



HOAC FOODS INDIA LIMITED

CHOICE FOR QUALITY AND PURITY

(FORMERLY KNOWN AS HOAC FOODS INDIA PVT LTD)

CIN: L15120DL2018PLC330739

GST NO. 07AAECH4665B1Z5



June 10, 2025

To,
National Stock Exchange of India Limited
Listing & Compliance Department
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra
Mumbai, Maharashtra, 400051, India

Company Symbol : **HOACFOODS**
Company ISIN : **INE0S6S01017**

Dear Sir / Madam,

Subject: Transcript of the Investors' Earnings Call held on Wednesday, June 04, 2025, on the Audited Standalone and Consolidated Financial Results for half year and year ended March 31, 2025

Please find enclosed herewith the copy of transcript of the Investors' Earnings Call held on Wednesday, June 04, 2025, with respect to the Audited Standalone and Consolidated Financial Results for half year and year ended March 31, 2025.

The transcript of the aforesaid earnings call with Investors/Analysts is available on the Company's website and can be accessed on the following link: <https://www.hoacfoodsindia.com/>

We request you to take note of the same.

Thanking you.

Yours faithfully,
For **HOAC Foods India Limited**
(Formerly Known as "HOAC Foods India Private Limited")

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Date: 2025.06.10
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Rambabu Thakur
Managing Director
DIN: 08084215

Place: New Delhi

Encl.: As stated above

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“HOAC Foods India Limited
Q4 & FY'25 Earnings Conference Call”

June 04, 2025



MANAGEMENT: **MR. YASHWANT THAKUR – CHAIRMAN AND DIRECTOR**
-- HOAC FOODS INDIA LIMITED
MR. MANISH SHARMA – CHIEF FINANCIAL OFFICER –
HOAC FOODS INDIA LIMITED

MODERATOR: **MS. RUCHIKA SHAH – EQUIBRIDGEX ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to the HOAC Foods India Limited Q4 and FY '25 Earnings Conference Call hosted by EquiBridgeX Advisors. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing the star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Ruchika Shah from EquiBridgeX. Thank you and over to you, ma'am.

Ruchika Shah: Thank you and good afternoon everyone. Welcome to the H2 and FY '25 Earnings Call of HOAC Foods India Limited. From the management team, we have with us today Mr. Yashwant Thakur, Chairman and Director, and Mr. Manish Sharma, CFO.

Before we begin, I would like to mention a brief disclaimer. This conference call may include certain forward-looking statements which are based on the current views and expectations of the company. A detailed disclaimer is available in the investor's presentation that has been uploaded on the stock exchange.

With that, I now hand over the call to Mr. Yashwant Thakur for his opening remarks.

Yashwant Thakur: So, hello Investors and hello EquiBridge. I am Yashwant Thakur, Chairman and Director of HOAC Foods India Limited. So, today I would like to tell you, how our journey began. So, this was started by my father, Mr. Rambabu Thakur, in 2009. He started it from a single outlet, which was called Hariom Atta and Spices. Hariom Atta and Spices is our trade name. And our company name is HOAC Foods India Limited.

We started from a single SKUs in this single store, which is a flour called MP Sharbati Flour. We used to procure it ourselves and deliver it to the customer through delivery. As our customers increased, we added more different types of SKUs to meet their demand. For example, we added Spices, Unpolished Pulses, Rice, Grains. So, we started it according to the customer's demand.

Secondly, we added a customization process to it. The customer can customize the flour according to their needs. Suppose, if the customer's dietitian has told him to mix Chana in Wheat and eat it, then we provide all those things.

Now, we come to 2018, from where we started our journey. In 2018, we opened a retail outlet store in sector 12. In 2018, we registered our trade name and incorporated our company in HOAC Foods India Private Limited. In the middle of 2020, we opened 5 retail outlets in Gurgaon. We later converted them into franchisee outlets due to scalability.

