scalability?
- Manoj Verma:** Yes. So Ariba is an enabler, right? You have stocks to sell, right? But the latter -- the second question, which you said that in terms of the expansion. So, the driver is expansion, getting into new accounts, large accounts where we were not there earlier, we got listed, and there is a good response or demand coming in. So that's the driver. Ariba is the back-end stuff, I mean, so which is solving for this problem.
- Shirish:** So, which are the large market in your exports?
- Manoj Verma:** So large, U.S., of course, continues to be a large market, U.S., Canada, then Middle East, these are the markets which have done. So, U.S., in spite of odds like the tariff thing and all that stuff, we did still well in U.S. Costco is one of the largest account there where we were not there. And so, we got listed in this quarter and a very good performance in this store and very good response in terms of repeat.
- Shirish:** Okay. Just last question on BBPL. What is the rationale? I mean, I know Khaleel is a very big man, but is the company is going to diverge and getting into biscuits and croissants and other segments? And what is the scalability of this model? Are you going to get the Khaleel brand in India or you're going to spread more because you're giving the capital also?
- Manoj Verma:** Yes. So, Shirish, one, certainly not biscuits, right? So, this would have 3 parts of it. So very premium breads, grocery and then the third is cakes. These would be the 3 segments we'll be playing in. And the business would be under, again, 3s. One is frozen export and everything is frozen. That's one. Second is that the business would come from we'll export from air.



That's what Khaleel's presence will bring in because he is already into this model of that stuff. It is the facility or manufacturing capability we are building in air. So, one is exports. Second is B2B, right? And the third would be domestic, which will be the least of that stuff. Now this is a futuristic investment.

We have set up our plant in Bangalore. And as Rishabh said, that over 3 years, I mean, this has a potential to get us about INR100 crores in our top line number. That's where it is. So, this will not be, it will be a complete separate team, not that anything to do with Bikaji. This will be run by a professional team, which is no more into bakery and all this stuff.

Shirish: So, do you mean to say that the existing stores, which Khaleel is operating in UAE is not a part of this deal?

Rishabh Jain: No, no.

Manoj Verma: No, no. So, this is Bikaji Bakes. This is Indian stuff only.

Shirish: Okay. Okay. And this plant, when do you think will get operational, say, another year or so or will take a little longer?

Manoj Verma: No, no, no. By end of this quarter only it will happen.

Moderator: The next question is from the line of Abhishek from Systematix Group.

Abhishek: While you mentioned in your opening remarks on the raw materials being fairly stable, I just wanted to check specifically on potato, what is the procurement cost trend that you're seeing in potato? Because I understand that December, January is the period of crop flow and procurement. And you can correct me if that is not accurate. But just wanted to check what is the sort of procurement cost trends that you're seeing, specifically in potato right now?

Rishabh Jain: So, potato crop has been very stable and good this year. So, we don't see any major disruption in price or quality availability this year. And we started, it's early to say early to do, but yes, in the next 2 months, we'll do a long-term buying of all of at least for the next 6, 7 months. That's what we do normally in Feb or March. But yes, price has been very stable.

Moderator: The next question is from the line of Anchit from Goldman Sachs.

Anchit: I just wanted to understand on this Bikaji Bakes. What is the trajectory? Are you expecting revenues to start coming in from FY '27 itself? And in terms of the products, in terms of, say, premium breads, et cetera, is it just going to be export or is it going to be like in stores, et cetera, in different stores? Or will it be just in your retail stores, in Bikaji retail stores?

Manoj Verma: Yes. So, to your first question, yes, revenue will start coming in from year 1 itself. On the product side, so yes, the split of the business, if you look at, would be majorly exports, then B2B and then a few top-end stores as well, so domestic sales. So, this would be available in top-end stores because this would be all premium. And also, we'll leverage the q-com, e-com channel also on this stuff. So, it should be available there as well.



