



“White Organic Agro Limited
Q2 & H1 FY2019 Earnings Conference Call”

October 31, 2018



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Moderator: Ladies and gentlemen, good day and welcome to the White Organic Agro Limited Q2 and H1 FY2019 Earnings Conference Call. This conference call may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectations of the Company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. 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 “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Darshak Rupani, Managing Director, White Organic Agro Limited. Thank you and over to you Sir!

Darshak Rupani: Good afternoon everyone and a warm welcome to all the participants to the earnings call of White Organic Agro Limited for the second quarter and half year ended September 30, 2018. Today, I am joined by our top management team, Mr. Vishal Chavda, CEO, Farming and Mr. Keval Sheth, who is the Head of Exports. I hope that you all had a chance to look through our Q2 & H1FY19 presentation or looking through it right now. I will first take the opportunity to take you all through to our company to you.

White Organic Agro Limited is purely involved in organic farming activity and the only listed entity in the organic space. Currently, the Company offers over 250 premium products in 12 major categories and 17 subcategories, through our fully integrated online portal and retail stores. Range of the products offering includes grains, pulses, edible oils, fresh vegetables, fruits and ghee, medicinal herbs and capsules, organic health supplements, snacks and many more. On the farming front, currently we cultivate harvest and farm our organic products in 1360 acres of self-leased farms located in and around Rajkot area, Gujarat. Recently in May 2018 we added another 160 acres of land to our existing 1200 acres. The additional 160 acres of land is located in Chotila and Sylva region of Gujarat. The land is fully equipped with good drainage system and can grow many types of plants.

The Company sells all the products under one single brand name called White Organics. Recently, our Company bagged the prestigious order from Innovative Cuisine Private Limited for cultivation and supply of long beans. As started earlier Innovative Cuisine Private Limited continues to purchase cluster beans for their export market. Innovative Cuisine has also shown keen interest in increasing the cultivation of cluster beans on 100 acres and over with a mutual consent to buy the whole produce. This has strengthened the Company's product offerings of different vegetables in export market across the globe. Post successfully delivering the past orders on time and with excellent quality, Innovative Cuisine plans to increase the acreage of land of residue free cluster beans for winter season as well.



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Our company has also started vegetable cultivation for G4 chilly, brown chickpea and pigeon pea for Innovative Cuisine Private Limited.

Innovative Cuisine has also shown interest in cultivation of green gram and black gram. On the other hand, the management is in advanced stage of negotiations to tie up with farmers and landowners for strategic alliance, acquisition, lease farming across India. After evaluating few options, the management of the Company prefer western region of India with close proximity to Tier-2 cities considering logistic support and short shelf life of fresh vegetables. These vegetable offerings added to the product portfolio would help secure more fresh vegetable orders and open a gateway to enter in global market.

Let me now give you a small brief about Innovative Cuisine Private Limited. The Company manufactures products locally and distributes it internationally under the brand Deep Foods. "Deep Foods" offers a wide range of about 650 different products and has a giant customer base and distribution network in US, Canada and many more countries.

White Organic Agro Limited follows a strong philosophy to provide customers with pure and unadulterated organic food products directly from farm to stores. Our process is designed in such a way that tie ups with farmers directly helps us eliminate the whole chain of suppliers, wholesalers, and distributors. It helps us achieve our goal of healthy food products in a way and makes farmers to sell their produce much easier effectively and at a decent price as stated earlier.

White Organic Agro Limited first bagged an initial order from Innovative Cuisine Private Limited for 65 metric tonnes of organically cultivated residue free cluster beans. This was a result of a set company standard we follow of stringent organic farming practices only. White Organic Agro's biggest strength has been our unadulterated organic product offerings and right sourcing, which has helped us create more and more confidence in the minds of customers leading to stronger relationship and continuous flow of repeat orders and new orders.

On the regulation front, officials of APEDA government body, which runs on the guidelines of global organic farming norms regularly inspect our farms, we have never let them down on the guidelines they have asked us to follow. APEDA also keeps the record of overall organic business activity carried out by the Indian organic market that is each transaction of buy and sell.

