



Manorama Industries Limited

KHASRA No. 2449-2618
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Pin: 493445

October 22, 2025

To,
The Manager
Listing Department
BSE Limited ("BSE")
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

Scrip Code: 541974
ISIN: INE00VM01036

To
The Manager,
Listing Department
National Stock Exchange of India Limited
("NSE")
Exchange Plaza, Plot No. C/1, G Block, Bandra-
Kurla Complex, Bandra (East), Mumbai 400 051

Symbol: MANORAMA
ISIN: INE00VM01036

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of Q2 & H1 FY26 Earnings Conference Call held on Friday, October 17, 2025.

Dear Sir/Madam,

In reference to our intimation dated October 14, 2025, and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Company had organised an Earnings Conference Call with respect to Q2 & H1 FY 26 Results on Friday, October 17, 2025 at 06:30 p.m. (IST). A copy of transcript of Q2 & H1 FY 26 earnings conference call is enclosed herewith and the same has also been uploaded on the Company's website at the below mentioned link:

https://manoramagroup.co.in/investors-company-announcements#analyst_meet

This is for your information and records.

Thanking You,
For Manorama Industries Limited



Deepak Sharma
Company Secretary and Compliance Officer
Membership No: A48707

Encl: As Above

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FSSC 22000, ISO 9001, ISO 14001, ISO 4500, RSPO, HALAL,
KOSHER, FAIRTRADE, ORGANIC, FSSAI,
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“Manorama Industries Limited Q2 & H1FY '26 Earnings Conference Call”

October 17, 2025



**MANAGEMENT: MR. ASHISH SARAF – CHAIRMAN & MANAGING
DIRECTOR, MANORAMA INDUSTRIES LIMITED
MR. ASHOK JAIN – CHIEF FINANCIAL OFFICER,
MANORAMA INDUSTRIES LIMITED
MRS. EKTA SONI – ASSISTANT VICE PRESIDENT,
INVESTOR RELATIONS, MANORAMA INDUSTRIES
LIMITED
MR. DEEPAK SHARMA – COMPANY SECRETARY,
MANORAMA INDUSTRIES LIMITED**



*Manorama Industries Limited
October 17, 2025*

Moderator: Ladies and gentlemen, good day and welcome to Q2 and H1 FY '26 Earning Conference Call of Manorama Industries.

As a reminder, all participant line 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 '*' and '0' on your touchtone phone.

I now hand the conference over to Mr. Hiral Keniya from EY. Thank you and over to you, sir.

Hiral Keniya: Thank you Danish. Good evening, everyone. On behalf of Manorama Industries Limited, I welcome you all to the company's Q2 and H1 FY '26 Conference Call.

To discuss the performance of the company and to answer your questions, we have with us the management team comprising of Mr. Ashish Saraf - Chairman and Managing Director; Mr. Ashok Jain – CFO; Mrs. Ekta Soni – AVP (Investor Relations) and Mr. Deepak Sharma - Company Secretary.

Before we proceed this call, I would like to draw your attention to the fact that today's discussion may contain forward-looking statements that are subject to various risks, uncertainties and other factors which will be beyond management's control. We kindly request you to bear in mind that there might be uncertainties when interpreting such statements.

Please note that this conference is being recorded. We would now start the session with opening remarks from the management team. Afterwards, we will open the floor for an interactive Q&A session.

I would now hand over the conference over to Mr. Ashish Saraf for his opening remarks. Thank you and over to you, sir.

Ashish Saraf: Thank you, Hiral. Good evening, everyone, and a warm welcome to the Manorama Industries Limited Earning Conference Call for Q2 & H1 FY '26.

I am accompanied today on this call by our Director and Chief Financial Officer – Shri Ashok Jain, and other members of our senior Management Team.

I would like to thank all our dear investors, analysts and stakeholders for joining the call today and for your continued confidence on Manorama.

The first half of Financial Year '26 has been another period of strong performance for Manorama Industries, reaffirming our position as a global leader in specialty fats and butters. Our growth during this period was driven by a superior mix of value-added products, optimized utilization of our expanded fractionation facilities and consistent demand from leading international clients in the chocolate, confectionery and cosmetic industrial sectors. We continue to see encouraging

traction across our global customer base, supported by our robust sourcing network, strong research and development capabilities, and focus on customized, high-quality solutions.

Our emphasis on innovation, sustainability and value-added product offerings has helped us maintain healthy margins and strengthen our growth trajectory. Based on the strong performance and business momentum, the company has revised its annual guidance for FY '26 upwards from INR 1,050 crores to INR 1,150 crores plus reflecting our confidence in the demand outlook and operational scalability. This period also marked notable strategic progress for Manorama.

