

Fermenta Biotech Limited (formerly known as DIL Limited)

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Ref: F.No.: 49

February 20, 2021

Corporate Relations

BSE Limited,

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai – 400 001

Sir,

Ref.: Code No.: 506414

Subject: Transcript of Schedule of Analysts / Institutional Investors meeting held on February 15, 2021 regarding the financial performance of the Company for the quarter ended December 31, 2020

We hereby enclose the Transcript of conference call with Analysts / Institutional Investors held on Monday, February 15, 2021 at 11:00 a.m. (IST) regarding the financial performance of the Company for the quarter ended December 31, 2020.

The above Transcript shall also be uploaded on Company's website at www.fermentabiotech.com

This information is submitted to you pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Thanking you,

Yours faithfully,

for **FERMENTA BIOTECH LIMITED**

[FORMERLY KNOWN AS DIL LIMITED]

Srikant N Sharma

Company Secretary

CS Membership No: F3617

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Transcript

Conference Call of Fermenta Biotech Limited

Event Date / Time : 15th Feb 2021 at 11 am IST

Event Duration : 44 mins 14 secs

Presentation Session

Moderator: Good morning Ladies and gentlemen, I am Moumita, moderator for the conference call. We welcome you all to Q3FY21 conference call of Fermenta Biotech Limited hosted by Aditya Birla Money. This conference call may contain forward-looking statements about the company which are based on the belief, opinion, and expectation 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 participants will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * and then 0 on your touchtone telephone. Please note this conference is recorded. I would now like to hand over the floor to Mr. Advait Shetty of Aditya Birla Money. Thank you and over to you sir.

Advait Shetty: Thank you and good morning everyone. On behalf of Aditya Birla Money, I would like to welcome you all to the Q3FY21 Earnings call of Fermenta Biotech Limited. We have with us the senior management team of the company represented by Mr. Satish Varma, Executive Director and Mr. Sumesh Gandhi, CFO. With this, I would like to hand over the call to the management. Over to you sir.

Satish Varma: Thank you so much. Good morning everybody. My name is Satish Varma. It is a pleasure to welcome you all to this earnings conference call to discuss the third quarter of the financial year 2021. Before I hand over to Mr. Gandhi for giving the key financial highlights of this quarter, I would like to talk about a few key things for this period.

Due to the ongoing Covid-19 pandemic, there was a positive impact on the demand of the human Vitamin D3 business and thereby the volumes are higher. However, the volumes and prices of animal D3 continue to be under pressure. To put it in a little more perspective, in this nine months we have seen the vitamin D3 40 MIU volumes in human consumption grow by about 61%, while the vitamin D3 feed for animal consumption fell by almost 55%.

On 1st December 2020, the company's wholly owned subsidiary Fermenta Biotech USA LLC acquired a 52% stake in a US-based vitamin company AGD Nutrition LLC, headquartered in Nacogdoches in Texas. This deal is expected to combine the expertise of both the companies and result in synergies that will bring in greater operational capabilities to enhance our company's footprint in the US market, which is one of the largest markets for human and animal nutrition. Subsequently the name of AGD Nutrition, the company where we acquired the 52% stake, has been changed to Fermenta USA LLC. This reflects the brand value of Fermenta and we expect to capitalize on Fermenta's recognition as a nutritional ingredient's supplier in the US market.

Last, but not the least, the board has in the last board meeting approved the company to list its shares on the National Stock Exchange and requested the management to take all the necessary steps for the listing. Thank you. Now I request Mr. Gandhi, our CFO, to give the key financial highlights for the quarter-ended and nine months ended. Over to you Mr. Gandhi. Thank you.

Sumesh Gandhi: Thank you Mr. Varma. Good morning everybody. Before I really move to the whole nine month presentation, I am glad to state that on the nine months basis in the current year, we have already achieved 95% of the previous full year's operational revenue, and we have already surpassed operation EBITDA by 10% for the previous year.