Considering this huge demand uptake and the customer awareness of organic produces recently the Company has identified a land piece in Maharashtra for leased organic farming for which the management is confident that it will add a great value to its current organic farming operations. This will be our first venture to our current area of operations, which is Rajkot, Gujarat. The management of the Company has taken this step to enter in Maharashtra with a view to diversify the risk from our current area of operations, which is only Gujarat. Post our entry in Maharashtra the Company will further explore more options to enter other territories of India to do organic



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farming. The management is very focused and particular in choosing the land area, also the region pertaining to the sustainability of the crop as stated earlier. I would like to inform you all that our expansion plan continues to remain robust, but we are doing more and more due diligence on the leased farms to be acquired. This is in terms of soil test, water availability, connectivity to highways, etc. The management is hopeful to reach the target of 3000 acres of land by the end of FY2019.

However, our growth target in terms of our financial performance continues to remain the same. I thank my entire team of White Organic Agro for their untiring efforts, hard work, sincerity, and high dedication. Also, I would like to thank our valued shareholders who support and faith in our company have given up the determination and ambition to go from strength to strength. So, from an overall business perspective this is all from my side. I will now hand over to Mr. Vishal Chavda who will take you through financial performance of the company for the second quarter and half-year ended September 30, 2018. Thank you.

Vishal Chavda:

Thank you Mr. Darshak and a good day to all the participants. I will share highlights of our consolidated financial performance following which we will be happy to respond to your query. For the second quarter to start with I am happy to share that for the second quarter the Company has achieved net revenue of Rs.81.44 Crores with a significant year-on-year growth of 134% from Rs.34.76 Crores in the same quarter last year. It is mainly on account of greater demand globally and increasing awareness of health benefits from using organic food produces.

The EBITDA stood at Rs.5.06 Crores in Q2 FY2019 increase of 200% as compared to Rs.1.69 Crores in Q2 FY2018.

Profit after minority interest of Q2 FY2019 is at Rs.5.01 Crores as compared to Rs.2.01 Crores in Q2 FY2018. This represents a growth of 149% year-on-year.

Our EPS in Q2 FY2019 stood at Rs.2.86 Crores assisted a growth of 78% as compared to Rs.1.61 Crores in Q2 FY2018.

Now for the half yearly ended, net revenue stood at Rs.156.19 Crores with a significant year-on-year growth of 199% from Rs.52.25 Crores in the same period last year. This mainly on account of greater demand globally and increasing awareness of health benefits of using organic food produces.

EBITDA stood at Rs.9.65 Crores in H1 FY2019 increase of 272% as compared to Rs.2.59 Crores in H1 FY2018.



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Profit after minority interest for H1 FY2019 is at Rs.9.67 Crores as compared to Rs.3.51 Crores in H1 FY2018. This represents a growth of 176% year-on-year.

Our EPS in H1 FY2019 stood at Rs.5.52 registered a growth of 96% as compared to Rs.2.81 Crores in H1 FY2018.

This is all from our side and now we can open the floor for questions and answers. Thank you.

Moderator: Sure. Thank you very much. We will now begin the question and answer session. We have the first question from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: Thank you for the opportunity. I was just wondering can you give the numbers for financial year 2017 and 2018 in both the seasons how much land was effectively under cultivation and then what were the numbers for Q1 and what were the numbers for Q2, how much you are doing? I am very new to the Company this is the first time looking at the presentation, so can you also describe the business model in a bit more detail, it seems that you are leasing land because it looks like the balance sheet is fairly asset light, but then on the presentation I can see photographs of your produce it is not in raw format seems to be processed so exactly what are you doing in terms of producing all this, it seems like packaged food if you could give some more details on that?

Darshak Rupani: Since last three years we have been we are able to expand ourselves to 1360 acres of self-leased out land. This is the land on which we pay a yearly lease rental and against which we are being allowed to cultivate the crops as per our choice. In this vertical one, we are mainly concentrating as of now on two crops Aloe Vera and Moringa, we are in value addition of both the products from Aloe Vera. We just not harvest the leaf, but we also produce Aloe Vera juice, Aloe Vera skin gel, now the freeze-dried powder. Similarly, in Moringa we are drying the leaves and we are packing it raw and we are targeting to export those leaves. Yes, there is a value addition on both the things as these practices are going on since last three years and all the organic practices we follow on producing of those two crops. This is all about the vertical one as you have asked the details of. About the result of Q1 and Q2 I guess both the things are in public domain, you can just go through the results and the figures will be pretty much clear to yourself.

Agastya Dave: No sir, I wanted to know, you have added 160 acres to your existing 1200 acres I was just wondering what was the starting point in 2017 and 2018, just in the amount of land you were operating, for example, this Q2 number, which has come in, in that number the entire 1360 acres is under cultivation now?

