"Sheetal Cool Products Limited

Q2 FY27 & H1 FY27 Maiden Earnings Conference Call"

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MODERATOR: **MR. HRISHIT JHAVERI – CAPITAL BRIDGE ADVISORS**
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Moderator: Ladies and gentlemen, good day and welcome to the Sheetal Cool Products Q2 FY27 and H1 FY27 Maiden 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Yash Bhuva from Sheetal Cool Products. Thank you and over to you, sir.

Yash Bhuva: Good afternoon, everyone, and thank you for joining us for the earnings call of Sheetal Cool Products Limited for the quarter and half year ended September 30, 2026. I am pleased to welcome all our investors, analysts and shareholders. I hope you have had an opportunity to review our Q2 FY27 and H1 FY27 financial results and investor presentation.

Joining me today are Mr. Hrishit Jhaveri and Mr. Maanas Shah from Capital Bridge Advisors, our Investor Relations consultants. I will briefly take you through our business, Q2 FY27 and H1 FY27 performance, key developments and our outlook for the year.

Sheetal Cool Products has evolved over nearly four decades from an ice cream business in Amreli, from a small pan kiosk into a diversified food and FMCG company. Today our portfolio spans ice cream, a diverse range of dairy products such as paneer, flavored milk, lassi and alongside namkeen, traditional Indian sweets, bakery products such as cookies and rusk and a range of frozen foods.

We have also expanded into ready-to-eat and ready-to-cook offerings providing convenient food options for everyday consumption. This diversification is an important part of our operational strategy and as it enables us to address multiple consumption occasions, reduce dependence on any single category, and better balance the seasonality inherent in the food business.

Our business is supported by an integrated manufacturing and distribution platform. We have significant manufacturing capacities across our key categories including over 17 lakhs ice cream candies, 11 lakhs ice cream cups, and 7 lakhs cone per day, along with the capacity of 5.5 lakhs namkeen pouches, 2 lakhs litres per day of ice cream, and 80,000 litres per day of milk and milk products.

We have also developed in-house capabilities in areas such as chocolate syrup, biscuit cones, and corrugated packaging, enabling us to work on our backward integration of our products. Combined with automated production systems, quality control, infrastructure and dedicated logistic fleets of more than 70 delivery vehicles, this gives us greater control over quality, consistency and distribution.

Going forward, we aim to expand our value-added product range, strengthen distribution and utilize existing capacity more efficiently. We also plan to expand our manufacturing capabilities through further capital expenditure. With any further expansion and fundraising requirements to be evaluated based on business needs and funded through a potential mix of debt and equity.

From market perspective, our focus continues to be on strengthening our presence beyond our core Gujarat market, while expanding our international footprint. We currently reach customers across multiple states in India and international markets including USA, Canada, Singapore, Middle East and several other countries.

Our distribution ecosystem including our parlour network, distributors, super stockists, retailers and other channel partners remain an important enabler of deeper market penetration. At the same time we continue to invest in product innovation with the commencement of our dedicated ready-to-eat and ready-to-cook operations during 2026, providing an additional avenue for portfolio expansion and participation in the growing convenience foods segment.

During the quarter we launched four new products. Two were premiumization of existing product range such as Jumbo Mango Dolly and Jumbo Chocobar and two new SKUs and new flavors that was in the Red Velvet and Pista Kunafa candy segment, reinforcing our promise to consistently bringing fresh product and memorable experience to consumers.

Taken together, these trends reflect our focus on building a well diversified business, deepening our product market presence and delivering sustainable profitable growth. I am delighted to share some significant corporate actions approved by our Board aimed at enhancing stock liquidity and broadening our investor base in the capital markets.

The Board has approved a subdivision of our equity shares, whereby one equity share with a face value of INR10 will be split into two equity shares with a face value of INR5 each. Following this split, to further widen our retail investor base, the Board has recommended a bonus issue in the ratio of 5:1.

Meaning, shareholders will receive five additional bonus shares of INR5 each for every one share held post-split. As a result of these two corporate actions, every one existing share will translate into 12 shares -- two shares following the stock split plus 10 shares through the bonus issue.

