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| Part **One - Basic Details** | |
| Name of the company:   Adani Wilmar Limited | |
| Date of the call:   November 01, 2023 | |
| Key Participants:   Angshu Mallick, Chief Executive Officer & Managing Director Shrikant Kanhere, Chief Financial Officer Saumin Sheth, Chief Operating Officer | |

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| Part **Two - Financial Performance** | |
| Quarterly Results:   - Revenue dropped by 13% in Q2 FY24, mainly due to edible oil price correction. - Food FMCG segment showed strong growth in both revenue and volume. - Profit after tax for H1 FY24 was a loss of 125 Crores, compared to a profit of 232 Crores in H1 FY23. - The company expects Q3 and Q4 to be better than Q1 and Q2, with improvements in profitability. - The company expects to maintain double-digit growth in H2 FY24.  - The company expects to achieve steady-state EBITDA margins of Rs.3000 to Rs.3500 a ton in the coming quarters. | |
| Revenue and Growth:   The overall volume grew by 11% in Q2.  Food FMCG grew by 19%. Industry essentials grew by 25%. For the half year, the overall volume growth was 18%.  Edible oil grew by 15%.  Food and FMCG grew by 20%. Industry essentials grew by 23%. Two years back, food contributed 10%-11% of the volumes. Currently, food is contributing 18% of volumes. | |
| Market and Distribution:   The company's market share is 19.6% in the edible oil segment, making it the number one player in India.  They are the number one player in soya beans and mustard oil, and the number two player in palm oil.  In the food segment, they are the number two player with a 5.15% market share. The company has expanded its distribution network to reach 650,000 outlets, up from 580,000 last year.  They are present in over 26,000 rural towns, with rural sales accounting for 30% of the overall business.  The company's direct reach in rural towns has grown 2.2x since FY2022 and 8.2x since FY2020.  The company faces competition from regional players, especially in non-refined oils like mustard oil, groundnut oil, cotton seed oil, rice bran oil, and in food segments like atta and basin.  However, the company believes its distribution model and brand strength will help it maintain its market leadership. | |
| **Challenges and Outlook** | |
| Challenges:   The company faced challenges like hedge disalignment, price disparity in soybean, TRQ discontinuation, and a crisis in Bangladesh.  The company's performance over the quarters has been steady with consistent gross margins and EBITDA per ton except for the last two quarters.  The company is focusing on strategies like reducing inventory levels, increasing distribution reach, focusing on branded exports, and developing new products to overcome these challenges. | |
| Outlook:    Kohinoor brand brown rice in two brands, Kohinoor and Charminar, was launched.  Fortune Biryani kit was launched for export markets.   Export range of Premium oil was launched specifically for the US market.  HoReCa channel has shown double-digit growth quarter-after-quarter.  Branded exports have doubled in Q2 2024 on a year-on-year basis.   Alternate channels e-com and modern trade grew by 30% year-on-year in Q2 2024 and showed similar growth in H1. | |