To date, we have 200 plus SKUs in which we deal. We manufacture 150 SKUs, cleanly process them and sell them through our stores. We have a D2C mobile application in the name of Hariom Atta and Spices.

We have a website in the name of hariomatta.com where customers can place their orders. And on-calling orders come directly to us. So, this is how customers can order. In '21, '22, we set a

factory in Gurgaon. We have a newly established factory in Mahindrawada village. We have a bundle of Pulses, Rice, grinding process, Spices, etc. We bundle factory. In '23, '24, we focused on franchisee outlets. We opened 10 more franchisee outlets. Today's date, we have 5 company retail outlets and 10 franchisee outlets in Gurgaon.

After that we needed a working capital to expand our business. We got a GYR Capital Advisory from Mohit Baid. He is our merchant banker and he saw our IPO process. We were listed in 2024. After listing, we set up another manufacturing plant in Gurgaon. After that, we introduced our B2B business in all franchisee outlets. We introduced a wedge root category. We partnered with Country Delight in our RTA segment.

This was our overview of the business, how we here. Thank you very much.

Moderator: Should we begin the Q&A session?

Yashwant Thakur: Yes.

Moderator: Okay. Thank you very much. We will now begin the question and answer session. The first question is from the line of Abhishek Ramchandani, an Individual Investor. Please go ahead.

Abhishek Ramchandani: Hello, good afternoon.

Yashwant Thakur: Hello, Abhishek ji, good afternoon.

Abhishek Ramchandani: Is there any plan for fundraising? Like further fundraising?

Yashwant Thakur: Yes, sir. This year, we have planned fundraising through QIP round. For expansion.

Abhishek Ramchandani: Okay. So, how you will utilize the fund rates? Will that be used for working capital or capex? And what are the further expansion plans? Are there any specific regions being targeted?

Yashwant Thakur: Yes, sir. Recently, we launched our B2B platform. It has been 3 months since we launched it. We can see a lot of scope for our sales. We have bought a factory in Vidisha. We have bought a land which we want to turn into a factory. For that, we needed funds for working capital and factory setup.

Secondly, you must have seen the announcement. We have created an export company. HOAC Exports Private Limited. We need funds for working capital. Which is around INR2 crores. Yes. We will allocate around INR2 crores to INR2.5 crores in funds. In HOAC Exports, we have shipped 2 containers in UK in 1 month. We can see a lot of opportunity in export.

In B2B, we have placed our products in 600 to 700 retail counters. We have planned to allocate funds in that through working capital. And it will be in factory setup.

Abhishek Ramchandani: Okay. Great. What will be the projected revenue for FY '25 and FY '26?

Yashwant Thakur: Projected revenue for FY '25 and FY '26 is around INR 55 crores to INR55 crores.

