



Date: 12<sup>th</sup> February 2026

The National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex  
Bandra (E), Mumbai - 400 051  
[Symbol: EVEREADY]

BSE Limited  
Phiroze Jeejeebhoy  
Towers, Dalal Street  
Mumbai - 400 001  
[Scrip Code: 531508]

The Calcutta Stock Exchange Limited  
7, Lyons Range  
Kolkata - 700 001  
[Scrip Code: 000029]

Dear Sirs / Madam,

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Earnings Conference Call – Q3 FY26**

In continuation to our letters dated 28<sup>th</sup> January 2026 and 6<sup>th</sup> February 2026 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Conference Call for Q3 FY26 held on 6<sup>th</sup> February 2026.

The transcript of the Earnings Call is available on the website of the Company at:  
<https://www.evereadyindia.com/investors/investor-meet-call/>.

This is for your information and records.

Yours sincerely,  
For Eveready Industries India Limited

Shampa Ghosh Ray  
Company Secretary

Encl: as above



**Eveready Industries India Limited**  
**Q3 & 9M FY '26 Earnings Conference Call**  
**February 06, 2026**



**MANAGEMENT:** **MR. ANIRBAN BANERJEE – CHIEF EXECUTIVE OFFICER**  
**MR. BIBEK AGARWALA – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER**  
**MR. ANIRBAN GHOSH – GENERAL MANAGER, FINANCE AND HEAD OF INVESTOR RELATIONS**

**MODERATOR:** **MS. MANASI BODAS – ADFACTORS PR**



**Moderator:**

Ladies and gentlemen, good day, and welcome to the Eveready Industries India Limited Q3 and 9 Months FY '26 Conference Call hosted by Adfactors PR. As a reminder, all participant lines will be in the listen-only mode and there will be no 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 touch screen phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Manasi Bodas from Adfactors. Thank you, and over to you, Manasi.

**Manasi Bodas:**

Thank you, Neerav. Good evening, everyone and welcome to Eveready Industries India Limited Q3 FY '26 Earnings Conference Call. Today, we are joined by senior members of the management team, including Mr. Anirban Banerjee, Chief Executive Officer; Mr. Bibek Agarwala, Executive Director and Chief Financial Officer; and Mr. Anirban Ghosh, GM, Finance and Head of Investor Relations.

Before we commence, let me share a standard disclaimer. Some of the statements that may be made on today's conference call may be forward-looking in nature and the actual results could vary from these forward-looking statements. A detailed communication in this regard is available in the earnings presentation that has been circulated to you earlier and also available on the Stock Exchange website.

I would now like to invite Mr. Banerjee to share his perspective with you. Thank you and over to you, sir.

**Anirban Banerjee:**

Thank you, Manasi. Good evening, everyone, and thank you for joining us for Eveready Industries earnings call for the third quarter of FY '26. I trust you've had the opportunity to review our Financial Results and the Investor Presentation.

I will focus my remarks on the operating environment, our performance during the quarter, balance sheet priorities and how we are positioning the company for the medium term. The quarter played out in a mixed but gradually stabilizing demand environment. Urban consumption remained selective, while rural demand remained relatively stable, supported by post-monsoon cash flows, improving agri realizations and festive season spillovers.

Consumer spending continued to remain skewed towards essential and value-added categories with discretionary spends staying measured. On the cost side, while the headline retail inflation remain benign, global commodity markets witnessed renewed volatility during the quarter.

Zinc prices moved higher and the U.S. dollar strengthened, leading to elevated input cost pressures across the manufacturing sectors. These factors required a careful balance between pricing actions, cost management and working capital discipline. Against this backdrop, I am pleased to highlight that Q3 for the financial year FY '26 marks the fifth consecutive quarter of revenue growth for Eveready.

To put this in context, the company delivered robust growth in both revenue and EBITDA at



10.1% and 13% respectively, driven primarily by the batteries business growing 11.1% in quarter 3, even as certain categories faced near term softness.

This performance reflects the strength of our core portfolio and the execution measures undertaken over the last few quarters to stabilize the business and rebuild momentum. The batteries business continued to anchor performance and remained the primary growth driver during the quarter. The overall quarter value share was held at 51.9%, while the zinc battery share stood at 58.3%.

Alkaline volume shares continued its upwards trajectory, reaching almost 19% in December '25. Growth was broad-based across core category supported by our distribution reach, equity and continued consumer preference for reliable offerings.

As of December end, we remained present in 4.7 million retail outlets, reflecting a 3% growth compared to the same period last year. The alkaline portfolio continued to gain traction growing at almost close to 72% aided by increasing usage of power-intensive devices.

Carbon zinc volumes remained stable benefiting from rural recovery and our deep reach across smaller towns in rural markets. During the year we undertook calibrated price increases across select battery categories to address sustained input cost inflation. While part of the benefit flowed through during the quarter, the balance impact is expected to accrue over the coming periods.