Now, talking about the quarter and the nine months, on a consolidated basis, in Q3FY21, the revenue from operations for the quarter was Rs.90 crores, which was an increase of approximately 35.3% on a year-on-year basis. The operating EBITDA reported was 22 crores, which was an increase of about 61.3% on a year-on-year basis. Operating EBITDA margins stood at 24.56% as against 20.60% a year ago. Net profits before tax reported was Rs.9.8 crores, which was an increase of a percent on a year-on-year basis, while the PAT margins stood at 10.89% as against 14.59% a year ago. However, it is imperative that I let you all know that the Q3FY20 PAT had a one-time deferred tax benefit of approximately 3 crores due to the amalgamation of companies, which is why the PAT for that quarter was higher and not comparable to the current quarter's PAT.

Now, talking about the nine months performance in FY21 on a consolidated basis, the operating income for the quarter was Rs.278 crores, which was an increase of approximately 21.6% on a year-on-year basis. The operating EBITDA reported was Rs.72 crores, which was an increase of about 28.4% on a year-on-year basis. Operating EBITDA margins stood at 25.74% as against 24.44% a year ago. Net profit after tax reported was Rs.38 crores, which was a decrease of about 32.4% on a year-on-year basis while the PAT margins stood at 13.73% as against 24.69% a year ago. Again, this was due to a one-time deferred tax benefit of approximately 22 crores, which was there in the previous year, and hence the numbers are not comparable.

The company had given an ICD aggregating to Rs. 21 crores, the reason I am saying this, because there was a modified report, which was mentioned by the auditors against this, so the company had given an ICD aggregating to Rs. 21 crores in various tranches to a non-related party for the development of a new product, that is cholesterol from fish oil. As on the board meeting date, the total ICD outstanding has now reduced more than half, so it is close to 11 crores now, and we expect to nullify the whole and receive the whole amount on this ICD outstanding by the end of this financial year.

Thank you. With this, I think we can now open the floor to questions and answers.

Question and Answer Session

Moderator: Thank you sir. Ladies and gentlemen, we will now begin the question and answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing * and 1 again.

Our first question comes from Mr. Nirag Shah from Exemplar Investment. Please go ahead sir.

Nirag Shah: Thanks for the opportunity. I would like to first congratulate the management on posting consistent set of numbers despite challenging times faced by one of company's major product which contributed almost 45% of the revenues last fiscal. I would also like to commend the management on the strategy adopted of first backward integrating into raw material manufacturing and then forward integrating by acquiring company's own customer. Now, regarding my queries, my first query was regarding exceptional value growth of 61% that we have seen in the human D3 business in FY21 so far. So how much price increase we have seen in this part of our business and how much of that is purely volume driven?

Sumesh Gandhi: Satish, should I take this answer?

Satish Varma: Yeah, of course.

Sumesh Gandhi: Thank you so much. Thank you Nirag for asking this question. So, if I was to answer this, the selling price...so from a value perspective or you want it from a selling price perspective only?

Nirag Shah: Yeah, means, both I wanted the breakup, value-wise how much growth you have seen out of this 61% and how much volume growth you have seen?

Sumesh Gandhi: Fair enough. So, from a value perspective, we have seen on Vitamin D3 40 MIU human consumption an increase of 70%, which has come in on a year-on-year basis for the nine months, and on the animal feed side, we have seen a degrowth of 55%.

Nirag Shah: No, no, I am asking regarding the product price. The product price increase, this value increase which we have seen, how much is because of price increase of the product itself and how much is because of the volume increase?

Sumesh Gandhi: Okay. So, you wanted what is coming through the price variance and what has come in from the value variance?

Nirag Shah: Yeah, yeah.

Sumesh Gandhi: So, basically 95% of it has come through the volume variance and the 5% has come through the price variance. Now, on the case of the feed, there was a degrowth in prices. However, in case of the 40 MIU human consumption, we have seen a 6% increase in the prices. So, all the value which was coming, majority of it has come in through the volume variance.

Nirag Shah: Okay, great. And the capacity which we are increasing in the human D3 business, have they been commissioned, or they are yet to commission?