To facilitate these corporate actions, we are also increasing our authorized share capital from INR15 crores to INR68.5 crores. These steps reflect our confidence in the company's growth trajectory, our commitment to improving share accessibility and liquidity, and our focus on creating long-term value for our investors.

I will now take you through our financial performance. Coming to the performance for the period under review, our revenue from operations stood at INR65.3 crores in Q2 FY2027, compared with INR55.9 crores in Q2 FY2026, representing a year-on-year growth of 16.8%. For H1 FY2027, revenue from operations stood at INR198 crores, compared with INR168.8 crores in H1 FY2026, registering a growth of 17.3%.

EBITDA for Q2 FY2027 was INR8.4 crores with an EBITDA margin of 12.8%, compared with INR6.3 crores and 11.3%, respectively, in Q2 FY2026. For H1 FY2027, EBITDA stood at INR22.4 crores with a margin of 11.3%. PAT for Q2 FY2027 stood at INR3.2 crores, compared with INR1.6 crores in Q2 FY2026, while PAT for H1 FY2027 was INR10.2 crores.

We remain focused on balancing revenue growth with disciplined cost management and maintaining the quality and consistency of our products as we scale across categories and markets. On the balance sheet side, we continue to focus on prudent capital management and improving the efficiency of our working capital.

As of H1 FY2027, our debt-equity ratio stood at 0.6x, compared with 0.3x in FY26, while our current ratio stood at 2.3x. Our cash conversion cycle was 228 days in H1 FY27, compared to 212 days in FY26. We will continue to focus on inventory discipline, receivables, and overall working capital efficiency as the business scales.

Looking ahead, our priorities remain centered around strengthening our core categories, scaling the new ready-to-eat and ready-to-cook portfolio, expanding our domestic and international distribution footprint, and continuing to improve manufacturing efficiency.

Our diversified portfolio, established manufacturing base, product innovation capabilities, and distribution network provide a strong foundation for the next phase of growth. Overall, we remain focused on building a more diversified and efficient food and FMCG business, while maintaining our emphasis on product quality, innovation, operational discipline, and long-term stakeholder value.

We believe the investments we have made in manufacturing, distribution, and product portfolio expansion position us well to participate in the evolving consumption opportunity across India and international markets.

We would like to thank all the participants for taking the time to join us on today's earning conference call. Should you have any further questions or require any information, please feel free to reach out to Capital Bridge Advisors or Investor Relations Advisors. Thank you once again for the participation. We look forward to engaging with you in the future.

Moderator: Thank you, sir. We will now begin with the question-and-answer session. We have the first question from the line of Aditya Gupta from AG Capital. Please go ahead.

Aditya Gupta: Yes, hi. Thank you for the opportunity. Am I audible?

Moderator: Yes, you are audible.

Aditya Gupta: Yes, yes, hi sir. So, since winter is almost upon us, I thought this would be a good chance to ask this question. How are we planning to, you know, manage the seasonality, especially in the ice cream, you know, our ice cream business over the next couple of months? Can you please shed some color on that?

Yash Bhuva: Yes. So, as you know, ice cream is a seasonal business, and monsoon and winter, these two seasons, the consumption is bit on a lower side in comparison to the summers. However, this year what we have seen is, you know, winter has been quite late, so that the change in weather has led to, you know, a lower spike in consumption.

And we focus on, you know, distributing our other range of value-added products such as paneer, ghee, which doesn't have seasonality in its focus as in consumption story. And when we say particularly for ice cream, when the rural market, or that market has deep in its consumption, whereas the metro markets, we see good response and good consumption for our products. So, we focus more on making our product available in the metro markets.

Aditya Gupta: Okay. So, since you mentioned metro markets, just wanted to know how much of our current revenue are we getting from outside Gujarat from other states? Can you also throw some light on that?

Yash Bhuva: 35% of our revenue comes from the states other than Gujarat. 65% is the split with Gujarat.

Aditya Gupta: Okay. That's fine. And my last question would be on the aspect of premiumization you had mentioned in the opening remarks. So, just wanted the clarity, have we done the capex required for the new products or are we deploying the same during this financial year?