We are now under the process in the next months to upgrade our fractionation facilities, expand our production footprint and strengthen our presence across key global markets. Our waste to wealth, sourcing model continues to empower billions of rural and tribal women, ensuring inclusive growth while reinforcing our environmental social governance commitments. This model not only ensures a reliable and sustainable supply chain, but also aligns with our long-term vision of responsible and traceable sourcing. We have also acquired land adjacent to our existing Birkoni facility to support our upcoming capacity expansion, and we are progressing well with new ventures in West Africa and Latin America to deepen our global footprint. These initiatives collectively position us for our next phase of growth, both in terms of scale and market reach.

As part of our operational planning, we have scheduled a plant maintenance and upgradation shutdown in Q3 FY 2025-26 to enhance efficiency and facilitate expansion in our current fractionation capacity from 40,000 metric tons annually to 52,000 metric tons annually approximately. This has been carefully planned and will have no impact on our annual revenue guidance. Instead, it will help us achieve higher productivity and better throughput in the coming quarters.

Looking ahead, we remain deeply focused on strengthening our leadership position in speciality fats and butters through continuous innovation, capacity expansion, and deeper customer engagement. Backed by a fundamentally strong balance sheet, disciplined execution, and a sustainability-driven growth model, we are confident of delivering long-term value to all our stakeholders.

With that, I will now hand over the call to our Chief Financial Officer and Director, Shri Ashok Jain to take you through the financial and operational highlights for the quarter and first half of the year. Thank you, everyone.

Ashok Jain:

Thank you, Ashish Sir and good evening, everyone. Let me take you through the financial performance for the second quarter and half year ended 30th September 2025.

For H1 Financial Year '26, Manorama Industries reported consolidated revenue of INR 612.9 crores demonstrating a strong 86.4% year-on-year growth. EBITDA for the period stood at INR 156.6 crores with margin of 27.2%, while profit after tax was INR 105.5 crores translating into

a margin of 17.2%. The improvement in profitability reflects our focus on product mix optimization, improved capacity utilization and disciplined cost control measures.

For Quarter 2 FY '26, revenue stood at INR 323.3 cores while EBITDA came at INR 87.7 cores with a margin of 27.1%. Profit after tax for the quarter was INR 54.9 cores, reflecting a margin of 17%. This result demonstrate our aim to sustain a strong operating performance despite ongoing capacity expansion and seasonality in the business.

On the balance sheet front, our financial position remained robust and well capitalized. As of 30th September 25, ROCE stood at 49.9% and 36.9% respectively, with a comfortable net debt-to-equity ratio of 0.57:1. Working capital management has remained efficient with reductions in working capital gains to 97 days. Additionally, net operating cash flow of INR 189.07 cores during first half FY '25-26, ensuring strong liquidity to fund growth and expansion initiatives. We continue to maintain a disciplined approach to capital allocation, the upcoming capacity expansion of 52,000 metric tons per annum, along with our investment in new geographies such as West Africa and Latin America, are fully aligned with our long-term strategy to diversify and strengthen our global presence. These initiatives will enable us to capture growing demand for cocoa butter equivalent and other specialty fats and butters worldwide. With strong business fundamentals, growing customer relationships and ongoing operational improvement, we are confident of sustaining our growth momentum and bearing on our revenue guidance for FY '25-26.

That concludes my remarks. We would now be happy to take your questions. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, we will begin with the question-and-answer session. Anyone who wishes to ask question may press star and one from your touch tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handset while asking the question. Ladies and Gentlemen, we will wait for a moment while the question queue assembles. Our first question is from the line of Akhil Parekh from B&K Securities. Please go ahead.

Akhil Parekh: Hi, thanks for the opportunity and many congratulations on such a stellar performance. My first question is, if you can please highlight what has been the contribution of specialty products in the second quarter and first half of this year?

Ekta Soni: So, the contribution from our value-added product contribution to our sales is around 70%-75% or less. Utilization, it has been around 80%-85% for our numbers for FY '25-26.

Akhil Parekh: Sorry, Ekta, can you just repeat, I think you were cracking up. I don't know if it is on my side, but I couldn't hear clearly.