Elevated zinc prices and currency movements were mitigated through effective hedging and disciplined cost controls, enabling us to protect operating performance without materially impacting volumes. In the flashlight segment, the quarter saw overall softness, driven largely by moderation in the battery-operated category resetting category maturity.

However, the rechargeable flashlights continued to see steadier demand in line with industry spends with more than 50% of our portfolio share in the quarter coming from rechargeables, which remains a key focus area for us as consumer preferences shift towards value-added formats.

Regulatory developments such as mandatory implementation of BIS certification are expected to support medium-term growth for organized players by accelerating formalization within the category from next year. We are also happy to announce that the company filed the patent application for the first time for its rechargeable flashlight known as the Hybrid.

The Lighting business continued its gradual recovery during the quarter, growing 10.5% in value, aided by strong underlying volume growth, while the broader LED category remained structurally competitive. With ongoing price pressures, our focus on portfolio upgradation is beginning to show results.

A higher mix of value-accretive SKUs such as the high volt LED bulbs, accessories and consumer luminant supported improved realizations. Professional and institutional lightings saw selective softness during the latter part of the quarter, though underlying demand



fundamentals remain intact.

During the quarter, the company launched its mightiest battery ever. Lithium AA and AAA home batteries under the Ultima brand offered up to 15 times longer life within high intense devices. We continue to invest in focused targeted brand building initiatives across both physical and digital channels aligned with key consumption periods and category priorities.

Our marketing strategy remains efficiency-driven, designed to enhance brand salience while supporting the adoption of new product across batteries, flashlights and lighting. From an execution standpoint, manufacturing operations remains stable and uninterrupted throughout the quarter. Progress at the Jammu alkaline battery facility is on track for completion by the end of the current fiscal year.

The project will be first of its kind to promote made in India alkaline batteries and to improve the margin profile by almost 10% in this segment with supply chain resilience over the long term. The facility is expected to play a strategic role in supporting premiumization in margin improvement for the Eveready battery portfolio.

Strengthening the balance sheet remains a key priority for us. During the quarter net debt reduced to INR317 crores post investment of INR167 crores in the Jammu alkaline facility. Despite elevated zinc and dollar prices during the quarter, we managed our operating margins well with prudent commercial discipline across receivables, inventory and payable front, we contained net working capital to less than 15% of revenue.

In the quarter, the Board approved divestment of a noncore land parcel at Noida. This is a strategic step aimed at enhancing financial flexibility and debt reduction. During the quarter the company also initiated stock scheme under employee stock options plan. We view ESOPs as an important mechanism to align long-term employee interests with shareholder value creation to support leadership continuity.

To summarize, quarter 3 FY '26 reflects steady progress across our core priorities. We have delivered another quarter of growth in a challenging environment, strengthened our balance sheet, maintained operational discipline and continued to invest in strategic capabilities.

While near-term conditions remain dynamic, we believe Eveready is better positioned today than it was a year ago in terms of execution readiness, financial flexibility and strategic clarity. The company is well poised to continue the growth momentum going forward with a keen eye on driving premiumization.

With that, I will now handover to the moderator to open the floor for questions. Thank you.

**Moderator:** Sir, shall we open the floor for questions?

**Anirban Banerjee:** Yes, please.

**Moderator:** The first question is from the line of Arnav Sakhuja, Ambit Capital.

**Arnav Sakhuja:** So my first question is that year-on-year, we had around 150 basis points fall in the gross



margin. So what were some of the reasons for this?

**Bibek Agarwala**

So basically, what happened, if you compare the cost of the material, which was zinc and the dollar and other materials. So during this period, the cost -- while we increased the price, the cost increase was much higher than the price increase. So that is why you could see there is a marginal dip, but this is a seasonal factor. And I think going forward, it will neutralize.

**Arnav Sakhuja:**

So was there any factor of change in the product mix as well? Or was it just the zinc and dollar prices that caused the reduction in the gross margins?

**Anirban Banerjee:**

No. So there are two parts to it. So absolutely right there was strengthening of the commodity prices, which is one of the key factors. There is a bit also of the fact that as some of the other categories start strengthening itself, there was a bit of a dilution from a quarter-by-quarter point of view.

But I think it is only in the short term. Some of these will stabilize over the long term when we look at improving margins given that a lot of the subsegments that we are currently driving are towards premium positions, which definitely have a better margin profile.

**Arnav Sakhuja:**

Right. And with regards to the disinvestment of the noncore land parcel in Noida, would it be possible to quantify some of the benefits that we can receive from this over the next couple of years maybe?

**Bibek Agarwala :**

So I think the first foremost, at this point of time, we got an in-principle approval because as we were all waiting for this and there was an embargo there. So in the last quarter, only the embargo was lifted and then Board immediately took the decision to realign all manufacturing capabilities basis the need.