Yash Bhuva: So, there is capex in place. We are doing in capex in the range of around INR10 crores for us to meet the demand for next summer. That is in the form of like additional product machinery for adding capacity for the current production, as well as now there is change in the products in terms of consumers want new shapes, 3D shaped products and all.

So, we are investing more in that part. As well as, when we speak about premiumization, we are focusing more on giving a more quality product to consumer. Supposedly, earlier the product was available of 5% milk fat, we are trying to give a product of 8% or 10% milk fat in the product itself. So that whenever consumer tries the product, they get a better mouthfeel out of the product.

Aditya Gupta: Right. That makes sense. Yes, so that's it from my side, sir. All the best for the future. Thank you for the opportunity.

Moderator: Thank you. We have the next question from the line of Krishna Patel from Marutinandan Capital Private Limited. Please go ahead.

Krishna Patel: Hello, thank you for taking my question. My question is about with the increasing consumer preference for protein-enriched and functional food products. How is the company looking to capitalize on this emerging market and demand trend?

And can you also elaborate on the product portfolio expansion, distribution strategy, and expected contribution of this protein-rich products to the overall revenue growth going forward?

Yash Bhuva: So, currently, protein is in a segment is quite niche for us in terms of total market, but we are focusing on adding protein as an value-added product, value-addition to our existing product range, that will be either in ice cream or else in paneer and value-added dairy products.

So, currently, our team is in working in bringing this new products into our product range, and but that will be going through the existing distribution mode only. And can be this product range

is more consumed through the online portals, so we are currently in talks with necessary people and working on it.

And when we say protein, that that's derived from whey, whey is in a byproduct of our product paneer. So, we have the raw material in abundance, just the necessary addition in the machinery is what we are looking into and finalizing the list of products that our R&D team is currently working on.

Krishna Patel: Okay. And I have one more question. So as we move into the second half of FY27, what would be the company's key strategic and operational priorities for the remainder of this year, and additionally, which key operating metrics should us as an investor track to assess the company's performance, particularly in the terms of revenue growth and volume expansion?

Yash Bhuva: I'll request you to repeat your question, you know, bit unclear for me.

Krishna Patel: I wanted to ask that as we move in the second half of this FY27, what are company's key strategic and operational priorities for the rest of the year?

Yash Bhuva: Yes. So, our priority is to strengthen the core ice cream business, deepen our distribution, improve our sales productivity, and scale complementary categories in the disciplined manner. Key operating indicators can include the volume growth, revenue outside our core market of Gujarat state, channel-wise contribution, capacity utilization, and repeat sales in newer categories.

And we are focusing, our focus is in two ways. The geographies where we are present, we deepen our distribution over there as well as we expand to new locations as well. So, based on that we will be able to know will be a tracking parameter for anyone like how is the company performing.

Krishna Patel: All right. Thank you so much, that's all from my side.

Moderator: Thank you. We have the next question from the line of Swapnil Gupta, an Individual Investor. Please go ahead.

Swapnil Gupta: Thank you for the opportunity, sir. My question is relating to the gross margins. So, gross margins declined from 32.9% in FY25 to about 30% in FY26, what drove the pressure and what is the outlook for gross margins for this current year?

Yash Bhuva: In terms of number, we were trying to keep the trajectory the same of the current years. When we say for FY26, cost of material consumed increased by 18.7% compared with revenue growth of 13.9%, contributing to the gross margin pressure.

The movement can reflect input cost inflation, product mix, and cost of serving different channels and geographies. When we go to the geographies farther from the production area, the cost of transportation increases, which ultimately hampers the gross margin, but that is our strategy to create a good presence in the market so that whenever we set up a plant over there, from the very first day, we have good volumes in that particular region.

Gross margin in Q2 FY27 improved to 39.8% compared with 35.1% in Q2 FY26. Focus remains on procurement, efficiency, manufacturing productivity, product mix improvement, and appropriate pricing actions. The pace of recovery will depend on input costs and market conditions.

Swapnil Gupta: Okay sir. Talking about the product mix, so what is the current product-wise revenue mix, and which categories are driving this incremental growth?