- Ekta Soni:** So, our value-added product contribution to our sales is around 70%-75%, which includes cocoa butter equivalent, stearin and some value-added products. And the plant utilization level for H1, it is around 80%-85% combined.
- Akhil Parekh:** 80%-85% on the 40,000 tons, right?
- Ekta Soni:** On the 40,000 tons for half year, 6 months, yes.
- Akhil Parekh:** Okay, got it. Second, Sir alluded to revise the guidance upward from INR 1,050 to Rs. 1,150 crores. In terms of margins, are you confident that we will maintain what we have achieved in first half?
- Ekta Soni:** So, yes, of course. So, the performance you have seen is a result of our continued focus on operational efficiency, premiumization initiatives and disciplined executions. So, looking ahead also for the coming quarters, we remain very confident in the structural strength of the business, of the products, and of course, the model and our ability to sustain the healthy margins. So, our efforts will continue to be directed towards driving consistent healthy margins for the company and our shareholders.
- Akhil Parekh:** And also, if you can highlight or give more details in terms of what are the new ventures which are described or mentioned in West Africa and Latin America? Anything specific that you can?
- Ekta Soni:** Yes. So, firstly, we have established subsidiaries in West Africa to streamline and strengthen the procurement of our raw materials like Shea Nuts, which are a key raw material for our operation. In addition, we also have signed a MoU, the Memorandum of Understanding, with the government of Burkina Faso for setting up a processing facility in the country. So, this will enhance local value addition and improve the supply chain efficiency for the raw materials. And if you talk about Latin America, so in Latin America, we have entered into an agreement with DEKEL in Brazil to utilize their processing facilities for manufacturing of specialty fats intended for that regional market. So, this will allow us to scale up very quickly without immediate CAPEX and address local demand more efficiently. And additionally, also, we have signed a Memorandum of Understanding with the Government of Chhattisgarh for potential investment in our future plant's CAPEX project.
- Akhil Parekh:** So, the Africa plant, is it more of a backward integration? Is that understanding correct?
- Ekta Soni:** Yes, that understanding is correct. It is more a backward integration project, where we are going to set up a processing extraction facility there.
- Akhil Parekh:** And for the Latin America, it is more of a product extension?
- Ekta Soni:** Yes, for the market penetration, yes, for our safety reasons. We see a huge opportunity there.

- Akhil Parekh:** And any CAPEX guidance for this year and for the next year?
- Ekta Soni:** So, CAPEX, as we have talked about, so we already have made meaningful progress, including the acquisition of around 20 acres of land, and we are still negotiating further. And we are also upgrading our facility for the existing capacity, which will result in a 30% increase in the current capacity. So, that capacity we will take from 40,000 to 52,000 tons. Additionally, for the other project, which we had announced earlier, so the total capital expenditure is estimated at approximately INR 450 crores. So, basically, all these projects are aimed at expanding our current capacity and enhancing our control over the supply chain, and entering a new market and also upgrading the technology for the company.
- Akhil Parekh:** So, just an extension to this, and my last question, the INR 450 crores will be funded through the internal accruals and what is the timeframe we are looking at, basically, to expand INR 450 crores?
- Ekta Soni:** Yes. So, for the funding, so we are actually in a very advanced discussion, and we expect to finalize the structure shortly. We will share the updates on the mode of financing for the project. But we are, of course, looking to evaluate the options for internal accruals, debt, and also fund it through equity. So, we are evaluating all these three options for our funding this project for INR 450 crores.
- Akhil Parekh:** And the timeframe for this?
- Ekta Soni:** So, the timeframe, we hope to see our project getting on stream in the next 2 years.
- Akhil Parekh:** Great. This was helpful. Best of luck for coming quarters. Wishing Happy Diwali to the entire team. Thank you, sir.
- Ekta Soni:** Thank you. Wish you the same.
- Moderator:** Thank you, sir. Our next question is from the line of Nikhil Kapoor from LIC Mutual Fund. Please go ahead.
- Nikhil Kapoor:** Can you hear me? Hi, sir.
- Ekta Soni:** Yes.
- Nikhil Kapoor:** Congratulations on a very good set of numbers. Yet another good show there. I just needed one number, Ekta, was from the export point of view. What was the export contribution on our topline?
- Ekta Soni:** 58% was the export contribution and 42% is the domestic.
- Nikhil Kapoor:** Got it. And just the plant upgradation timing, will this be in Q3 or will it be done in Q4 scenario?

- Ekta Soni:** So, it will be around Q3, December onwards.
- Nikhil Kapoor:** Got it. The rest of my questions have already been answered. Thanks. I will get back on the queue. Thank you.
- Moderator:** Thank you, sir. Our next question is from the line of Jeevan Patwa from Sahasrar Capital. Please go ahead.
- Jeevan Patwa:** Yes, firstly, congratulations to entire team for a wonderful set of numbers. What is striking is basically the improvement in the balance sheet. So, our ROCE and ROE has moved up pretty smartly. I think this will continue even in the next half and next year. The only one question I have on the balance sheet side. So, just want to understand what is this non-current other assets and other financial assets, the two line items. One is non-current other assets and other financial assets. If you can explain, Ashok, for us?
- Ashok Jain:** So, other financial assets are covered FDR, which is around INR 126 crores. And the other non-current assets, this is the advances which we have paid for our coming upgradation of the equipment and packing area, which we are going to upgrade. This is the advances. And we have this non-financial assets covered INR 79 crores. And the second line of items, bank balance and other equipment and this in total is around INR 126 crores FDR as on date, cash FDR.
- Jeevan Patwa:** Perfect. Very good. So, that is it. Congratulations once again and Happy Diwali to everyone. Thanks a lot. Thank you, sir.
- Ekta Soni:** Happy Diwali.
- Moderator:** Thank you. Next question is from the line of Binay Shukla from Phillip Capital. Please go ahead.
- Binay Shukla:** Thank you for the opportunity. Just one quick question on the topline fronts. What kind of growth should we expect for FY27 and 28 and similarly on EBITDA margin fronts?
- Ekta Soni:** So, hi, thank you Binay for the question. So, for the guidance for our next year, we would like to reaffirm the numbers in the March quarter. So, during that time we get the better visibility for the year. And of course, we see a tremendous growth given the capacity we are coming up and the utilization still is there to optimize. So, we see a good growth. But in numbers, we request you to kindly wait for March quarter to revise our guidance for FY '27 or '28.
- Binay Shukla:** And just a last question on, who are your top three customers in India and export market and what will be the revenue contribution?
- Ashok Jain:** So, the top 3 customers include Mondelez, Ferrero, Nestle, Hershey's. These are our top customers.
- Binay Shukla:** And what will be the revenue contribution from these four clients?