Sumesh Gandhi: No, we haven't commissioned yet.

Nirag Shah: Pardon?

Satish Varma: Sorry Nirag, this is Satish Varma, I wanted to answer this question.

Nirag Shah: Yeah.

Satish Varma: Nirag, capacity increase that has happened over the last year as well as some portion of this year, we have been able to already utilize. However, the new plant, which was under construction as we were speaking in the previous two quarters, is ready to be commissioned this quarter. So, that will start kicking in may be by next quarter, this quarter we will start the plant, so next quarter onwards hopefully those volumes also should start kicking in.

Nirag Shah: And that will increase the human D3 capacities by around 25%, right, as you said in last quarter?

Satish Varma: Yes.

Nirag Shah: Okay. Now, my next queries were regarding the recent acquisition that we have done, of AGD Nutrition, what are the EBITDA and net margins that AGD has been working on before the acquisition and is there any scope of improvement of that same going ahead because of the two companies working as one unit?

Sumesh Gandhi: Yeah, I will take the first part. So, Nirag this company is in trading business. So, the EBITDA margin what they are having currently, so it is approximately 6%.

Nirag Shah: And on net level, they are profitable?

Sumesh Gandhi: They are profitable. So in FY20 they had a profit of \$0.27 million and their topline was \$6.6 million.

Nirag Shah: So, regarding the final thing also I will take the next query and then we will let Mr. Satish answer. Regarding the debt, any debt outstanding on the books of AGD, as of December 2020.

Sumesh Gandhi: No debt outstanding as of December 2020, in the books of AGD.

Nirag Shah: Okay. And from Mr. Satish, the first query which was there, and the second is what is the quantum of investment we are planning to make in the acquired entity over next one or two years?

Satish Varma: We have kept ourselves open as in how we are required to invest, so maybe another couple of million dollars. I think, in the previous calls also we have said that, like, in Germany, how we are manufacturing vitamin D3 feed grade products, through a third party manufacturing through our German subsidiary, we are looking at manufacturing value-added products of vitamin D3 for the human side. It is still B2B business, we are not talking about capsules and tablets, but more of diluted and stabilized bulk. So, we are currently exploring third party manufacturers whom we can partner with to do that exercise. So, depending on how that goes, those investments will pan out. So, at the most maybe a million or two million dollars is what we anticipate over the next year or so.

Nirag Shah: Okay, thank you. Thank you and all the best for the future.

Satish Varma: Thank you so much Nirag.

Moderator: Thank you sir. The next question comes from Mr. Raj Nagar from Mili Consultants. Please go ahead sir.

Raj Nagar: Yeah, thank you for taking my question. I have two questions. One is about the backward integration cholesterol manufacturing facility. I think if I remember correctly last con call, it was mentioned that it is going to give us annual EBITDA of over Rs.14 to Rs.15 crore and it is going to be very, very good, but whether that started doing contribution, I would like to know that?

Satish Varma: So, hopefully this contribution will start soon, we are getting pretty close, and you will understand that we just started this plant last quarter. We are already pretty close to our expectations, so going forward next year I think we should start reaping those benefits as we mentioned earlier.

Raj Nagar: Okay. And the second thing is about your monetization of the real estate, so is there any program finalized for monetizing the real estate?

Satish Varma: I think I will explain this a little further also. One of the things that people were asking us the last few years, especially two years back, was that what is our interest in the real estate. People were wondering whether we want to invest further into constructing something into the real estate or not. So, we made that point very clear by mentioning that the board and the management has taken a decision not to invest any further resources in the real estate. And we went ahead and also expressed our intent to monetize the land bank and even the building that we have there. That has been the intent and it is still the intent. We are in the market, but you know the Covid situation has really not helped... especially the work from home concept has not really helped the commercial property industry. So, we are still in the market. We are hopeful that as and when things start coming back to normal, we should start seeing more opportunities to do that. As far as the business and its growth are concerned, I think we are in a comfortable situation that we are not dependent on monetization of this land. Of course, it will only help us to invest more and look at growing our business further. As long as we feel that we are getting a fair valuation for these properties, we will monetize that. But cannot give any timeframe when that will happen sir.