Darshak Rupani: Yes, usually Holi is the day on which the old tenant will leave the land and the new tenant will acquire it. Holi falls in March of every year, so in March 2018 we leased this additional 160 acres



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on which the cultivation is already going on. Before that is last Diwali and last Holi we reached to the mark of 300 acres, so the entire 1360 acres of land is under cultivation as of now.

Vishal Chavda: To add on that, generally a crop cycle differs from the crop to crop, there is a vegetable crop so there is a 45-day cycle, if it is Aloe Vera the first harvest comes on the ninth month, if it is Moringa the first harvest comes on the ninth month, so about this 1360 acres what we started cultivating in May the first produce will come in approximately November or December, so it is just a cycle, the first harvest is always on the ninth month and then after every fourth month.

Agastya Dave: Perfect. I will go back to the queue. Thank you.

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

Raju Basani: Thank you for giving me this opportunity. My first question is regarding this trade receivable. I could see around Rs.95 Crores of trade receivables as of September end I think when compared to the last year, is there anything we face challenges in trade receivables, I just want to know the trade receivable days, the debtor days?

Vishal Chavda: Certainly, there is no problem in the trade receivables at all. It is generally 45 to 90-day cycle and as you see the monsoon ends in approximately July or mid-August, so the harvest starts in September, hence the trade receivable is always coming from 45 to 90 days then defers from crop to crop. Vegetable is a cash crop, somewhere the trade cycle is 30 days to 45 days. Other products go on to 90 days.

Raju Basani: But we do not find any stress in that right?

Vishal Chavda: Not at all.

Raju Basani: Regarding this minority interest I can see going up a little bit showing around two fourth of the minority interest is like if I can know a little bit details on that minority interest that would be useful, who is taking that interest as well as is it going to further increase from here on?

Vishal Chavda: The minority interest is a part of the earnings of 25% of Future Farms LLP. As the profit of Future Farms increases the minority interest increases, but there is 25% of the profit of Future Farms, clearly the 75% comes in the books of price.

Raju Basani: In November as you say we will be only ICS-III approved and we will be doing more or less start export orders that is what you like people saying that, is there any further delay in that export?

Darshak Rupani: Sir, I am sorry could you please come again.



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Raju Basani: This ICS-III certification as you said we complete I think by this December end, so it is like when we can expect exports like we directly export to the abroad?

Darshak Rupani: Sir we are already in talk with many of the export clients usually they say that once you are fully organically certified kindly share the certificate of it, so like say in December or so once we get the certificate of being fully certified we will approach them with the certificate then all the sample testing will happen, hopefully in the fourth quarter of the current year or may be in the first quarter of next financial year the things should start materializing and the trade should start. They send many of the things like introductory mails and all the details of what we are into. We are already through with that marketing part of business. Hopefully, in fourth quarter or later by first quarter next financial year we will start the export trades.

Raju Basani: Regarding this value chain that I heard from you it is like as of now we are just a sourcing material from the crop to the distributor, but our plan is to get into retest mode also in fact we want to capture the whole value chain from crop to the packaging side effects, suppose if you take this Aloe Vera just rather than getting the Aloe Vera plant we want to go for this Aloe Vera pulp as well as Aloe Vera juices, it is like when we can expect that complete end-to-end kind of chain in either medicinal crops or whatever it is?

Darshak Rupani: Sir, I will just tell you the kind of quantum. As on today the farm what we hold is India's biggest organically certified Aloe Vera farm, the size is the biggest in India, so you can understand the amount of production what we come out, it is like we come out with 5 Lakhs liters of Aloe Vera juice a month that is the current capacity of us. So, when I approach with half a liter of bottle, selling of 10 lakhs bottles a month would require lots of marketing cost at this stage, which we are not intending to spend as of now. So rather we are being in the directly retail segment right now we are targeting to the B2B customers who will be the wholesale buyers of our product. Given the kind of product in which we are venturing like freeze dried powder whether you create 1000 liters of Aloe Vera juice or you create a half a kg of freeze-dried powder the nutritional variant in these both quantum remains the same, in other words we are going in the more concentrated and more wholesale side. As of now, once we secure the entire sale of this wholesale part in the export segment may be we will push more on the retail segment whereby we will be approaching the direct customers, but at this stage approaching the direct customers with this huge quantity is not a strategic decision we believe and that is why we are mainly concentrating on B2B kind of business.

Raju Basani: Great. Thank you. Sir.