- Ashok Jain:** So, we have many customers in our portfolio.
- Ekta Soni:** So, we can share the figures for top 10 customers, which is around 40%. And top three customers are Mondelez, Nestle and Hershey's.
- Binay Shukla:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Amit Agarwal from Kotak Securities. Please go ahead, sir.
- Amit Agarwal:** Good evening, Mr. Jain. Good evening, Ekta. Congratulations for a fantastic set of numbers. See, my investors have only one concern. One was like.
- Ekta Soni:** Hello, sir. Your voice is little low, sir.
- Amit Agarwal:** See, my question is on the cocoa side. I know we are into cocoa butter equivalent. So, my investors have one concern that prices of cocoa have corrected significantly. So, does it impact our business in any way?
- Ekta Soni:** So, cocoa butter, there is, of course, because of this equivalent, people see that it is the same. But if you see the cocoa butter equivalent, the functional properties and the structural properties of cocoa butter equivalents are very different. This is why because these customers like they want because it provides stability, good texture, good finishing lines to the confectionery and chocolate. So, that way, we see our demand and prices of our products very sustainable, in not relation to cocoa butter. Of course, it is indirectly related because it is the same alternatives of cocoa butter. It is like cocoa butter equivalent. But if you see the pricing and the demand perspective, it has been different from cocoa butter.
- Amit Agarwal:** Perfect. And another question is on the working capital days. We have seen significant improvement in working capital days. So, is there any further room for improvement in working capital days from here?
- Ashok Jain:** Yes, Sir. Definitely, we are trying to maximize our working capital cycles as well as the inventory management. So, we see in going forward better working capital management.
- Amit Agarwal:** Perfect, Sir. And the third question is on the margin side. Like for the last 2-3 quarters, your margins have been hovering at around 27%. So, with improvement in operations, improvement in increase in revenues and operating leverage playing out, we see this margins improving further from here?
- Ekta Soni:** As we see, we already have developed good numbers on the margin. But looking ahead also, we remain very confident in the structural strength of our business model and our ability to sustain healthy margins. And we are very confident that we will continue to be directed towards

consistent, profitable growth, which we believe will naturally reflect in the strong margin performance over the time. So, the company has been performing well in terms of topline, the margin in the product mix, and we remain confident and we continue to perform like this. We will keep on updating our investor and shareholders if there are any changes to that.

- Amit Agarwal:** Perfect. And lastly, like, have we added new clients in this quarter?
- Ekta Soni:** So, that is the ongoing process, Sir. That is the ongoing process. We are tapping new markets, entering into new geographies, having new clients for our different types of specialty fats and butter. So, yes, we are tapping new customers and entering new geographies. It is a continuous process for the company.
- Amit Agarwal:** Perfect. And FY27 guidance, you will be sharing only by March, right?
- Ekta Soni:** That is right. So, for this year, we have revised our guidance for INR 1,150 Crores plus. So, for next year, we will be guiding you in the March quarter.
- Amit Agarwal:** Perfect. Thank you so much and all the best and wish you all a very Happy Diwali.
- Ashish Saraf:** Happy Diwali.
- Ekta Soni:** Thank you, sir.
- Moderator:** Thank you. Next question is from the line of Shrenik Mehta from Indulge Wealth. Please go ahead.
- Shrenik Mehta:** Hi, thank you for the opportunity. This has been an amazing result. So, congratulations to the entire team. I just wanted to understand a little more about your vision for the next couple of years. How do you see the key growth drivers evolving? What are your major opportunities for capturing the market? Just a little bit of color on the long-term vision?
- Ekta Soni:** So, of course, our growth is being driven by a combination of strategic initiatives and favorable industry trends. The key growth drivers we can see for the coming years could be our integration projects, which is like backward and forward integration projects, which we are coming up. The global expansions and the subsidiary footprint, if you see, we have established 8 subsidiaries globally in the regions like West Africa, Latin America, Brazil. And of course, we are going ahead with the continuous capacity expansions. So, those projects are also in terms of that line. And we have certain strategic partnership and memorandum of understanding, like with the government of Burkina Faso, with the government of Chhattisgarh for setting up our projects on a priority basis. And of course, we are looking for a product and market diversification. We are expanding our product portfolios and penetrating new geographies, which will help us reducing and open up new revenue streams. So, these are the growth drivers, which we see for our coming

years. And we are working on expanding our capacity. And this year also, we are expanding our capacity by 30% more, including the backward and forward integration projects.