Raj Nagar: Thank you sir. All the best.

Satish Varma: Thank you so much Mr. Raj.

Moderator: Thank you sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad. Our next question comes from Mr. Devang Nagelia, he is an individual investor. Please go ahead sir.

Devang Nagelia: Thanks a lot. Thanks a lot for the question. First of all, thanks for taking my question and my question is to Mr. Satish, that we have been talking about not seeing this company on a quarter-on-quarter basis, but rather on a long growth term

perspective or maybe from an annual perspective. So, can you just help me out to understand the next five years and 10 years, what are the segments at which we are looking at now, because you are into cleaning also, water management. You also are talking about vitamin K and various other nutraceuticals. So, how do we see the growth in the five-year, 10-year perspective? If you could just show us a picture around that?

Satish Varma: Sure, thank you Devang. Yes, we continuously keep saying that please look at us from a long term perspective. As far as vitamin D3 is concerned, that forms our core, our focus & attention is always there on that whether it is vitamin D3, we have been talking about getting into vegan D3 by using vegetable oil sources, etc., for which the projects are on track, and it's only a matter of time. While we focus on that, our intention is, of course, to stay among the top few players on the vitamin D3 segment. We need to improve our basket as well. So, whether it is K1 or whether it is Astaxanthin we are talking about, or omega fatty acids, that is one portion of it, all of them come under the nutrition basket. So, what we will be looking at is to not only look at individual products, like we just spoke right now, but also get into composition of these products, still being in the B2B business, like, for example, premixes. So, customers require a mixture of different vitamins and minerals and other supplements to be composed into a certain formulation, so that they can add it to their final product, whether it is a milk powder or any other breakfast cereals or other items etc. So, we are looking at getting into premixing, by investing into premix plant and all that. So, those plans are also under way. As and when we make the decision and start investing into that, we will come back to all of you to mention that. Where do we see ourselves in the next five to 10 years, , we would like to be able to cater to any kind of demand in the B2B space of nutritional products. Some of them can be manufactured by ourselves, some of them can be either traded or we get them and then use it in the premixes by value adding into stabilization and then supplying to the end customers. That is where we would like to be. We are close to entering the market with a vitamin AD2 formulation, most probably by early next year, next financial year we should be able to launch that product as well. K1, that plant is getting ready in this year, as we said this quarter, so next year hopefully we will start launching that product also. So, one by one, we will be launching these products. If you look at the space in India I am sure you will reel off may be 50 to 60 names, off the cuff of pharmaceutical companies, but nutrition space you will find it a little more difficult on the B2B side. I am not talking about the FMCG sector, which of course, is large on the nutrition side, but on the suppliers' side, you will struggle to find more than maybe a handful of big, good company names in this space. So, we see that space and being there. And, as we are performing in D3, not only in India, but globally, we would also like to take our rest of the basket in nutrition space and make ourselves a name there.

Devang Nagelia: Okay, thanks a lot. Thanks a lot Satish ji for that answer. Also, there is another question which I had, and this is the last question, like, you have been talking about these margins to improve further, however, we have seen a lot of pressure in this quarter as well, so if you could throw some light upon the forthcoming margins also on the overall business, that will be helpful, because I see there is a lot of pressure coming from your animal feed business, which is highly volatile, right? So, that is why I wanted to understand that how the management is confident about the next three, four years of margin?

Satish Varma: I thought actually, people will be happy to see that we have seen growth irrespective of where our animal feed has reached. For example, if you look at last financial year, I

think almost 58% of our revenues came from animal side. So, if you look at this quarter, if you look at Q3 this year, it is 24%. This whole year if you look at these nine months, it would be about 37%. So, even with that kind of a situation, we have performed much better than last year in the same period, same quarter previous year. I thought actually that should give you more comfort in terms of our fundamental principles.

Devang Nagelia: But then Satish, you have responded to that, that is why my question was coming up that why the animal feed business has de-grown so much suddenly now.