- Abhishek Ramchandani:** Okay. Got it. Specific in exports for FY '25 and '26?
- Yashwant Thakur:** Sir, I have mentioned INR51 crores including exports, B2B and B2C. We were on B2C platform till now. The INR26.47 crores sale that we have booked is totally for B2C segment. We have touched B2B segment. We can see that the sale for 3 months is around INR2.5 crores to INR3 crores. We can see a lot of scope in that. If we add B2B and B2C exports, it will go above INR55 crores. But I am taking the lower side that our revenue will be around INR55 crores.
- Abhishek Ramchandani:** Okay. What are the specific regions being targeted beyond any other state or something?
- Yashwant Thakur:** Yes, sir. As I have told you that we will put a factory in Vidisha. Vidisha is a MP central. So, we will put our Gujarat and Madhya Pradesh region. We are going to export in Mumbai region. We have recently started in Rajasthan. We have put a small manufacturing setup in Dosa. We are doing B2B segment of black mustard oil, spices and floor. It is still working.
- Abhishek Ramchandani:** Okay. Got it. Thanks a lot and all the best.
- Yashwant Thakur:** Thank you.
- Moderator:** Thank you. The next question is from the line of Shrihari from Totala capital. Please go ahead.
- Shrihari:** Congratulations on a good set of numbers. I have a question. The inventory days have increased from 135 to 80. Is 80 days are new normal?
- Yashwant Thakur:** Sir, 80 days are new because we have a B2B segment. So, we have to give more credit period to run it. We have increased the number of franchises because we have stocked them. So that the franchises get a good PET margin. We are paying attention to the franchise expansion. So, we are giving them a credit period.
- Shrihari:** Okay. I have one more question. The sales have increased from 69%. But the trade receivables have increased from INR2.26 crores to INR8.45 crores. Is it because of the expansion?
- Yashwant Thakur:** Yes, sir. It is because of the expansion. Around 50% of the payments have been received. You will see the good numbers on the trade receivables in the next 6 months. As I told you, we have started B2B. So, we have a sale of INR3 crores to INR4 crores on the B2B platform.
- Shrihari:** How much is the payment day on the B2C platform?
- Yashwant Thakur:** Sir, it is 1.5 months.
- Shrihari:** Okay. It's means 45 days. So, the trade receivables will be less in the future?
- Yashwant Thakur:** Yes, sir. The company is already established. We used to focus on B2C. But now we are coming to B2B. So, how will the market entertain us for B2B? It will do it when we will give them a good margin and extra credit period. So, we are doing credit period and margin in the starting. So that the market can easily entertain us and we can expand.

- Shrihari:** Okay. In your profit and loss account, the direct expense in PPT is showing minus 95 lakhs. That is change in inventory and finished goods. What is the reason for this increase in profit?
- Yashwant Thakur:** Wait, sir. Change in inventory and finished goods. Minus 95 lakhs almost. Sir, Mr. Manish Sharma will answer to this question.
- Manish Sharma:** Hi, sir. Manish Sharma this side. Sir, we take raw material and convert it into finished goods. We manufacture our own products. Whether it is to make flour or spices. To make chilies. So, it is for that.
- Shrihari:** So, the direct expense is minus 95 lakhs. In the last quarter, it was plus 51 lakhs. The expenses were increasing. Now, it is reducing the expenses. How did the expenses reduce? That is the question.
- Manish Sharma:** We have also set up a new factory. So, the manufacturing cost is reducing. We are paying more attention to that...
- Yashwant Thakur:** Sir, we have installed a fully automated machine. So, the costing was increasing before. Because of semi-automation, we were paying more labor. Now, we have set up a new factory in the machinery part. We have installed an automated machine.
- Shrihari:** Because of automatic, you have written that INR1 crores is being saved?
- Yashwant Thakur:** Yes, sir. It's correct.
- Shrihari:** Okay, thank you very much, sir.
- Moderator:** Thank you. The next question is from the line of Pranav Shrimal from PINC Wealth. Please go ahead.
- Pranav Shrimal:** I wanted to ask that going forward, how many more stores are we going to target to open this year? And in which area are you targeting?
- Yashwant Thakur:** Yes, sir. In this segment, the B2C stores that we are going to open, we are targeting 10 stores in total.
- Pranav Shrimal:** 10 stores? Okay.
- Yashwant Thakur:** Yes, sir. We were targeting 10 stores. But now, we have an advance of 8 stores. So, yes. It can increase to 15 to 20 stores. But if we look at the minor side, we have to open 10 stores. And we have also changed our stores a little bit. Earlier, we used to open our store in 250 to 300 square feet. Maximum 700.
- But now, we are touching the Noida region. So, in this, we are keeping the square feet size of 1 store. And we will open a store of 600 to 700 square feet. In which, we will try to show more live processing to our customers. So that the customers get attracted and get more growth in their sales.