Shrenik Mehta: Excellent. Thank you so much.

Ekta Soni: Thank you.

Moderator: Thank you. Our next question is from the line of Rohan Mehta from Ficom Family Office. Please go ahead.

Rohan Mehta: Hi, am I audible?

Moderator: Yes, sir, you are.

Rohan Mehta: Great. Thank you for taking my question. As per my channel checks, the cocoa butter prices, they currently stand at less than 10,000 Euros per ton. There has been quite a steep fall over the last 3 months, about 25% fall. So, I wanted to understand, are you seeing any margin impact on contract repricing with customers starting next quarter and thereafter? And in the meanwhile, has there been any changes to the CBE prices in the same period?

Ekta Soni: Sir, to answer your question, if you see our contracts are usually for 9-12 months, and we are very firm with our contracts and order books and we do not see any price drift in our cocoa butter equivalent, Stearin or other, any of our specialty, value-added specialty fats and butter products. So, we do not see any price drift for our products and we do not see that kind of a margin reduction because of the price change in the products for the next 2 quarters coming up.

Rohan Mehta: So, just to sort of clarify, the cocoa butter prices are still in the range of \$5,500-\$6,000 per ton. Is that correct?

Ekta Soni: So, cocoa butter equivalent prices or cocoa butter prices?

Rohan Mehta: Yes, cocoa butter equivalent prices. Sorry.

Ekta Soni: Yes, that is in the range of that. So, when cocoa butter was trading at higher, \$25,000-\$30,000 kind of a dollar, our price was still the same. Now, maybe it is fluctuating as you are saying it is down through your channel checks, but still our prices are around that price only \$5,500-\$6,000 US dollars.

Rohan Mehta: And second question is on your working capital days. So, purely on an aspirational basis, what sort of number you are targeting currently on the working capital days?

Ekta Soni: So, from 151 days, we have come to 97 days now and we target to 75 kind of days for our working capital cycle given the model of the business.

Rohan Mehta: Right. And this is for the next 2 years, 3 years?

Ekta Soni: Yes, next 2 years.

Rohan Mehta: And lastly, on the inventory, how much inventory are you looking to procure by March 2027?

Ekta Soni: March '27 or 26?

Rohan Mehta: March '26.

Ekta Soni: So, you want to understand what would be our inventory level during the Q4?

Rohan Mehta: Yes, correct.

Ekta Soni: So, maybe, we can share that at a later stage because we are at an ongoing thing. We can share you half-year number what we have reported currently.

Rohan Mehta: Okay, Thank you.

Ekta Soni: Thank you.

Moderator: Thank you. Our next question is from the line of Pritesh from Lucky. Thank you.

Pritesh: Ma'am, for this INR 450 crore CAPEX, if you could give out the detail how much you are spending in backward integration and how much in forward integration? And in forward integration, what capacity will get added from this current 40,000 tons?

Ekta Soni: Sir, we can provide you a detailed breakup maybe at a later stage. We have the firm numbers with us, but to share with you, we need certain approvals to disclose all those project wise figures with you. So, that is also of course under consideration. We can share with you at a later stage for that INR 450 crores breakup.

Pritesh: So, what you guys are sharing right now is the capacity expansion from 40,000 to 52,000 tons, right?

Ekta Soni: Yes, 52,000 tons.

Pritesh: Is that a part of this INR 450 crores or INR 450 crores is over and above whatever you are doing?

Ekta Soni: So, INR 450 crores is over and above of what we are doing. So, this upgradation of facility, we are doing through internal accruals. So, we have already spent on the land and this upgradation through internal accruals actually.