Satish Varma: It is principally to do with COVID, that is what I feel. The consumption has gone down. Imagine the entire shutting down of travel industry right from airports to airlines, hotel industries, hospital industry, banquets, marriages, you name it. So, the consumption has significantly gone down. And this second and third wave going on in Europe and US, which are the largest markets, for animal feeds is putting pressure. India was never a large market. In fact, we are quite positive that as and when it starts coming back to normal, people will start going out, people will start travelling, people will start going to out to marriages. So, as and when, it should only add. So, rather than looking at it like, last year people were saying what will happen if the animal feed prices drop and volumes drop, what will happen? I think we are seeing in this year that we are comfortable.

Devang Nagelia: Okay. Thanks a lot. Thanks a lot Satish ji. Have a great day.

Satish Varma: Thank you so much. Thank you so much Devang.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Our next question comes from Mr. Kabir Sanghvi. He is an Individual Investor. Please go ahead sir.

Kabir Sanghvi: Thank you for taking my question and sir, congratulations on a good performance post COVID. Sir, can you talk a little bit about the acquisition of AGD in the US, how much were the historical sales and what is the market size in the US for our products? And also, what are the potential revenues from this acquisition in the coming years?

Satish Varma: Okay, the historical thing, Mr. Gandhi will tell. But before that I just would like to mention, what is our market share in US. I think the reason for this acquisition has been to improve our market share in the US. We always felt that US being the largest market, we have the least or the smallest portion of the pie that we have of our revenues which is coming from US. We needed to do something to improve that, that is where we should target that as a company, if you look at the pie chart, most of the companies will have a major portion of their revenues and profits coming from the US markets, because that is the largest. So, with this intention we felt that we need a presence there and made this investment. As we move forward, we would like to double and triple our current market share in US. How much time it will take? I think we will have to see as we move along.

Kabir Sanghvi: Right, okay. Thank you.

Satish Varma: Historically, I think Mr. Gandhi will be able to throw some light on the numbers.

Sumesh Gandhi: Yes, thank you Mr. Varma. So, Mr. Sanghvi, in 2020, the sales of the AGD business or the Fermenta USA was 6.6 million dollars. A year before that we did close to 7.87 million dollars.

Kabir Sanghvi: Okay.

Satish Varma: Thank you.

Kabir Sanghvi: Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Our next question comes from Mr. Saurabh Shroff from QRC Investments. Please go ahead sir.

Saurabh Shroff: Hi, thank you for taking my question. Could you share some more details regarding the ICD, what was this product that was being developed and what state is that in? And you mentioned that money will come back by the end of the quarter. So, what are the details that you can share on that front please?

Satish Varma: Yes. This investment has been done to develop a product which is cholesterol again, which is extracted from fish oil. The project is complete. The cholesterol has been produced using the fish oil and we started sales as well. That is the reason why you see the recovery also happening from the ICDs, the material has started coming out of there. As we move along, we will increase our margins there. This is the first year of the production and there is more to do in terms of improving efficiencies etc. So, in terms of maybe over the next financial year, we should see a much higher contributions coming in from these business. The project is complete Saurabh. We have started getting cholesterol from there and we started also selling it in the aquaculture market.

Saurabh Shroff: Okay. And this is not a related party, did I catch that correctly?

Satish Varma: It is not a related party.

Saurabh Shroff: So, what is the benefit? Do we have some offtake agreement with them or was this just an interest bearing loan but give us some preference in sourcing, is that what it is?

Satish Varma: No, this is a company based in Maharashtra only, which is a manufacturing unit, plant. We do not have the requisite infrastructure to convert that fish oil into cholesterol or extract the cholesterol from the fish oil. We found a third party rather than investing ourselves into this, while we continue to invest in Vitamin D3, backward integration, capacity expansions etc. We did not want to invest into our own infrastructure in this particular product development. So, we went to a third party which had this infrastructure. So, we are slowly moving from the earlier arrangement to more like a

contract manufacturing arrangement, so we will be moving there and we will be just contract manufacturing our product there. The fish oil comes from South America. So, henceforth we will start buying the fish oil directly and then purely we will be doing job work with this third party, which has the requisite infrastructure.