- Anchit:** And what will it be under the same brand of Bikaji or how do you plan to brand this?
- Rishabh Jain:** The work is going on in this, but it will not be in the same brand Bikaji...
- Manoj Verma:** We'll announce it shortly before we commission the factory, but not Bikaji for sure.
- Moderator:** The next question is from the line of Soham from Motilal Oswal.
- Soham:** Just wanted to check one direct coverage. Right now, we have a 334,000 direct coverage. And last 1 year, we have added almost 46,000 addition. So, Manoj Ji, if you want to give a ballpark breakup of this 46,000 breakup of this core versus non-core addition in the last 1 year.
- Manoj Verma:** So, the most of the addition which has come in is in the focus states, right? So, as I speak, it's about 1.65 lakh outlets is what we are covering in focus states and core states is about 1.15 lakh and the rest is other states, about 55,000 outlets.
- Soham:** Okay. So majorly, it is a non-core addition. Okay.
- Manoj Verma:** Yes. Sorry. Yes, yes.
- Soham:** On the impulse pack, right now, if you look at the snacking portfolio, so almost 50% of snacking portfolio comes from impulse pack. And in 9 months data, which grew only 6.8%. So, like for full year basically for next financial, how do you look this impulse pack growth for the FY '27?
- Manoj Verma:** So, what we plan to do is that, see, for us, family pack is equally important, and we get better margins also in that stuff, that also in our core states, this is what helps us store throughput also. In the channels like, say, modern trade, e-com, it is the play of the large pack only. But as we drive distribution, as we drive focus states and which is where, as I said, that the faster growth would come from the focus states.
- So that's where the role of the impulse pack. So, to your question, what we see that the growth of impulse and family pack will be in line, not that a very differential growth in that stuff you'll see. But yes, impulse would be on a slightly higher side.
- Soham:** Okay. And in this core versus focus market, like as you previously, you said that focus your target would be 15% to 17%. So, what could be the target for core, high single digit for next year?
- Manoj Verma:** No, no, double-digit target. So, you will see that about, say, 13% plus/minus would be the core state performance.
- Soham:** So, 13% plus/minus for core and focus would be more than 15%?
- Manoj Verma:** Yes, upwards of 15%, yes.
- Soham:** Upwards of 15%. Okay. Got it. And Rishabh Ji, for this margin, for 9 months gross margin ex PLI, we have done 33.5% and operating margin, we have done 12.5%. So how do you look for this year and next year for gross and operating ex PLI?



- Rishabh Jain:** So largely, we see EBITDA margin should move up at least 50 basis points from this year.
- Soham:** And for operating? Okay, you're saying operating is 50 and gross will be stable. How is it?
- Rishabh Jain:** So, EBITDA should improve by 50 basis point, EBITDA.
- Soham:** Okay. EBITDA should be, and A&P would be in the range of 2% and 2.5%, right, for next year as well?
- Rishabh Jain:** Yes, yes.
- Moderator:** The next question is from the line of Parshv from Mehta Equities.
- Parshv:** I wanted to understand about the product range. When we are launching the new products, what are the strategies that we are used to see? Basically, I wanted to understand the strategy states that how because Bikaji company researching the products to distribution as per the geography.
- Manoj Verma:** So, this is 2 approaches what we take. One is the innovation team, the R&D team, which keeps working all that, keep picking up. We participate actively in all food exhibitions like Gulfood, Indus, AAHAR, so on and so forth, so which is a forward-looking stuff and ongoing process. That's one. Second is that we also pick that what is doing well in the market, what -- how the category is behaving, which subcategory is doing well and how are we indexed to the overall category stuff.
- This is the principal 3x3, which arrives us on where to work on. And that's how we pick up the subcategories that what should be developed, and this is how we get these NPDs out in the market. Now talking about geography, there is diversity across states. So, that's how the consumption pallet is. So, then it becomes a region-specific kind of certain things. This is how we do, and this is what is our strategy on adding new products or for new product launch.
- Moderator:** The next question is from the line of Janardhan an Individual Investor.
- Janardhan:** I'm an individual investor in it. So, my only question is, if raw material costs normalize upwards, right, and demand softens, I understand that demand is going to go up, but just this is a hypothetical question. If raw material costs normalize upwards and demand softens, which lever, be it pricing, be it mix or be it cost will protect margins the most for Bikaji?
- Manoj Verma:** So, see, if raw material prices goes up, right, so one, we'll try to see that what further optimization can be done because that is one. Then if this would be true for competition as well. We'll closely watch that how competition is behaving on that stuff and we'll respond accordingly. That's what we do. Because there's a threshold that we would not go and would not wish to go below our threshold in terms of our margins part.
- Janardhan:** Yes. And one more question. Where do you see Bikaji's market share in the organized ethnic snack space over the next 3 to 5 years?
- Manoj Verma:** So, we see a double-digit market share in next 3 to 5 years, maybe around 11%, 11.5% kind.



Moderator: As there are no further questions from the participant, I now hand over the conference to management for closing comments.

Manoj Verma: Thank you, everyone, for taking time out and being part of this call. Hopefully, we could answer the questions what came up. Still anything left out, we'll be happy to revert back. You can reach out to our corporate affairs person, Prateek or the agency, and we'll revert back to the questions anything left. Thank you very much.

Moderator: Thank you. On behalf of Bikaji Foods International, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.