Yash Bhuva: Currently, 90% of revenue is from milk and milk segment, the product which has milk associated with it and 10% is rest of the product basket. Moving forward our focus will be in the same way to increase our presence or our volume in the dairy segment, value-added dairy products, and other will be ready-to-eat and ready-to-cook products, but that is primarily focusing on the exports market. So we are focusing on these two product mix moving forward.

Swapnil Gupta: Thank you for answering the questions.

Moderator: Thank you. We have the next question from the line of Manish Jain from GormalOne LLP. Please go ahead.

Manish Jain: Yes. In dairy, quality of milk is very, very crucial raw material. So do you buy from farmers or do you buy in bulk from aggregators?

Yash Bhuva: So we have set up exclusive aggregators. Our bulk BMC points, bulk milk chilling points in the nearby region. From over there at every village or nearby five villages, the farmers supply milk over there. Milk is tested over there and then that in bulk is transferred to the Amreli plant. And because our plant is located in a facility which is very near to Gir Jungle which has extremely good quality of milk available in abundance, so that has not been an issue for us.

In addition to this, we also ensure that still the quality remains as per our expectation, so we have added machinery for milk testing in our QA, QC lab, and only once the parameters meet our parameters, product is received, we accept it. Otherwise, that milk batch gets rejected. That's how we are focusing on maintaining our milk quality.

Manish Jain: Okay. Because when we look at Hatsun, Dodla, Heritage, they are giving a totally reverse thing that to ensure superior quality of milk, they are procuring from the farmers directly. So do you have any plans to procure from farmers directly rather than aggregators?

Yash Bhuva: So current aggregators, which are deployed right now, are in a very similar fashion. But the only reason for us not to go directly is because that increases our mode of operations in the current scale of business. Moving forward, when our volume increases, we can work on that way as well. But for that, the capex of individuals and company increases in that model. So that is the only reason for which we have not gone through that mode. What we have done is we give better rates for milk; as a result, we get good quality of milk. So we pay a premium for procurement, which helps us to ensure that we get the best quality of milk from the market.

Manish Jain: And what is the volume that you bought per day approximately in the summer of 2026? And what is that volume today?

Yash Bhuva: In summers, it goes up to 1.5 lakh liters of milk per day, whereas in the time other than summers, it goes around 70,000 to 80,000 liters of milk procurement per day.

Manish Jain: And how do you know how much volume you will be requiring of milk in summer 2027?

Yash Bhuva: That goes on looking at the forward-looking numbers, what we projected, this is the revenue that we are targeting. So that goes into that calculation, and the production team has a word with the procurement team on the requirement of the milk. And milk is available in abundance in the Saurashtra region, so that has never been an issue for us. Even if we need four times or five times the current requirement, milk is available.

Manish Jain: Alright. I had a few more questions. I'll join back the queue.

Moderator: Thank you. We have the next question from the line of Tanmay Roy, an Individual Investor. Please go ahead.

Tanmay Roy: Hi. Am I audible?

Yash Bhuva: Yes. Yes. Yes.

Tanmay Roy: Yes. So, first of all, congratulations for the good numbers. My first question is, like, now we are getting into seasonally weak quarters, and I could see that most of the dairy milk prices have increased. So how do you see the margins getting maintained in the coming half of the year?

Yash Bhuva: Can you please repeat your question? The voice is a bit blurry.

Tanmay Roy: I could see that many companies have updated that their milk prices got increased in the last few months or so, and it is keeping on increasing. So how do you see the margin getting maintained in upcoming quarters or second half of the year because we are getting into a seasonally weak year?

Yash Bhuva: Overall, what has happened recently is the government has banned analog paneer. So as a result, what happened is the demand and consumption for the paneer made from pure milk has increased. As a result, consumption of pure milk has increased in the market, the overall market, which has led to this scarcity on a temporary basis. The same has been faced by us as well. It has been a boon for us as well, because it has helped us to place our pure milk paneer into the market and up to the consumers very easily.