And now the principal guideline go ahead has been given. The primary objective will be at this point with this realization to reduce the debt, the primary. I am not seeing the flows. The primary objective will be debt reduction. And then, of course, some opportunity comes up, that will be a later stage at this point.

**Moderator:**

Next question is from the line of Krish Mehta from Enam Holdings.

**Krish Mehta:**

If you could provide the number for the advertisement expense this quarter, it would be helpful? And the second question I had was on quick commerce. If you could tell us what was the percentage of sales coming from the quick commerce channel this quarter?

**Anirban Banerjee:**

So our total ad flow for the quarter stood close to about INR41-odd crores, right, which is a fair mix of ATL and BTL. As far as our e-commerce business is concerned, close to about 4% to 5% of the revenue would be coming to -- from e-commerce. It is important to note that close to about 55% of the entire e-commerce business today is housed under the quick commerce segment, which has seen a tremendous growth over the last 1 year. Does that answer your question?

**Moderator:**

Next question is from the line of Priyank Chheda from Vallum Capital.



- Priyank Chheda:** Yeah, hi, sir. First, would it be possible to tell me what was the absolute volumes in terms of million batteries sold for carbon and alkaline as well as Y-o-Y growth?
- Anirban Banerjee:** So we -- approximately on YTD basis for the year, we would be somewhere short of 1 billion batteries, both put together.
- Priyank Chheda:** And how would that be compared to Y-o-Y, YTD?
- Anirban Banerjee:** So that would be typically a growth of about 4% to 4.5% over the prior year same period.
- Priyank Chheda:** And it includes carbon and alkaline both?
- Anirban Banerjee:** That's correct. So it includes both volume growth in the carbon zinc and in the alkaline battery segment.
- Priyank Chheda:** Got it. And roughly, if one were to dissect this carbon versus alkaline separately, carbon would have been flat and alkaline would have contributed the incremental 4%, 5% of the growth. Is that the right understanding?
- Anirban Banerjee:** You know, you could potentially say that it is a 50-50 mixture, right? I mean, while you would -- the zinc saliency of the total itself would be more than 90% and thus that would have a huge weight even with lower volume growth. But the alkaline also, as I mentioned, grew aggressively over 70-odd percent. So even though the saliency is lower, the absolute volumes between the 2 of them could be parted half-half.
- Priyank Chheda:** Perfect. Coming to the second question on the pricing outcomes that we are seeing with respect to the raw material. Two questions on to this. One, how much of the pricing have we taken this quarter? And how much is left to be taken to -- for us to go back to the normalized gross margin level?
- And second, on the market impact, given this pricing elevation that we have seen, what happens to the industry, which has a rest of the 48% of the market share? Do you find players finding it difficult to cope up with the profitability due to the raw material pricing increase?
- Anirban Banerjee:** So to your first question, we have picked up prices in our premium portfolios. It's both in the zinc side of it and in the alkaline side of it. And while we have just picked it up at the end of the quarter 3, I see the impact panning out much further during the course of this quarter and the new financial year as well.
- That being said, the zinc prices continue to remain right at the top, right? And thus, will there be more corrections needed if zinc continues the way it is over the quarter? Maybe. And it might impact some of the popular and the economy segment of zinc as well.
- That being said, I think it's a very interesting question as to what would be the impact of the reaction on the balance 48% of the market. It should ideally move in line with the raw material price increases. And thus, given that the Eveready brand is a category leader is definitely showing the direction.



- Priyank Chheda:** Got it. My third question on the Jammu facility. Once it's operational, say by next quarter end, what would be the ramp-up schedule kind of a thing that we should think of it over next 1, 2, 3 years, if you can provide, that would be great.
- Bibek Agarwala:** So we expect to start at least definitely 25% to 30% capacity utilization at the beginning of the year immediately because it is a very high sizable capacity plant. And we are looking for all sort of the opportunity. And definitely by the year 2 we will try to get it more than 40% to 50% we will be trying to move in the next 2 years of type of utilizing.
- Priyank Chheda:** Got it. And if I may add one more question to this. On the overall portfolio, if I have to see, other than lighting products and batteries, we were planning to have a very different product launches, which can be cross-sell into our own distribution channel. We have been waiting for you to call out what would be those another big hit products that we can leverage from our distribution system? That would be my last question. Thank you.
- Anirban Banerjee:** So currently, we've launched other than our core of batteries, flashlight lighting products, we had forayed into mosquito rackets last year and which has seen a good traction across our channels in the current year. In the current year itself, we have forayed into mobile accessories, which we have currently pushed in and are looking good in the e-commerce channel and we are yet to bring it to our traditional channels.
- Within our core, I think we've pushed our lithium batteries to strengthen some of our battery portfolios. And flashlight, Hybrid and a couple of other flashlight launches has been consistent. Lighting has its own NPDs pushed out, but that belongs to the core.
- I think with this, the basket is full as we settle it across the channels. Going forward into the new financial year, we are looking at a few categories more to add depending on these strengths, some of our current core and new products have added. And I guess as soon as we are in the market with that, you will get to know on how they perform. I hope that answers your question.
- Priyank Chheda:** It answers. What I was looking out for the numbers around what can be the size of, say, mobile battery accessories that we wish to or we may aspire in the next 1 or 2 years or maybe a revenue size on the lithium-iron batteries or certain other specific products which you think that can be a very good sizable numbers that we are banking on.
- Bibek Agarwala:** So we are -- all of these have been launched. And as they get traction in the current year, we'll probably be pegging a number on how some of these will grow in the future. But as you can see that the consolidation of all of these numbers put together is what is today leading us to quarter 3 stabilizing at more than 10% top line growth. And I hope that sometime in a short future, we should be able to put a much more quantifiable number on what we expect from some of the other new categories in the future course.
- Moderator:** Next question is from the line of Ravi Kapoor from Sahani Advisory.
- Ravi Kapoor:** I had 2 questions. The first one is on the Noida land monetization. So how much value are you expecting from this monetization? And are there any such more monetizations planned ahead?