- Pranav Shrial:** Got it. And in which area is this? Is it only in Delhi that we are targeting Rajasthan, Gujarat or any other area?
- Yashwant Thakur:** Right now, our first target is to cover Delhi NCR. So, we have completed Gurgaon in B2C. Now, we are going to Noida. Noida is completely untouched in B2C. So, we will open all these stores in Noida. Including Delhi, if we get any opportunity.
- Pranav Shrial:** Okay. So, these are all franchise models. Is this company owned?
- Yashwant Thakur:** Sir, it will be totally franchise models. And in this, we are opening stores in B2C. But in B2B, we are going to do it of India level. In this, we have Gujarat, Mumbai, Madhya Pradesh, Delhi NCR included. So, we will get to see many good numbers in this.
- Pranav Shrial:** Okay. And going forward, how much are we expecting in B2C versus B2B? I mean, how much is the sales rate?
- Yashwant Thakur:** Sir, I will tell you. Sir, what we are expecting from B2C is around INR37 crores to INR40 crores. And what we are expecting from B2B is around INR12 crores to INR15 crores starting.
- Pranav Shrial:** INR12 crores to INR15 crores?
- Yashwant Thakur:** Yes.
- Pranav Shrial:** Okay. And what will be the margin difference between this two?
- Yashwant Thakur:** Sir, we have bulked the purchasing from behind. So, the margins are going to be the same. And the PET margin will be around 10% due to heavy bulk purchasing. So, on an average, if we get 12%, 13% in B2C, we will get 9% in B2B. So, on an average, the margin will be 10%.
- Pranav Shrial:** Got it. And what is our capacity? Going forward, how much can we expect? Sir, I think our capacity in Spices was around 42% utilization? So, going forward...
- Yashwant Thakur:** Sorry to interrupt you. There is one thing. You must have seen that we have set up a manufacturing of Spices. So, we have installed Spices and Oil machines in the factory. So, its capacity has increased.
- Pranav Shrial:** Yes, that is what I was asking. Going forward, we have installed new machines. Going forward, its efficiency will start increasing?
- Yashwant Thakur:** Sir, it will increase by 110%.
- Pranav Shrial:** Right. So, going forward, how much expansion are you expecting in EBITDA margins?
- Yashwant Thakur:** EBITDA margin for which year?
- Pranav Shrial:** Going forward, in FY '26 next year?

- Yashwant Thakur:** Okay. So, 16% around. Because, in this -- yes. Right now, it is 15%. We are taking 16% more because we have to set up a factory plant in Vidisha. In that, the expenditure will increase a little. That is why EBITDA will remain right now.
- Pranav Shrimal:** Got it. Done. Lastly, I wanted to know that our online application D2C. Out of that, approximately how much response is there going forward? Is the response increasing?
- Yashwant Thakur:** Sir, right now -- we have increased the marketing and other things from this year. So, the response is increasing. Yes. Right now, we are getting a revenue of INR1.5 crores. But, going forward, if we talk about FY '26, '27, it will reach INR5 crores, INR6 crores.
- Pranav Shrimal:** INR5 crores, INR6 crores. Monthly sales?
- Yashwant Thakur:** No, not monthly sales.
- Pranav Shrimal:** It is written in your PPT. INR1.023 crores monthly sales?
- Yashwant Thakur:** It is included in the call metrics. There are two ways. People call directly or through their app. So, it is for both.
- Pranav Shrimal:** Going forward, approximately you are expecting INR1.5 crores and then it will keep increasing?
- Yashwant Thakur:** Sir, I couldn't understand your point.
- Pranav Shrimal:** No. Going forward, you are saying approximately INR1.5 crores in FY '26.
- Yashwant Thakur:** Yes. Sir, let me confirm. From mobile app, it will reach up to INR1.5 crores. Right now, we are getting INR1.5 crores. I told you about INR4 crores, INR5 crores. I told you about mobile app.
- Pranav Shrimal:** Okay. Thank you so much.
- Yashwant Thakur:** Sir, on calling is 60% like that.
- Pranav Shrimal:** So, in on call, do you deliver or they give you the data...
- Yashwant Thakur:** Suppose that you are one of our customers. You call us and give us the order. We allocate it to your nearby location. That is our on call process to take the order.
- Pranav Shrimal:** So, are we on any other application? Blinkit and Zepto some of the things sir?
- Yashwant Thakur:** Sir, we are on Amazon and Blinkit we are in the process. So you will get to see it soon.
- Pranav Shrimal:** Okay.
- Moderator:** Thank you. The next question is from the line of Noel Shah from JSR Holdings. Please go ahead.
- Noel Shah:** Sir, first of all, congratulations for your good result. My first question is what is our export strategy? You said that in your presentation you have a plan of Middle East and UK. So, in that,

what is your revenue? How much does the revenue percentage contribute? What is the percentage of revenue in that?