And how we are facing the milk price issue is done in two ways. The product which has lower MRP, which cannot run on odd figures, we have done is we have reduced the ml in it, so, ultimately, the quantity gets reduced. And for the product within a price range of more than INR 30, then the burden of the increased price is carried forward to the consumer directly. So, ultimately, we have about more than 80% of the price gap being carried forward to the consumer, either in the form of price revision or else quantity revision.

Tanmay Roy: Okay. Okay. Fine. Thank you. The second one is, like, now you are trying to significantly increase the liquidity of the shares. So do you see along with that liquidity, actually, the company is going to grow that much because in that case, everything will be impacted. So how do you see

the growth? And from which are the areas you are anticipating better growth and margins in the coming years?

Yash Bhuva: Dairy products, see, has huge potential for us because we have our distribution in place right now. Whatever the support that is required across the distribution channel, we are ready to support our individual requirements as well as ready-to-eat and ready-to-cook in the export market; we see good response since the last few years and see it going in the same way. So two things we'll be focusing more on, and that we expect to grow from this stage to the next stage.

Tanmay Roy: So does the export give us better margin than domestic?

Yash Bhuva: It gives a better margin in comparison to the domestic business.

Tanmay Roy: So in that case, ideally, if the export share increases, the current margin can go up. Right?

Yash Bhuva: Correct.

Tanmay Roy: Okay. Then when do you see this transition happening? I mean, is it in the near future?

Yash Bhuva: So last year, our exports market -- we started exports about five years ago. So, initially, we are quite new into the exports business. But last year, about 5% of our sales was from the exports business, and it is growing year on year. And based on that, we are doing the necessary changes.

The domestic market and export market work completely in a different way, so a separate team and a separate way of working needs to be implemented for them, which we are doing. And at the same time, the product which we do is very interconnected, the domestic and the exports market. If the product is doing good in India, then only the demand from export is going to arise.

And if the consumers who have seen it in India, then they'll be consuming more outside in the exports market as well, because whoever we sell to, even in the exports, are basically Indians who have migrated over there and require Indian products. So it's interconnected for us, but it will grow steadily over the next few years.

Tanmay Roy: Okay. Okay. Thank you so much, and that's it from my side. Thank you for all the time. Thank you.

Moderator: Thank you. We have the next question from the line of Krisha, an Individual Investor. Please go ahead. Hello, Krisha, please proceed with the question.

Krisha: Yes. Hi. Am I audible? Yes. Thank you for the opportunity. I had a question and follow-up from your interview. You have given an ambitious target of INR1,000 crores in revenue by FY30 alongside doubling your manufacturing facility. So could you please break down how much of this incremental approximately INR600 crores will come from your core ice cream and dairy product portfolio versus non-seasoned categories like Namkeen, bakery, or frozen foods?

Yash Bhuva: No, the revenue split will stay near about the similar. 90% will be dairy products, milk, and milk segment, which includes ice cream and variated dairy products such as paneer, ghee, shrikhand, and all Indian sweets, which are made from milk. And 10% will be from the rest of the

categories, among which majority of contributor will be ready-to-eat and ready-to-cook products, which will be driven through the exports market.

Krisha: Okay. And will this addition of manufacturing facilities be funded entirely through internal accruals?

Yash Bhuva: No. That will be a mix of debt and equity. The current expansion for next summer is being done in the form of internal capital management as well as debt. But we are planning. The next expansion will be a bigger expansion in order to meet our next target, and that will be a mix of debt and equity.

Moderator: Thank you. We have the next question from the line of Sahil Vyas, an Individual Investor. Please go ahead.

Sahil Vyas: Hi, am I audible?

Yash Bhuva: Yes, sir.

Sahil Vyas: Hi, good evening. So my first question is on the dedicated RTE/RTC manufacturing facility, which I believe has commenced operations in FY26. So, what is the current capacity utilization of this new facility and what is the expected timeline for this facility to reach minimum food scale?

Yash Bhuva: Sir, your voice was not clear. I need you to repeat the question, please.

Sahil Vyas: Hi. So, my first question is on the dedicated RTE/RTC manufacturing facility. What is the current capacity utilization of this new facility and what is the expected timeline for this facility to reach minimum food scale?