**Bibek Agarwala:** So I think yesterday only this declaration has been given. So we got one cut of first guidance from the Board that minimum price required for this is to be INR250 crores. So that indication has been given. And I think this is the first kind of things after the immediate embargo has been happened. Now our rest of the -- all facilities are very much all operating, working well at this point of time.

And if something come up, we'll be more keen because we are more interested on optimizing our operating expenses because we want to consolidate things, but you have to very closely watch out once our Noida is coming up, how this facility is performing. And -- but at this point of time, Noida is a facility which we are looking for.

**Ravi Kapoor:** Understood. My second question is, you have achieved a market share of 19%, if I'm correct. What could this number look like, say, by end of FY '27?

**Anirban Banerjee :** So I mean, I can give you what the evidence of the past is. I think between over the last 24 months in this journey of pushing this new sub-brand called Ultima, which is our foray into alkaline, we've moved the needle by almost about 19%. So going ahead, I think the momentum continues. It will be difficult to peg a exact market share point. But given the past evidence has been continuous growth, I leave it to you to visualize the future.

**Moderator:** Next question is from the line of Bhargav from Ambit Asset Management.

**Bhargav:** My first question is that given that your key raw material prices have become very volatile, is it fair to assume that out of this 52% market share, there could be some market share gains maybe in the next 1 year because a few of the unorganized players would not have been able to bear this volatility in zinc prices?

**Anirban Banerjee:** So the battery market of the 100 -- 99% of the market is organized. And it is a very small set of players. There are typically 4 to 5 players who together hold on to almost close to 99% of a share and all of them are organized branded players.

So thus, the volatility would typically have a bearing on all of us and each of us to contain it in the manner best suited. We have obviously ensured that we negated it with some amount of calculated price increases in our premium portfolios.

And if the momentum of zinc continues even sharply, then I think it will be obvious that one will need to look even at the popular and the economy segment as well. And with that, we -- obviously, as a leader, we have provided the headroom for everyone to allow for such price guidance.

**Bhargav:** Sir, my second question is on the alkaline battery manufacturing plant. So at what levels of revenue can we expect a breakeven in that factory?

**Bibek Agarwala:** So along with the -- actually, honestly, the plant will be a breakeven from the day 1 because we will also be manufacturing some other products there to ensure that we don't lose the leverage on the production from the day 1.

So what we are looking for, as we have mentioned that this plant -- because the volume is going to be very high, the way our alkaline is going, it is very heartening that 20% to 30% plant capacity in the year 1. And since in the next full year, financial year, we are going to get the utilization.

So we are very confident the year 1 itself will be the breakeven because our operating margins are going to be much better when you do our own manufacturing, at least the 10% operating margin we are looking for better from our domestic manufacturing compared to the import.

**Bhargav:** Okay. So fair to assume that in the -- when you hit a INR150 crores revenue maybe in FY '27, there won't be any dilution in terms of your overall reported EBITDA margins, which are around 10%, 11%?

**Bibek Agarwala:** It is fair to assume, but it's too early at this point of time, right? If you see all metrics are working very good. We have taken a price hike in our Ultima portfolio. Cost of materials are getting reduced. So it is fair to assume for you that if price increase and the material cost, both are moving favorably, then a point will come point of convergence where alkaline -- sale of more alkaline will probably not dilute to the margin.

Anirban, anything you would like to add?

**Anirban Banerjee:** Yes. So I will bring in a point here. I think having had the foresight and the shareholders having the foresight to put up India's only alkaline plant very soon coming up. And as Bibek mentioned, on terms of the utilization. When you view this local manufacturing in tandem with the price increases that we have currently taken and maybe a little bit more in the future, the alkaline batteries in India will be at par with the zinc premium batteries in India.

And thus, from a battery portfolio point of view, as long as we continue to hold a large part of the battery market share of premium batteries in India, the portfolio dilution of gross margins looks unlikely, right? And hopefully, we should be able to hold in spite of the commodity pressures in the short term.