Saurabh Shroff: Okay. That is it, thank you. Actually, one other question. If we see, I don't know if you sort of covered this in any of your previous calls, but have you seen any COVID related jump in the D3 volumes or do you think that the volumes that we are seeing, because it is a substantial jump in volumes on D3? Is this sort of likely to sustain or do you think this is more a short term phenomenon and trend line growth should be lower than this? How should we think about this?

Satish Varma: The growth is a combination of both COVID as well as adding new customers. As in how we are having more capacities, as and when we are getting the second plant also CEP certified, we are giving LOA, Letter of Acceptances of our filings to hundreds of customers across the globe. That as well as COVID has helped. I should mention that COVID has played a much larger role, but it cannot negate the new customer addition which has helped us significantly. Now, whether it is here to stay, we believe that it is here to stay, especially Vitamin D3, unlike maybe some other nutritional products which also jumped, because of COVID, on D3 because on the general respiratory illnesses, the general immunity, the linkage that has been given to Vitamin D3 and the studies that have been done, we are pretty positive that it is here to stay. Maybe not the same growth rate that we are seeing, cannot continue of course. But, at least the growth that has happened, we are pretty confident that the volumes are here to stay.

Saurabh Shroff: And what was the industry level D3 growth, if you have the numbers or is that not available?

Satish Varma: Unfortunately, no. I think at the most we can compare it to what has happened on the people who are having branded products. In India itself if you see, I think on volume wise itself it must have grown more than 50% to 60% and value wise maybe definitely more than 100%, for all the people with good brands. This is at the industry level. I am talking about the formulation industry level. From the competitor's perspective what has happened in the bulk level, I will be finding it difficult, because there is very limited data available outside.

Saurabh Shroff: Yeah, but if the formulations are growing at such a strong pace, that is obviously a tremendous thing. And just to clarify, our volume number was 65%, in human D3 and price was 5%?

Satish Varma: 61% I think was volumes and about 6% was price.

Saurabh Shroff: Okay. So, total 67%. Thank you. Thank you very much. That is it from my side.

Satish Varma: Thank you so much Saurabh.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Our next question comes from Mr. P D Gupta from Investors Forum. Please go ahead.

P D Gupta: Hello, good morning to everybody. Am I audible?

Satish Varma: Good morning. Yes.

P D Gupta: And all the best for everybody for having a good health at this time. Sir, my very simple question, can we just know about the capacity of Vitamin D3 feed grade and human grade, present capacity as well as the future expansion.

Satish Varma: Thanks for your question Mr. Gupta. As there is no data of any of our competitors on the exact capacities that they have, we also stay away from disclosing our exact capacities. What I would be able to tell you on this point is that, as far as the human capacity is concerned, as compared to last year, I think by the end of this year, once this new plant also gets operationalized during this quarter, by next year we should improve our capacities up to close to 25%, as compared to last year.

P D Gupta: Actually, I was asking whether we are having flexibility in our capacities of feed grades and human grades for the demand increase of one grade, can we change it?

Satish Varma: Up to a certain stage, the process is the same for human and animal. After a certain stage, we divert the intermediate, once the D3 is formed, whether you want to go ahead and make the complete API for the human requirement or the animal side for the feed industry. Currently, I think we are utilizing our human capacities to 100% utilization and this has been there for quite some time now. As far as the animal is concerned, earlier we did have limitations on our capacity, because we had the manufacturing plant here itself in India. But, since last year we have started contract manufacturing this animal feed product in Germany, through our German subsidiary. And the contract manufacturer we have identified has capacities maybe, at least two to three times of our peak sales of animal feed product that we ever did. So, as and when we require to increase animal feed production, I think the third-party contract manufacturer that we have identified in Germany will be able to support this.