Yash Bhuva: Currently, we are utilizing about 40% of the capacity, and in 2 years of time frame, we will be at 100% utilization of our ready-to-eat, ready-to-cook plant, which we have recently inaugurated in this financial year. And that plant has more space available for us to do rapid expansion in terms of machinery, to add capacity of more production.

Sahil Vyas: Understood. And then my second question is on the electricity requirement. Around 75% of the company's electricity requirement is met through renewable energy. Are there plans to increase the share of renewable energy further as the company expands?

Yash Bhuva: Yes, yes. So, we are trying. We reach up to 90% of our electricity requirement through our own production of electricity in the terms of solar and wind farms. Earlier, if you see, 2 years ago, it was about 40%, and from that, we have reached to this stage. And moving forward, when we do the next expansion, we will keep this as a factor for us in capex as well.

Sahil Vyas: All right, understood. That's it from my side. Thank you.

Moderator: Thank you. We have the next question from the line of Priyanshu Chhatwal, an Individual Investor. Please go ahead.

Priyanshu Chhatwal: Yes, hi. Thanks for the opportunity. So, as you have just mentioned that your 35% of revenue comes from outside of Gujarat. So, can you please tell me how do the distribution cost affect the expansion in other states? As you believe that we are looking to expand outside Gujarat?

Yash Bhuva: Can you please repeat your question?

Priyanshu Chhatwal: So I want to know how the distribution costs affect expansion into the other states outside of Gujarat?

Yash Bhuva: So, our model is in a way that we appoint super stockists so that our risk gets minimalized. So we appoint one super stockist for a region, goods are shipped to the super stockist region, and from there distributors are catered. So we pick one region, we appoint distributors over there, and the backward working for the super stockist level working is done.

So overall the margins which are being given to the trade partners remains the same across the country, mere about same. The cost which gets -- where the cost hampers is the logistics cost gets higher. So that's where our margin gets squeezed, as well as we need to give more support in terms of manpower and marketing and sales.

Moving forward what we have decided is, once we received a considerable amount of revenue from an individual state, then we'll set up a child plant over there itself, from where the high value or high-volume products can be catered directly from the local state itself, and the value added premium products will be supplied from the mother state. So that will help us moving forward to help us maintain our margins.

Priyanshu Chhatwal: Okay, got it. And if you can throw some light on split between the parlors revenue, the retail stores and quick commerce?

Yash Bhuva: So the parlors that we operate that are in the form of franchisee outlets are being catered through the existing distribution channel only, as it is easier for us to provide a better service to the parlors. So that is considered in the distribution model only.

And quick commerce, it's in very early stage, a few of our SKUs are listed and we are in talks with other players as well, quick commerce partners, to enable our entire range of assortment. So once that is live, then the product mix in terms of revenue across different categories will split.

Priyanshu Chhatwal: Okay. And any idea of revenue coming from parlors, retail and quick commerce, the percentage wise?

Yash Bhuva: For parlors, it will be through our distribution only, so that won't make any sense. But any outlet that we set up, roughly they do a purchase about INR35 to INR40 lakhs per year. So how we appoint outlets are, that is an value addition for the distributor.

Suppose there are two outlets under him, exclusive, then it helps him get his break-even out to reducing all the cost and the whole distribution that he does gives him profit. So that is how we are focusing on parlors. Quick commerce once it is live, then based on the initial stage, it will

be a burning for us, but we are okay with it, and we are in talks with the relevant people across the categories.

Priyanshu Chhatwal: Okay, got it. And where are we more keen towards which channel mix? Are we more keen on parlors, retail store, quick commerce or in other trade?

Yash Bhuva: In other state did you say?

Priyanshu Chhatwal: In other trade, other trade ways.

Yash Bhuva: We focus more on GT market, like we deploy freezers over there and that is the long run business, as well as we are focused on quick commerce secondary and the third is our outlet business.

Priyanshu Chhatwal: Okay, got it. And what is the average order turnaround time across your parlor and retail networks?

Yash Bhuva: So as I said, parlors are operated through distributors, like supplied through distributors, so there is no direct involvement of company in terms of supply of goods, but outlets, they order on a daily basis or else two times a week. That is the service. So even if it's a single box, they get a delivery on a quick basis. So the turnaround of entire SKU, entire product will be about a month, maximum 30 days.