**Bhargav:** Sure. In terms of rechargeable batteries, obviously, the growth was close to about 8% to 10%. But as the BIS benefits start kicking in, do you see this business also coming back to double-digit growth maybe next year?

**Anirban Banerjee:** The rechargeable battery segment...

**Bhargav:** That is the flashlight. The flashlight.

**Anirban Banerjee:** The flashlight, flashlight. Yes, interesting question. So the BIS mandate came in last year. And -- but the BIS mandate comes in various time periods or various segments. So for the large players, it was already implemented by July of last year. The last set of MSMEs, etc., the implementation time was end of January.



Now is the actual time where one needs to see ground level implementation. Colloquially, yes, if people who are bringing it from outside will potentially want to bring knockdown kits and assemble it in India and sell it and having to adhere to all the BIS compliances, that should ideally, if done well by everyone should ideally make the cost of compliance push up some of the price advantages that the other unorganized players used to have in the pre-BIS era.

So one, we are looking forward that as we enter into the season sometime in June, July, August of the new financial year, some of these dynamics and closing price gaps between the branded and unbranded should happen on market.

And that should post a favorable growth stronger than what we've seen earlier for our rechargeable flashlight because portfolio is quite wide from INR100 to almost INR1,000 from pocket torches to large size Commando torches. I hope that answers your question.

**Bhargav:** And lastly, any time line in terms of the monetization of the Noida facility within 1 year, 2 year, any thoughts?

**Bibek Agarwala:** Yes, I think I explained that yes, we are looking in a time-bound monetization of Noida facility within the next 6 months.

**Bhargav:** Of the next 6 months?

**Bibek Agarwala:** Yes.

**Moderator:** Next question is from the line of Mehul Savla from RW Equities.

**Mehul Savla:** Congratulation to the Eveready team for the strategy and the effort put in because to achieve this growth both in top line, bottom line in a challenging environment is really very credible and satisfactory for us investors. So especially when you look at smaller listed players and staying in their top line and bottom line. So congratulations to the team.

I have 2 questions. One is for the alkaline manufacturing facility as you said, there is a very large capacity. So apart from our own brand and other products is there any plan to manufacture alkaline batteries for third party white label? And if yes, then what type of brand? Is it like other competitor brands or retailer private label brands, if you can just share some thoughts?

**Anirban Banerjee:** So this factory, as I mentioned, the uniqueness is the only alkaline plant in India potentially even within this subcontinent. That's interesting question. While of course it will feed into our brand definitely and our push towards better margins in alkaline and better shares and propelling India into stronger alkaline chemistry for more intensive high device penetrations that you would see over the decade in India.

But interestingly this plant and us should have the capability to cater to any white label requirement that arises out of Middle East, Europe, U.S. or even parts of Africa, etc. So thus not containing it to branded play in India but to white labeling space across the world and to white labeling across anyone who decides to launch branded alkaline under their brands in



India, we would be more than happy to serve given that the -- their ability to source from us will be at an advantageous price position than bringing it from outside India.

**Mehul Savla:**

Okay. Correct. Yes. And sir, second is a question and also partly a suggestion that since now the embargo has been lifted on a dilution or issuance of equity and the ESOP is a great move. The other factor is that even after the land sale monetization Noida will still be sitting on probably about INR100 crores of debt?

So, and given the promoters holding right now, probably equity issuance maybe considered by the company and whether that is something being considered? And suggestion is that given that we have kind of taken all the hard work and reached here at the cusp of strong growth that the Board and the management consider any equity dilution at appropriate premium, if at all that is contemplated. Thank you.

**Anirban Banerjee:**

Thank you, Mehul. Well, noted. Thank you so much

**Moderator:**

Next question is from the line of Vipul Shah from RW Equities.

**Vipul Shah:**

Sir, very specific question is regarding to the MAT credits which we -- the company had as of 31st March 2025. One question, sir, was that with this supposed Noida sale, any sort of tax implication on the sale of the surplus land, will the company be able to sort of take use of the MAT credit which the company still holds against this because there will be a sizeable portion of tax which the company will have to pay on the eventual sale of land?

And secondly, I believe this budget has proposed a sunset clause for any MAT credits. So probably if you can throw some light on whether this INR85 crores which we had will remain or will have to be written off?

**Bibek Agarwala:**

Very good asking a very finance tax question in this forum, but very relevant. With respect to the income tax, I think this is just in the final test term and it has not yet been enacted but it is a matter of evaluations we are doing.

Good part for us that '26 was the last year for our MAT credit. So, thankfully -- thanks to FM for considering this finance budget to end this as a sunset clause. So for us from the next year we are anyway migrating to the new regime, okay?

With respect to the sale of the assets and the working capital, of course we will take right way how the best we take tax adjustments come. But there is as you know in the new provision has come that up to 25% of the MAT credit only you can apply and not less.