Yashwant Thakur: Sir, in the starting I did not include exports in my sales. If we talk about it, we have sent two containers to the UK this month. Now, if I said that two containers worth 50 lakhs and two containers worth 60 lakhs and I am taking it monthly around 6 to 7 containers for projection. We will do this much. So, we will invest money in it and increase it. If we talk about margins, 15% to 16% it's there.

Noel Shah: 15% to 16% you expect in that? It will remain in exports.

Yashwant Thakur: Now, two containers have gone to the UK. Middle East and Hong Kong Australia and Europe have been part of it. In this, our sales team has hired a lot of experienced people who have 15 to 20 years of experience. So, they are running this whole segment. So, it is going to be good exports.

Noel Shah: Exports. Okay. So, you will focus more on QIP and any factory expansion as you said...

Yashwant Thakur: Factory expansion, working capital and exports. Overall, our QIP will go equally in all of them. Our overall concept will be working capital. The more we do heavy purchasing, the better margin we will get.

Noel Shah: So, you want a holistic growth in the next 3 to 5 years. You want to reach INR100 crores. That's what you want...

Yashwant Thakur: Yes, sir.

Noel Shah: Got it. Thank you, sir.

Yashwant Thakur: Sir, if a company worth INR300 crores, INR400 crores is not made in 3 years then [inaudible 27:08]

Noel Shah: Okay. Got your point. Thank you, sir.

Moderator: Thank you. The next question is from the line of Aditya Mangal, an Individual Investor. Please go ahead.

Aditya Mangal: So, my question is that how has the partnership with Country Delight impacted your sales?

Yashwant Thakur: Yes, sir. My name is Yashwant Thakur, sir. So, with Country Delight, we didn't go to B2B at that time. And Country Delight had an approach to deal with fresh atta. They wanted to go with fresh atta. So, in the market, everyone is selling store-bought aata. And Hariom is the only brand that is working on freshness.

So, the product Country Delight is selling, the fresh atta concept, they could have given it to us. That's why they approached us. And in this too, we deal with our margins. We didn't give them any B2B rate so that we don't have a margin effect. We gave them that rate. So, that's how they

pitched us and started. Yes. And in Delhi NCR, our market share is very good. And that's why in a way, they have more work in Delhi NCR. That's why they approached us.

Aditya Mangal: Okay. So, in future, do you want to collaborate with any other brand? Do you have any such plan?

Yashwant Thakur: Sir, not right now. Because our B2B channel is growing a lot.

Aditya Mangal: And your online sales through Amazon, what strategy are you using to boost?

Yashwant Thakur: Sir, through Amazon, we are not using any strategy. We are investing in our mobile application. In our mobile application, the UGC ads and our digital marketing platforms, SEO, Meta ads, we are running and bringing sales. Because if we do sales through Amazon, our margins are affected a lot. It takes around 40%. So, yes. We are thinking to promote our app. The margin won't be affected much and we will be able to expand easily and our brand's establishment will grow.

Aditya Mangal: Okay, got it. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Ms. Ruchika Shah for closing comments.

Ruchika Shah: Thank you. On behalf of HOAC Foods Limited, I sincerely thank all of our investors and analysts for taking the time to join us on today's earnings call. Your trust, interest and continued support mean a great deal to us. We look forward to growing stronger together and keeping you well informed on our journey ahead.

Thank you once again for being a part of our valued journey.

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

Yashwant Thakur: Thank you so much investors.