- Pritesh:** And can you quantify at least the backward integration CAPEX which you are planning to do in these African countries?
- Ekta Soni:** Yes.
- Pritesh:** So, what is the amount to be spent for the processing setup?
- Ekta Soni:** So, we will get back to you on that capacity, the amounts are project wise. So, maybe we can discuss on that at a later stage.
- Pritesh:** Thank you very much.
- Ekta Soni:** Thank you.
- Moderator:** Thank you. Our next question is from the line of Nilabja Dey from Ashmore Research. Please go ahead.
- Nilabja Dey:** So, first of all, congratulations on good set of numbers. I just want to understand one particular thing. So, are you really feeling that your cocoa butter is having prices? Because also I am following you for quite a number of calls. You have earlier also mentioned that they have very little correlation with the cocoa prices. Even the cocoa prices goes ups and downs, your CBE prices more or less, there is no such relationship. So, I just want to know, so will customers when the cocoa prices go down or go up, so is it something like customers as part of their entire process, certain percentage of their raw material, they mandatorily use this CBE to bring the overall raw material cost of CBEs down. So, what is it just like to know that how customers use that CBE and the cocoa? Just like, can you just explain, because this is always a very confusion and as an industrial case, lots of, obviously, we are in the mind that prices are going up, prices coming down 50%, can you just explain how your customers are using CBE and cocoa?
- Ekta Soni:** Sir, if you see the demand for this cocoa butter equivalent, this has been growing very fast over the years. If you see the product, the cocoa butter equivalent, it provides a structural and functional importance to the chocolate and confectionery manufacturers, irrespective of the cost. So, our cocoa butter equivalent, we are selling this specialty and fat butter since last 2-3 decades now. So, the importance of this fats is more on the manufacturing and producing of this chocolate and confectionery rather than the prices fluctuations of cocoa butter or cocoa butter equivalent. So, if you see, it provides a better texture, taste and stability in the chocolate and confectionery manufacturers. So, there is, however, the demand is and there is sustainable pricing for our cocoa butter equivalent.
- Nilabja Dey:** So, that means all your customers will mandatorily use it or customers have the flexibility not to use CBE in their production of Cadbury's also? Just asking, I just wanted to understand. Sorry, I am taking a little more time from you?

- Ekta Soni:** No, that is very well okay sir, that is not an issue. But that recipe depends to customer to customer. Mondelez recipe will differ, maybe from the other customers, it can differ the recipes to recipes. So, the importance of the cocoa butter equivalent is there, but how they are going to put it, use it, it depends on their formulation. But they want it. There is a demand for this product, not only in chocolates, but also in confectionery, in other HoReCa markets, in there are a lot of other markets where this fats and butters are getting used. And it is a zero trans fat. It is a very healthy fat.
- Nilabja Dey:** Great. Last question that means, final question is that price fluctuations are very minimal in terms of your CBE when even with the cocoa. When you, as per your organizations, obviously when your margin comes from more and more backward integration volume and your production efficiency, am I right? Because your prices are more or less, does not look in, the cocoa CBE price internationally, that \$ 5,600, you are telling that even going to the cocoa price going to \$7,000, it remains \$5,000-6,000 range. So, your end of the, your price, your MRP or whatever, that price does not fluctuate for that much, but more your margin comes more from the volume, production efficiency and your backward integration, how much you can do, or what price you are procuring your raw materials?
- Ekta Soni:** Sir, we will reaffirm our guidance on the margin that we have continuous focus on our operational efficiency, cost control initiative and discipline execution. So, we will reaffirm our margin guidance.
- Nilav Jade:** Thank you and thanks for your patience and wishing you all the best.
- Ekta Soni:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Jai Chauhan from Trinetra Asset Managers. Please go ahead.
- Jai Chauhan:** Yes, ma'am. So, I just have one question. You had earlier mentioned of commissioning of a new fractionation start pursuing capacity. Could you update the status of the capacity and current utilization of that?
- Ekta Soni:** So, the current utilization is around 80%-85% for our combined capacity of 40,000 tons.
- Jai Chauhan:** The earlier number that you mentioned is the combined capacity only, right?
- Ekta Soni:** Yes, it is combined because we are now sharing the figures for combined capacities only.
- Jai Chauhan:** Got it mam. And I just wanted to understand, like, how is the competitive landscape there for CBE?
- Ekta Soni:** So, if you can little elaborate your question, maybe to answer us?

- Jai Chauhan:** Right. So, basically, by competitive landscape, I heard in the market that you are the sole supplier for CBE and there are some strong competitive moats around it. I just wanted more information on the same?
- Ekta Soni:** Yes. Globally, if you see, there are very few companies who are into manufacturing of cocoa butter equivalents and this kind of specialty fats and butters because what we are producing, these cocoa butter equivalents are from the wastage seeds. If you see Sal seeds, Mango Kernel, or Shea Nut, which we are importing from West African countries. So, all these seeds, if you see, are wastage seeds. And to procure these seeds to have a sustainable supply chain network to deal with millions of tribal people, including women, having thousands of collection centers, and to get your product approval with this top giant MNCs of chocolate, confectionery, and cosmetic industries. And of course, given that the technology is there, the fractionation is a key capacity. So, this could be the competitive landscape, maybe for anybody to come in and do this. But this what we see, it could be the entry barrier for any newcomer to build the foundation.
- Jai Chauhan:** Understood, ma'am. So, ma'am, there are no competitors in the Indian space?
- Ekta Soni:** We are not seeing anybody at this scale. We say we are the largest and leading supplier of this fats and butters to the world. And being Sal and Mango, then we are the largest and leading supplier in the world.
- Jai Chauhan:** Sure, I got it. Thank you. That is it from my side. Thank you.
- Ekta Soni:** Thank you.
- Moderator:** Thank you. The next question is from the line of Bhavya from KRIIS. Please go ahead.
- Bhavya:** Congratulations on a good set of numbers. So, basically, I just had a couple of questions, Ekta regarding the backward integration plans in Africa. So, the facilities that we are trying to set up, what kind of volumes can it handle in terms of tonnage?
- Ekta Soni:** It is still an approximate figure, but it should be around 70,000 tons.
- Bhavya:** So, basically, we will be doing the processing, and we will be doing some bit of fractionation also over there or no?
- Ekta Soni:** So, as of now, the plan is to set up the extraction and the expelling plant, not the key processes like fractionation and refinery there. That we are going to do in our Indian plant, which is in Raipur, Chhattisgarh. So, there we are going to put only the extraction and expelling facility as of now.
- Bhavya:** Perfect. But still, there will be an improvement in terms of inventory days, right? Because we will be removing the raw seeds and everything?