Moderator: Thank you. The next question is from the line of Nayan Gala from Ertiga. Please go ahead.

Nayan Gala: Congratulations on good set of numbers. Sir, there are two parts of my question. The first one is that what type of contracts do we have with Innovative Cuisine and do we have a kind of a

benchmark that certain type of revenue or certain type of size in terms of products as we will be doing with them and the second part of question is how much revenue is expected from this new order of long beans from Innovative Cuisine in terms of export and how much can we expect in terms of future?

Darshak Rupani:

Innovative Cuisine is a very new client for us as of now and that to be approached in the second quarter to be precise that is already when the monsoon season was started, but since we got a good client and it has got fantastic reputation across the globe, what we are doing is we are doing just the small trial project for each and every variants, as of now we are doing a trial pilot project for long beans, for chickpeas, for Toor Dal, for G4 Chilly, which is export grade chilly, we are doing for green gram and black gram, all those are the small trial projects, but even if you consider a trial project of a cluster bean in which all in all we have finished the cycle and revenue of around Rs.65 lakhs from a trial project, a Company, which is doing a pilot project in which I am getting an order worth Rs.65 lakhs you and me both understand the future of such kind of trade. The capacity of Innovative Cuisine is to supply around 5000 containers a year and probably it is the biggest exporter of India in the food segment as of now. So we are dealing with such good player and I am very hopeful that in future, but to coil it in a precise number would be difficult at this stage because with every passing week we are adding one more item to be dealt with us, so we do not know how big we will be able to expand in the future, but yes definitely it is looking very bright this Diwali season.

Nayan Gala:

We are expecting export of IC-3 product to commence and they are supposed to be higher margins, so how much margin expansion would be there, and do we have to qualify to become an exporter for such kind of product or how is the procedure for that Sir?

Darshak Rupani:

This is simple export, import license what you need to take and that too now we are in a very premium segment of being organic, so licensing and all that documentation part is not a big deal. About the margins from product-to-product it varies because if I deal in Aloe Vera juice margins would be different, for freeze dried powder it would be different, it would be big excel sheet, but yes margins are pretty good is all what I can say you Sir. When you talk of vegetables there are 40 different kinds of vegetables, which you can grow and the margins, the cycles, the practices vary in each and every vegetables, so to give exact set of margins would be difficult at this stage, but it would be of a great year on the favouring side.

Nayan Gala:

How much revenue do we manage to generate from the Dubai subsidiary in the half year like if I take both the quarters, so how much revenue do we get and like how much are we expecting for the full year?

Vishal Chavda:

Approximately the revenue should be around Rs.10 Crores to Rs.12 Crores half year ended, similar size in full year.



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- Nayan Gala:** Thank you very much Sir and all the best for the future.
- Moderator:** Thank you. The next question is from the line of Raj Gandhi who is an individual Investor. Please go ahead.
- Raj Gandhi:** Two questions basically, which are there and I do not know if you addressed this in the earlier concall, but one I find that in spite of the business being so promising in growth prospects being so good the promoter holding is abysmally low at 25% and I have read somewhere about you intending to do a creeping, etc., but frankly we have not seen any move at all from the promoter side so far in spite of the creeping limit being fully opened through the year on any stake hike, so one is how does one get comfort with the Company when the promoter holding itself is so low and the second question is what would be the payment terms from Innovative Cuisine, so what is the typical cash cycle, which one would have and how much money would get stuck in working capital from receivables perspective from this party?
- Vishal Chavda:** About the creeping activity the whole year is 5%, the window is open I agree to that and six months are left for the year, the promoter certainly intends to increase the stake, and about the promoter holding there is no decrease as such.
- Raj Gandhi:** It is not about decrease, but to be honest if the small cap company eventually, small cap company of Rs.250 Crores, Rs.300 Crores market cap, a promoter holding of 25% from an outside investor perspective clearly does not inspire the best of confidence, I am not saying it is an indication of everything other than that, but in a Rs.250 Crores market cap company a promoter holding of 25% is extremely low frankly?
- Darshak Rupani:** From the investor perspective what you are talking is a very, very, very true scenario to evaluate. From the Company's perspective we are on the doorstep of December 2018 whereby the export doors will be opened up for us. In the last two months we have developed freeze dried Aloe vera powder, which is fantastic in nature. As of now I do not have my own facility to develop the freeze dried powder with me. I am getting it outsourced to agency somewhere, which is also organically certified agency. Now in case of December the doors will open up and I get a better order then there will be a need for me to inflow a lots of funds towards the establishment of some such facility by which I do not need to outsource the work for my product, so we are standing at such a juncture whereby we have to take a call whether to invest in terms of equity or whether to invest in terms of such some capital issues. As of now the Company is debt free and we always intend to remain debt free as a Company, so may be very soon we will be able to take a call whether the promoter will be diverting the money towards the expansion, yes they do have intention of acquiring the stuff, but we do not want to block the fund at a time when we are exactly on the juncture of doing some capital acquisition if so required. Those options opened for us as of now.