Priyanshu Chhatwal: Okay. And same for retail stores.

Yash Bhuva: Retail stores will be quite lower. And there we can't measure it, because you know, it's not exclusive outlet of ours, but retail outlets it's maximum about 7 days. There will be a repeat order.

Priyanshu Chhatwal: Okay, got it. And as I see that revenue has a stagnant growth from last 2-3 years. So, what is the reason for that? And when should we see that diversification become a meaningful growth driver?

Yash Bhuva: For us to grow, we need to deploy more freezers in the market. So, that was the reason, major reason, because with increasing competition and new trends in the market, we need to adapt. So, recently, we have changed our strategy and started deploying more freezers. With the deployment of more freezers, our retail outlet network grows, and more number of retail outlets, more number of revenue is generated out of it. This year, we have targeted to deploy about 10,000 freezers across the country and more than 50% of deployment has been already done.

Priyanshu Chhatwal: Okay, got it. Yes, thank you. So, that's all from my side.

Moderator: Thank you. We have the next question from the line of Sahil Vyas, an Individual Investor. Please go ahead.

Sahil Vyas: Hi. So, I had two more questions. First one is, how do you plan to build distribution and brand awareness for the newer product categories, particularly in markets where the company has traditionally been known for its ice cream business? Hello?

Yash Bhuva: Yes.

Sahil Vyas: Am I audible?

Yash Bhuva: Yes, yes. So, we are focusing first of all, placement of the products in the retailer's shelf. That is done through cross marketing and cross-promotional and even in the form of trade schemes to the retailers. On purchase of XYZ ice cream, they get a single individual product for free. So, either the retailer tries the product, or else he sells the product and that's how the product journey starts.

Then we do in-store activities as well as the holdings, BTL, and social media as a medium for product awareness and explainer videos. In terms of, it has helped us from moving from ice cream to add flavor milk as a category to all our distributors. And we are currently using the same strategy for other range of products as well. So, once the product is available at the retail store, it is visible, then it goes to the next phase of consumption area.

Sahil Vyas: Great. I understood. So, second question is, among the newer categories such as namkeen, bakery, sweets, RTE, RTC, which segments are currently witnessing the strongest traction and which are expected to be the key growth drivers going forward?

Yash Bhuva: Milk and milk products and RTE, this are the two product segments. In RTE, specifically, samosa has been a very good product for us, which is receiving good response across the globe wherever we are supplying our products, currently. So, that is where our key revenue growth will come from.

Sahil Vyas: All right. Understood. That's it from my side. Thank you.

Yash Bhuva: Thank you.

Moderator: Thank you. We have the next follow-up question from the line of Krisha, an Individual Investor. Please go ahead.

Kresha: Yes. Hi. Thank you for taking my question again. So my question was regarding your recently commissioned new ready-to-eat and ready-to-cook facility and ice cream cafes. So how quickly do you expect this new initiative to break even? And what revenue contributions are you targeting from them in the coming financial year?

Yash Bhuva: You said one is ready-to-eat and what was the other thing that you said?

Krisha: Ready-to-cook facility.

Yash Bhuva: Okay. So this as an product segment is not a new thing for us. Earlier it was being done in the existing facility only. But with the export market, the demand increased and we were not able to fulfill the demand. That was the reason for us to set up a new plant. So it is already break-even as the orders are in place. So that is not an issue for us. Now for us is to make it available to more number of countries, to more number of distributors of this product.

Krisha: Okay. All right. Understood. Yes.

Moderator: Thank you. Ladies and gentlemen, that was the last question. And with that we conclude the question and answer session. I now hand over the conference to Mr. Yash Bhuva for the closing comments. Thank you and over to you, sir.

Yash Bhuva: Yes. Thank you once again for your participation, and we look forward to engaging with you in the future.

Moderator: Thank you, sir. On behalf of Capital Bridge Advisors Investor Relations Consultant, we conclude this conference. Thank you everyone for joining with us today, and you may now disconnect your lines.