- Ekta Soni:** Of course, there will be a lot of improvement which is related to our backward integration in Burkina Faso. So, a lot of the cost will be reduced as we are going to import the butter now also instead of the seeds. So, there are a lot of savings we are going to do with this project, and it will be a better management of inventory and it will be a better working capital cycle also will be improved and our inventory days are also going to be improved with this project. So, it is a very good project to consider for as from company's point of view. It will also help in the good cash flow.
- Bhavya:** Perfect. That is it. Thanks a lot. Thank you. Congratulations, Ashok and congratulations, Ashishji. Happy Diwali.
- Ashok Jain:** Thank you, sir. And wish you also Happy Diwali. Thank you.
- Moderator:** Thank you. Our next question is from the line of Mr. Omkar Ghugardare from Shree Investment. Please go ahead.
- Omkar Ghugardare:** Congratulations on a good set of numbers. I have a couple of questions. Just to get things the perspective right, that this 40,000 to 52,000 metric ton expansion, when can we see the commencing of that?
- Ekta Soni:** So, we will be taking this in December Q3 and maybe from Q4 we can see it.
- Omkar Ghugardare:** So, from Q4, it will be live, right? The additional 12,000 metric ton capacity?
- Ekta Soni:** Yes.
- Omkar Ghugardare:** And at the full capacity, that is 52,000 metric ton, what could be the ballpark revenue at 100% capacity you can achieve?
- Ekta Soni:** Sir, of course, the potential are very huge and good with the company. But to share the figure, please wait for our further guidance to all the shareholders, maybe in the March quarter for FY '27.
- Omkar Ghugardare:** I am not looking for the revenue growth, I am just trying to get the full 100% capacity, what could be the potential of this additional 12,000 metric ton capacity, if you achieve 100%, whenever you achieve 100% capacity utilization on that additional capacity?
- Ekta Soni:** It is a very ballpark number, we can share with you on a full optimum level utilization, 100% utilization, we can see around INR 1,800-INR 2,000 crores kind of topline. Everything going online, but it is just a ballpark number of potential what we have shared with you. We have not given any guidance or so.

- Omkar Ghugardare:** Correct. So, in fact, 100% utilization on that additional 12,000 metric ton capacity, you can do INR 1,800-INR 2,000 crores of revenue if you achieve 100% capacity utilization, whenever you achieve?
- Ekta Soni:** On 52,000 tons, 100% capacity utilization, we see a revenue potential of around INR 1,800-INR 2,000 crores. Of course, provided everything goes well.
- Omkar Ghugardare:** At 52,000 tonnes that is the total capacity you are mentioning, right? At 100%, you will be achieving INR 1,800-INR 2,000?
- Ekta Soni:** Yes, sir.
- Omkar Ghugardare:** And I just wanted to know another thing that what could be the downside risk to your margin? You have said that because of the higher revenue growth with better operating leverage, you have achieved good margins from last couple of quarters and you plan to maintain it or little bit improve it as well, but I am just wanting to know that what could be the downside risk to your margin?
- Ashish Saraf:** Sir, business is business and business always has risk. So, there could be many risks which can come from many sources. So, as such, we don't see any known risk to us, but there could be management failure, there can be multiple types of mistakes. So, as such, there is no visible risk, but we should always keep in mind this.
- Omkar Ghugardare:** Just another question is on the additional land which you have purchased of around whatever figure you just mentioned in the presentation. That is for the additional capacity beyond 52,000 metric ton or it is what?
- Ekta Soni:** Yes. It is beyond 52,000 metric ton capacity. So, there are these projects we already have mentioned earlier. So, for all those projects, we have got those land.
- Omkar Ghugardare:** And just to know, whenever you start construction of a particular Greenfield capacity that will be a Greenfield capacity, right?
- Ekta Soni:** Yes. It is like a Greenfield, but it is like adjacent connected to our current facility.
- Omkar Ghugardare:** But whenever you start to construct a particular facility, like how much time it takes to start and do the stuff at 100%, like start commencing the facility, I am asking?
- Ekta Soni:** So, it can be like 9 months to 16-18 months, depending on the process, whether it is refinery, because there are multiple processes, not just the fractionation, it is refinery, extraction, there are other processes as well. It depends between 9-16 months.
- Moderator:** I am really sorry to interrupt you, sir. Please come back again in a queue for the more questions. Thank you. Our next question is from the line of Abhishek from AB Capital. Please go ahead.