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- Raj Gandhi:** Two different things right, if the promoters put in money into the Company and increase the stake the money then belonging to the Company, which can be used for all these expansion purposes, etc., whether the money stays I do not know how the Company will get the money if the promoter is liquid I am saying the Company gets the money and the promoter puts in money into the Company right?
- Darshak Rupani:** Certainly, there are ways to put the money in the Company, the promoter cannot just go in the open market and buy.
- Raj Gandhi:** I thought I will just echo this thought that 25% promoter holding in a very promising Company and sounds very moved from a comfort perspective?
- Keval Sheth:** Mr. Gandhi if you go back in the history, the Company has migrated from diamond trading and diversified in 2016 end that is September 2016 since then the promoter holding has been 27% in the last two years. Again, I have been saying that this promoter intends to increase the stake and very soon there are six months left for 2019 that is what I can say in the public domain at the moment.
- Vishal Chavda:** On the preferential issue, the promoters have infused amount of chunk into the Company in the recent past.
- Raj Gandhi:** Understood and on the payment terms, what is the receivable days, etc., once you supply it to Innovative?
- Vishal Chavda:** For Innovative, the terms are 45 days in which they will be clearing the payment, but we do not know how big the picture would be because as of now we are in the pilot phase, so we do not know how big the picture would be and how much of working capital would be required to maintain those 45 days of cycle, but usually what happens say if I talk of cluster beans it is a 90 days of cycle, on the 45th day or so the harvest starts coming and it goes on till the 90th day, so by the time you are on the last day of your harvest and you start getting the first day of your money, so this is how the cycle goes on, but yes we have to manage it for those 45 days.
- Raj Gandhi:** Because we could have a scenario where our topline can increase meaningfully and it is increasing, but the balance sheet could be a little tricky because a lot of receivable days could be actually inching up?
- Vishal Chavda:** Being a new player in the market, even it was our experience that the deal was to get the payment in 30 days, sometime in 45 days, but sometime if they extend the day say by three, four days or a week being a new player we were in a situation that we had to accept that also, but now since we are getting many other options we are being a bit quicker on the payment cycles and our credit days also.



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- Raj Gandhi:** Got it. Thank you.
- Moderator:** Thank you. The next question is from the line Tushar Jiwani, Individual Investor. Please go ahead.
- Tushar Jiwani:** I wanted to ask a few questions, first about your strategy and target for land to be leased, you have mentioned that in two years it is around 3000 acres, what about the medium term target for three to five years and at what stage you are in this remaining 3000 acres so about from 1300 odd acres, so around 1700 acres at what stage you are with respect to leasing of this land or cultivation?
- Darshak Rupani:** We were planning to increase to 3000 acres in FY2019 and we are still intact on that, but if you see last year 2018 has been a drought prone area in Gujarat, so we have been a bit slow in that, may be in Diwali and Holi you will get the news for addition of the acreage, in Diwali 2018 or Holi 2019.
- Tushar Jiwani:** Any target for medium term three to five years or this is the target as of now?
- Darshak Rupani:** As of now we will be putting a ceiling of 3000 acres of land and we will be expanding on the value addition of the products.
- Tushar Jiwani:** So you will start from zero because it will take three years right to cultivate I believe for organically once you acquire this, lease this land?
- Darshak Rupani:** That is true.
- Tushar Jiwani:** As you are already mentioned you want to prefer B2B client apart from Patanjali in India do you have any other client say Dabur, Sri Sri Ayurveda, etc.?
- Darshak Rupani:** Exactly sir, it would be early to talk about the names, but yes we are talking to a few of them and we are talking at a very advanced stage with them.
- Tushar Jiwani:** I also wanted to know about your e-commerce strategy because for example if see the BigBasket and I can search for organic products I do not see "White Organic", I see Organic Tattva, BB Royal, etc., so do you have any strategy with respect to e-commerce specifically with respect to say Big Basket, etc.?
- Darshak Rupani:** Sir as of now since our entire focus is on B2B segment and I do not have a clear set of clients with me sir. We are not established as a reasonable brand and when you approach biggies like D-Mart or BigBasket they squeeze you in extreme ways in terms of margins, it is very clear that we go to the clients, we get base of clients and we have our brand value till that time it is no point in approaching those biggies because it will be like we will be serving them, but we will not be left



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out with a reasonable margin, which so is the case in wholesales rather or in export segment, we are very happy with the margins, as of now definitely not going to those big e-commerce.