But capital gain only can be -- capital gain is a nature of separate. So if you have a loss only in that year you can set off, otherwise you have to pay the tax. So we are monitoring because now since we got a mandate for that and ensure that it will be the best tax adjustment for the capital gain.



- Vipul Shah:** Sir, one other question which I had was in terms of the amount of raw material which primarily goes in the carbon zinc, is it sort of the same number of I mean, amount of raw material which also goes into alkaline?
- Anirban Banerjee:** No. So, the chemistries are different. So, I mean, in short if I were to understand your question, let's say very close to about one third of the zinc batteries are composed of zinc, but the quantum of zinc in an alkaline battery is significantly lower.
- Moderator:** Next question is from line of Vikas Srivastav, an Individual Investor.
- Vikas Srivastav:** Few questions. The first question is, is there a range of this Noida land? Is it a minimum of INR250 crores? Is there a valuation done? Is it INR250 crores to INR500 crores? And how is the Board -- some assessment may have been made to put that figure of INR250 crores I'm assuming. It can't start from there. So I just wanted to know what is the range and also confirmation that our debt is INR350 crores. Is that right?
- Bibek Agarwala:** Yes. Absolutely valid, Vikas ji, and thank you very much. It is quite some time you are asking this question, right. That is what happens to that. And if you see that just a quarter back only the embargo ended and team put on place.
- So we got valuation done and basis the valuation mean and median range considering Board has given this mandate. So because there are a lot factor has been considered, what is the recent sizes of sales has happened there? What is the market rate available there? What is the market rate? So, I think that this rate has come which is the valuation reports submitted.
- Vikas Srivastav:** Okay. Next, somebody asked a question on, is there a possibility -- so while I do understand that you haven't come to a decision yet, by going forward we have so much real estate and properties outside. Is it a possibility if you a little down the line that there will be more rationalization and disinvestment? Is there a possibility? Is there a comparison?
- Bibek Agarwala:** Absolutely valid point. Absolutely valid point. As I said that recently we have done a first round of our realignment initiative. And if you see 2nd of October only the embargo removed and 5th of November, Board has formed a subcommittee and this is the recommendation of this subcommittee.
- So at this point of time all our plants are very much operational. And once the Noida -- Jammu facility comes up, we see how the things are coming, definitely the next round of assessment will happen whether the something will come out or not, but now this is going to be a part of our at least a very at least a yearly exercise definitely.
- Vikas Srivastav:** Yes, that is helpful. Now on the Noida factory, just to refresh everybody's memory what is the capacity at 100%? And since what I hear from the call that you are going it's not a pilot production, but you probably go into commercial production and immediately ramp up to 20%, 30%.

Are we talking about this as about domestic consumption? Or what is the -- your marketing team must have already started working in terms of white labelling both within India and outside India. What is the response?

And the last question. In the light of RTM now being in order most of your products, things are now in a steady state. I have been a old shareholder now for probably 6-7 years. When do you think we can get a real kicker on the CAGR top line growth?

Are we ready for it? Should we be expecting over the next 3 years? Should we be expecting a 15% or more range of 15% to 20% CAGR growth with the scale leading to higher EBITDA margins? Is there a 3-year target? Is there something you want to talk about in terms of 2 to 3 years target?

**Bibek Agarwala:** Thank you, Vikas ji. I think I want Anirban to address, but I do want to clarify, you said what about the Noida plant capacity? I think you mean Jammu plant, right?

**Vikas Srivastav:** I meant Jammu.

**Bibek Agarwala:** So the context completely changed. So just to put you that the practical capacity of this plant is around 350 million, okay? And we have given a very bold statement of 20% to 30% utilization. Right now we are around 60 million, 70 million type of number we are hitting. So definitely the way growth, our internal team, the market says that we have set up 30 million -- 30% so definitely we will go for. However, with respect to next 3 years and what is that, let Anirban add the light on that.

**Anirban Banerjee:** Sir, my sense is it's early to call out on the 3 years, but if you were to look at our last 5 quarters, it has been steady growth and the growth percentages have gone up consecutively over the last 5 quarters. And given that you've been a partner with this organization for a long time, the growth parameters have never been very strong in the last one decade. In fact if you were to look and go back in time, so between 2015-2022, these were all negative growth years from a top line perspective in spite of many hits and triumphs.

Now with the new shareholding in place over the last 2 to 3 years, the CAGR was hovering at about 4% to 5% essentially from multiple transformations, culture, people, process, RTM, stabilization, SAP, etcetera. While doing that if you see in the current year and that's why the last 5 consecutive quarters following all of these, there has been steady increase in the growth on a percentage basis quarter-on-quarter.

While doing that I think we are also having strong headwinds in terms of commodity prices and dollars and unfortunately not the best time for immediate prediction of the 3 years. But looking in the short term, I quite see that we will be able to carry this momentum forward and from there we will figure out what are the other new categories that we will push it in to move ahead from the lower double digit side.