- Abhishek:** So, just wanted to know, what is our market share in the global CBE market? And at what rate is the global CBE market growing? Do you have any such data?
- Ekta Soni:** We don't have any such data with us that because there is no market data is there to have a look and reassess and we confirm you this much. But there are very few players globally who are into this kinds of niche specialty fats and butters business.
- Abhishek:** But we are a significant portion in the global market?
- Ekta Soni:** Yes, we have a very significant portion in the global specialty fats and butters market.
- Abhishek:** And the CBE market is growing every year?
- Ekta Soni:** Yes, it is growing exponentially.
- Abhishek:** Yes?
- Ekta Soni:** Like including countries like India and Brazil, the demands of these products are growing exponentially.
- Abhishek:** And what percent of our sales come from US companies? I was just wanting to know because do Trump's tariffs have any material impact on our business?
- Ekta Soni:** So, our export sales to US are around 2%-3%. It has no real impact on our topline and bottomline.
- Abhishek:** Only 2%-3%?
- Ekta Soni:** Yes, only 2%-3% is our export sales to US. This has been historically.
- Abhishek:** Thank you.
- Moderator:** Thank you, sir. Our next question is from the line of Sunil Bhojwani from VK Family Office. Please go ahead.
- Sunil Bhojwani:** Good evening, am I Audible? Congratulations on the great set of numbers you have delivered. Ma'am, I have a question on volume. If you can help me out, what is the volume growth last quarter and current quarter? And what kind of capacity we were at last quarter and this quarter and also H1 to H2 volume growth?
- Ashok Jain:** So, sir, we will later on update this volume growth quarter to quarter.
- Sunil Bhojwani:** In terms of only H1 right now, do we have it handy, the volume growth?
- Ashok Jain:** As such, we don't have currently, but we will share.

- Ekta Soni:** We actually share the full year's volume data.
- Sunil Bhojwani:** So, what kind of volume growth are we expecting, ma'am, only for the full year speaking?
- Ekta Soni:** So, if you see the capacity utilization was around 63% last year. So, we expect 85% this year. So, it is the growth of volume. It is around 25%-30%, approx.
- Sunil Bhojwani:** 25%-30% will be volume growth approximately?
- Ekta Soni:** Yes, from the last year.
- Sunil Bhojwani:** From the last year. And ma'am, what about the realization, our current realization and last year realization, do we have that handy?
- Ekta Soni:** The realization, we already have shared for cocoa butter equivalent, which is \$5,500-\$6,000. And for the rest of the products, we don't share the pricing details.
- Sunil Bhojwani:** So, current realization was \$5,500-\$5,600, right?
- Ekta Soni:** \$5,500-\$6,000 USD, but because it depends on the specifications of the batch. So, that is why we say it in a range.
- Sunil Bhojwani:** And ma'am, just to follow up, our price realization, our price contracts normally are for how long?
- Ekta Soni:** Generally, for 9-12 months.
- Sunil Bhojwani:** And ma'am, do they get affected by the spread of cocoa butter prices in terms of suppose the spread becomes, just hypothetically, ma'am, if the cocoa butter prices and cocoa butter equivalent prices spread become very narrow, so do then price gets revised towards the lower end?
- Ekta Soni:** No, sir. Once we have finalized the contract and there the volume and the prices are fixed, there is no further, it is not a commodity that cocoa butter prices are \$50,000, for example, we will get that price or that spread. So, the contract, once we have fixed it, the volume and pricing are fixed for that period.
- Moderator:** Thank you so much, sir. Please come back again for the further question. Thank you.
- Sunil Bhojwani:** Thank you.
- Moderator:** Ladies and gentlemen, that was the last question in the interest of the time. I will now hand over the call to the management for the closing remarks.



Manorama Industries Limited
October 17, 2025

Ashish Saraf: I would like to express my gratitude to all participants for taking the time to join us for the Manorama Industries Q2 and H1 FY26 Earnings Conference Call today. Thank you again. The company is reinforcing its reputation as a reliable and leading provider, committed to meeting the growing demand for sustainable cocoa butter equivalents, specialty fats, stearin, butters, and many more value-added products. We aim to remain the preferred supplier of butters for the world, both for our global and domestic customers, through focusing on strong, hard, research and development, expanding our global presence, enhancing our capacity, well supported by robust balance sheet positions. We look forward to your continued support and blessings, and we sincerely from all of us wish you a very Happy and Prosperous Diwali.

Ashok Jain: Thank you.

Ekta Soni: Thank you.

Moderator: Thank you, sir. On behalf of Manorama Industries Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.