P D Gupta: Okay. Sir, my next question is, actually in our investor presentation, we give a trend of Vitamin D3 500 animal feed price trend, that is in euro per kg. Suppose if I compare it for the few quarters, last quarter it is not matching with the performance of our company. What is my view and my suggestion, instead of giving the chart in Euro, is it possible to give the chart of our realization of main products, not all products, but only main products, like that chart, is it possible?

Satish Varma: It will not help our cause sir. You know that selling commodity product is always a negotiation with the customer based on the volume that they require, based on the lead time that it is giving us, whether it is spot, whether it is in advance and things like that. And giving that kind of figures will definitely help our competitors, please understand where we stand. I don't think so it is in the interest of the company to do that. So, these numbers that we give you is purely taken out of publicly available information that we call, public domain and give it. Average realization of any of the competitors that we have, we will not be able to find. And it will not be in our interest to give that out.

P D Gupta: Okay. It will not be possible to give our average realization, I suppose I want to know about the average realization of our product for nine months, is it possible?

Satish Varma: It won't help our cause sir. We would not like to disclose publicly.

P D Gupta: It would help me. But, it will help me.

Satish Varma: I am sure sir, but I can't give it to you alone. You will understand that.

P D Gupta: Okay, okay. Thank you. Thank you very much.

Satish Varma: Thank you so much Mr. Gupta.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Our next question comes from Mr. Raj Kapoor. He is an Individual Investor. Please go ahead sir.

Raj Kapoor: Hi. My question is from the industry perspective. You being the B2B supplier of Vitamin D3 to formulation players and they sell their final D3 formulations, so for such players how much is the input cost of Vitamin D3 API, as a percentage of final price. So, from this I just want to gauge the pickiness to the API suppliers of those companies.

Satish Varma: It depends on company to company. But, in general the pure API is maybe about 5% to 10% is our guess.

Raj Kapoor: Okay. So, it doesn't impact them too much if there is a change in price by API suppliers, because they would like to stick to a supplier that they already have?

Satish Varma: Yes. But, that doesn't mean that we take undue advantage as well. So, we did a price increase in India beginning of this financial year or just about the end of last financial year, almost 8% to 10% increase we have done in general.

Raj Kapoor: Okay. Thank you.

Satish Varma: Thank you Raj.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Sir, we have a question from Mr. Nirag Shah from Exemplar Investment. Please go ahead sir.

Nirag Shah: Yeah, my question was for Mr. Sumesh. For nine months FY2021 you said we have seen 55% de-growth in animal D3 business, in value terms, right?

Sumesh Gandhi: Right sir. Right sir.

Nirag Shah: But, if I see June 2020 presentation and current February 2021 presentation, I see only 22% de-growth in animal D3 business and 73% increase in human D3 business in value terms. So, can you give me an absolute figure of human and animal D3 segments for nine months FY2021, it will help a great deal.

Sumesh Gandhi: So, Mr. Nirag what I talked about was the animal feed side of it sir. There is animal oil and other variants also which come under animal D3 segment. What I talked about was animal feed, which is the price everybody keeps on comparing. So, from an animal feed perspective, it is where I said that there is a value de-growth which has happened of 55%.

Nirag Shah: Okay, got it. Got it. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Ladies and gentlemen, if you have any questions, please press * and 1 on your telephone keypad.

Sir, there are no further questions on the floor. Now, I hand over the floor to the management team for closing comments.

Satish Varma: Thank you. Thank you so much Moumita. Thank you all for participating in this earnings call. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the company, please reach out to our investor relationship managers, which is Valorem Advisor. Thank you so much.

Moderator: Thank you sir.

Satish Varma: Thank you.

Sumesh Gandhi: Thank you Moumita. Thank you Advait.

Satish Varma: Thank you Advait.

Moderator: Thank you sir. Ladies and gentlemen, on behalf of Aditya Birla Money, this concludes your conference call for today. Thank you for your participation. You may all go ahead and disconnect your lines. Thank you and have a good day everyone.

Note:

1. This document has been edited to improve readability.
2. Blanks in this transcript represent inaudible or incomprehensible words.