- Tushar Jiwani:** Thanks. That is about it.
- Moderator:** Thank you. Next we have a followup question from the line of Raj Gandhi, who is an Individual Investor. Please go ahead.
- Raj Gandhi:** Sir just one more followup question, you know I understand we like have a store at Ghatkopar, would we be intending to set up more such retail stores on our own Company's balance sheet too, further to the retail strategy or would we use for example other stores and use their network for our retail strategy?
- Darshak Rupani:** We will be focusing on the franchise model as you know very light asset model and purchasing the property in Mumbai or in a big city for that matter does not make sense because that is not a very revenue generating business.
- Raj Gandhi:** You are already speaking with players on that, you are right absolutely D-Mart, etc., will squeeze up margins, but we are actively talking to other retailers, who can house our products under the White Organic brand name?
- Darshak Rupani:** Yes, and indirectly we are supplying to many organics retailers as well.
- Raj Gandhi:** Understood, great, Thank you.
- Moderator:** Thank you. Next, we have a followup question from the line of Nayan Gala from Ertiga. Please go ahead.
- Nayan Gala:** Sir a followup question, like Innovative Cuisine client do we have such more clients on our radar that we are targeting to get them as clients and if yes then what is our procedure or like what kind of clients do we see them like target, how do you identify that this client is a target?
- Vishal Chavda:** Sir if you analyze about Innovative Cuisine or the Deep Foods, which are the group companies they are mainly in the segment of frozen food business so the entity or the Company, which is dealing in frozen food business is a target audience for us, whether it be Vadilal or whether it be any other player, so yes there are number of players active in this segment and once when you establish that yes you are a prominent supplier for a frozen food industry more or less rather those speakers will be approaching us because as on today, so if you analyze or try to find out the organic suppliers of vegetables you rarely find, what happens to the crop cycle is very shorter and in which if the pest attack happens rarely as the farmers who are able to organically control such pest attack and that too who are organically certified, who have spend already three years on that land to get it organically certified, so there are less number of such organically certified



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vegetable suppliers, who are the suppliers to such frozen food industry. So, yes we are hoping to have good scope into it.

Nayan Gala: Alright, so right now we are just focusing on one client and trying to grow it and then later on we will be trying to get other clients?

Vishal Chavda: What happens is when you are approaching a new segment of business you also do not know the tricks of that business, so by doing with the different pilot projects with Innovative Cuisine we ourselves also be trained in dealing and handling of all the systems because say if you are dealing with tomato the logistics for tomato would be different as the logistics for potato, it cannot be similar and do not have a similar shelf like, so you need to be trained, your staff need to be trained, so in a way we are having a training sessions with Innovative, which at a later stage will be very fruitful for us to design our strategy and system.

Darshak Rupani: Add on to that, we already have enquiries from different export houses, the only thing in the export house is that we face over there let us say USA there is some import house, the constant supply of the vegetables, being a corporate like us it has capability of hundreds of acres you would rely more on us for the continuous flow of the vegetables, so as Mr Vishal said over here rather than we are going and approaching them, there are many enquiries that have started coming in.

Nayan Gala: Do you have any guidance for the next let us say three years from now what will be our topline and what will be our bottomline, let us say everything plays out in your export client?

Vishal Chavda: On a very conservative front we would give a guidance of 25% topline growth year-on-year.

Nayan Gala: Thank you very much.

Moderator: Thank you. As there are no further questions, I would like to hand the conference back to Mr. Darshak Rupani for closing comments.

Darshak Rupani: Thank you everyone for the Q2&H1 FY2019 concall of White Organic Agro Limited. We request any participant or any analyst if they are interested they can visit our farms based in Rajkot.

Moderator: Thank you very much. On behalf of White Organic Agro Limited that concludes this conference. Thank you for joining us ladies and gentlemen. You may now disconnect your lines.