**Vikas Srivastav:** Okay. And just the number, so on the alkaline battery plant we are talking about a 70 million. So just for my understanding how much of that is offsetting our internal consumption which we were otherwise buying?



And what is the percentage? And a little bit of light on how is the general response to your white labelling efforts which I am sure you are already putting in terms of the Jammu plant?

**Anirban Banerjee**

No, so what I mentioned and you are absolutely right that the white labelling whether in India or outside is a action that happens immediately after the plant sets up. So the way it will happen is that the entire quantity that we spoke about will be used for the domestic consumption, over and above that, right?

As the plant steadies up and all the quality parameters etcetera, after the first 3 or 4 months is suitably settled is when there will be multiple approaches for white labelling and people who would want to make it in India and sell will then -- that's the time we engage.

See, we -- it's not a big deal because we do white labelling for zinc anyway in India from a branded play point of view. And thus we are only awaiting for the inauguration of the plant and stabilization before we access the rest of outside and inside for white labelling prospects.

**Vikas Shrivastav:**

And how much time would it take for this inauguration and stabilization? Are we talking about this again, that is a matter of a month or 2, is my understanding right?

**Bibek Agarwala:**

Of course, like by March our construction will be finished, probably by April and May probably that -- max, but we are looking sooner, once the plant is complete, let's inaugurate and start the business.

**Vikas Shrivastav:**

All right. And in terms of with our RTM brand marketing, at the time besides your own internal products which you are pushing into the market, the option the strong Eveready brand and your RTM with the entire backbone ready, is our acquisition, you may or may not have anything in the pipeline today, but is that an option really because that is where a kicker could come? Is that an option? Are there such targets available in the market?

**Anirban Banerjee:**

So the way I would put it is strong sustained structured growth of the core and may be some potential increase in the allied categories which the brand is quite capable of leveraging as we go into the future and as you would rightly say that we are a very strong home care brand in India.

So while I think that would remain a core focus over at least the next 12 to 18 months, looking at opportunities which fit into the essence of the brand and its potential allied spheres of growth is something that one would keep doing parallelly. And as and when that happens, yes, it would be a kicker as you rightly said.

**Moderator:**

Next question is from the line of Saket Kapoor from Kapoor & Company.

**Saket Kapoor:**

Congratulations to the entire team for walking the talk over the type of numbers that we have exhibited even during the lean season for the company and the industry where we operate, if my understanding is correct. Sir, firstly pertaining to the Jammu investment, total investment, how much have we done currently? And what is still pending to be done? And what would be our working capital requirement at the time when the plant will be running at optimum level?



**Bibek Agarwala:** So we have approval around INR180 crore, 90% odd has already been done. Because as we say that we are just going to complete the construction by the month, construction is almost complete and the trials are going on. So investment is almost done. With respect to working capital, we don't see beyond our average because we are very frugal in terms of the working capital.

So our average company average is 15%. I don't see anything going beyond at this point of time unless and until some major strategy raw materials holding we have to do. Initially, it could be little bit higher because we will start at 0. But average we will see like 20% could be the -- 15%, 20% could be the average range.

**Saket Kapoor:** 15%, 20% of, sir, what number?

**Bibek Agarwala:** Whatever the working capital for that, whatever the requirement for this plant. Means our average capital is 15%, okay? So now we see whatever billing we are supposed to do, I am taking number, suppose we do INR100 crores from that plant, maybe INR20 crores, INR25 crores, it could be INR30 crores max be a working capital from that plant.

**Saket Kapoor:** Okay. And as our MD sir was mentioning about that requirement for zinc would be significantly lower for the alkaline battery. So key raw material components for alkaline and how have we done the arrangement for the change, sir?

**Bibek Agarwala:** So it is a different chemistry, so our procurement teams have secured -- few of the materials are imported, that has been already secured and some local materials.

**Saket Kapoor:** Okay. And can you give little bit color, key RN required for alkaline battery?

**Anirban Banerjee:** So see, alkaline has multiple, so from graphite to acetylene black to zinc powder, etcetera. So Bibek is absolutely right. Majority of it is sourceable locally and some parts of it we are obviously moving in from a little bit from parts of Europe and some from Asia.

But there is unlike in the zinc batteries where there is a high commodity volatility directly impacting the category going up and down, here the bifurcations are much more smaller and thus a single raw material impacting because of commodity volatility etcetera, will be much lower.

**Saket Kapoor:** Correct, sir. Just to conclude on the Jammu part, sir. Incentives where I think so also a part when we envisage the investment although I think so because of some packages we were not in a position to articulate the same. So any new update on the same that we may receive in terms of GST reimbursement? Or anything you want to share on that front, sir -- as on date?

**Bibek Agarwala:** So it is a status quo at this time. We are continuously following up. There is a very -- the department is all saying that give a hope and our continuous follow-up going on. We are also keeping the hope. But till that time we get the registration certificates, I can say that we are still awaiting, but that is the status at this point.

But if you see the Jammu was always under the incentive from post 2000. So some form of incentive everybody is assuring us. So we are closely following up because anyway once the production start only that will be. So we are also keeping our fingers crossed and we are continuously following up only thing to get this benefit.

**Saket Kapoor:** Okay. And lastly, sir, on the CCIE part, when is the next hearing scheduled, sir?

**Bibek Agarwala:** Mid of March, in the mid of March.

**Saket Kapoor:** Okay. And the last it was in January itself I think so when we heard in the quarter 2 con call I think so we have given a date. So any update that happened in the month of January? Or it is status quo?

**-Bibek Agarwala:** It was in November probably. November. So there is a partial hearing. There is a partial hearing. The balance will happen in the March.

**Saket Kapoor:** Okay, sir. And one point I missed that, have we figured out some numbers for the Noida lease part also to sell? I think so it's the leased hold land. So it will be transferring of lease. So have we figured in some numbers also? One of the participant was alluding to the fact. I missed it totally. Can you give me some more color?

**Bibek Agarwala:** Yes. So we are looking for -- yesterday only Board has guided us that after looking into various committee recommendations and valuations and all that they have given us a INR250 crores a number to look for, for this property.

**Saket Kapoor:** Okay. Correct, sir. And as we are now concluding will be the fourth quarter, sir, we are on track to deliver in the similar sense since the rupee depreciation and the commodities which we must are impacting our cost of materials. So how well are our team prepared to end or conclude this financial year on track at quarter 3 and the previous quarter have been? How confident are we, sir?

**Bibek Agarwala:** We left out with only 45 days or 50-60 days for the quarter maximum. So as Anirban has already mentioned in his opening remark that we are poised with a full momentum to grow and to deliver premiumization. And that premiumization could help us to get the margin. So we are poised this quarter because growth momentum is on full task for the team.

**Moderator:** Next question is from the line of Vikas Shrivastav, Individual Investor.

**Vikas Shrivastav:** Sorry, I missed a subsidy bit in Jammu. Is it a capital subsidy which gets based in terms of correlated to the sales made from the Jammu plant? Or is there any other subsidy besides that too? Is there...

**Bibek Agarwala:** Our size of investment will not go for a capital investment because it is a much lower scale. It is a GST link. Incentive has been proposed there. So it is not. INR50-crores below I believe there is a capital subsidy, but since our investment is much higher than that, so there is some GST link incentive has been planned at this point of time and we are in the queue for that.

There are several applications are there. And we are constantly following up. We have filed the application well within the time lines. But the government's allocation of the budget we are waiting for on this particular basis.

**Vikas Shrivastav:** So there may be a time lag. And also the subsidy will be received. Obvious but it will still be linked to sales right? So it is GST linked?

**Bibek Agarwala:** Yes. So see, there was a package of a specific amount, that amount has exhausted. So the department has written for additional amount. There is no such additional amount has been received, but the industries are following up because when we invest, we don't know in the package, the limit is there or not. So that hopeful. We are meeting the officials continuously and they are saying that be hopeful because government also want to promote Jammu, promote the investment in Jammu.

So we are constantly following up. We are tracking the development very closely. So that is the status at this point of time. So we did not get an approval of the -- we call it the registration under the national incentive scheme of the Jammu government. So still the registration is pending, but we are constantly following up with them.

**Vikas Shrivastav:** What is the estimate of the amount? Our internal estimate in terms of what should be the quantum once it's approved?

**Bibek Agarwala:** So it's linked to the GST, so basically there is a GST reimbursement happens. It depends on the sales of your -- it's related to the revenue of the -- from that plant.

**Vikas Shrivastav:** Yes. But in terms of a forecast, what kind of numbers are we talking about?

**Bibek Agarwala:** So there is a -- this is linked to the investment on the plant and machinery investment. So the provision goes that up to the 3x of the investment you can get -- 3x of the investment you can get as reimbursement.

**Vikas Shrivastav:** 3x?

**Bibek Agarwala:** Yes.

**Vikas Shrivastav:** Are we -- and over a period of time, so that's a substantial amount, 3x of the -- you invested about INR150 crores in the plant, right?

**Bibek Agarwala:** So it will go only on the plant and machinery. It will not be on the entire investment. If you just take a INR100 crores number also, so it is a substantial investment, you are right, that the benefit comes, it will be a substantial in coming forward.

**Moderator:** As there are no further questions, I will now hand the conference over to the management for closing comments.

**Anirban Banerjee:** Thank you, everyone, for taking the time out to join us on this call today. I hope we've adequately answered all your questions. If you still have more queries, please reach out to our



Investor Relations team and we'll be happy to address those. Look forward to connecting with you again in the next quarter. Thank you.

**Moderator:**

Thank you very much. On behalf of Eveready Industries India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.