



Date: 16<sup>th</sup> May 2025

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 – Q4 FY25**

In continuation to our letters dated 1<sup>st</sup> May 2025 and 12<sup>th</sup> May 2025 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 Q4 FY25 held on 12<sup>th</sup> May, 2025.

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**

## **Q4 & FY25 Earnings Conference Call Transcript**

### **May 12, 2025**

**Management:**

**Mr. Suvamoy Saha – Managing Director**

**Mr. Anirban Banerjee – CEO**

**Mr. Bibek Agarwala – Executive Director and Chief Financial Officer**

**Mr. Anirban Ghosh – GM, Finance and Head of Investor Relations**

**Moderator:** Ladies and gentlemen, good day and welcome to Eveready Industries India's Q4 FY25 Earnings Conference Call.

As a reminder, all participants' 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. Nishid Solanki from CDR India. Thank you, and over to you, sir.

**Nishid Solanki:** Thank you. Good afternoon, everyone, and welcome to Eveready Industries India's Q4 FY25 Earnings Conference Call.

Today, we are joined by senior members of the Management Team including Mr. Suvamoy Saha – Managing Director, Mr. Anirban Banerjee – CEO, Mr. Bibek Agarwala – Executive Director and Chief Financial Officer, and Mr. Anirban Ghosh – GM, Finance and Head of Investor Relations.

Before we begin the call, let me first share our standard disclaimer:

Some of the statements that may be made on today's conference call could be forward looking in nature and the actual results could vary from these forward-looking statements. A detailed statement in this regard is available in the press release document which has been circulated to you earlier and also available on the stock exchange websites.

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

**Suvamoy Saha:** Thank you, Nishid, and good afternoon, everyone. I am delighted to welcome you to Eveready Industries India's Q4 and FY25 Earnings Call.

Let me start by setting the scene for the last year, both on the macroeconomic front as well as internal developments.

Though inflation was largely in check, we saw rural consumer spending not picking up to the expected level, while urban demand remained stagnant. A good monsoon last year, though delayed, boosted agricultural incomes. And hopefully this will translate to healthier market growth in the coming times. For the current year, early forecast suggests a healthy season ahead.

On the cost front, we faced significant volatility in zinc prices and fluctuations in the rupee-dollar exchange rate. However, we monitored both closely and acted swiftly to protect our margins.

FY25 also marked the completion of our route-to-market transformation. We are already seeing benefits accruing from it from the second half of the year. And in the future, we should continue to enjoy the benefits in faster deliveries, better stock availability and improved field productivity.

At the same time, e-commerce and quick-commerce channels have expanded rapidly, and we are intensifying our focus on these digital platforms. Also, as we continue to serve our traditional trade partners, enhanced focus is being provided to upskill our sales force and broadening our outlet coverage.

Turning to our brands:

We invested a little over 10% of sales back into advertising and promotions. We positioned our Alkaline Battery range under a performance-driven offering and rolled out integrated campaigns across TV, digital, print and below-the-line activations. The result: Strong volume growth in Alkaline Batteries, where we hit a 14% volume share by end of the year.

We reinforced our efforts with a refreshed Zinc-Carbon range supported by targeted communications, and I am pleased to report that we held our overall battery market share steady at 53%. We also continued to be the only player communicating to consumers in the Flashlights category.

Despite the cost headwinds, we held our gross margin firmly within our target range through disciplined cost controls. Looking ahead, the Greenfield Alkaline Battery plant in Jammu is on track to commence commercial operations by the year-end, which will further enhance our cost efficiencies and reduce reliance on imports.

Now a quick segment by segment update:

Batteries:

Despite a sluggish market, Carbon-Zinc volumes held steady on the back of our wide distribution network. As already mentioned, our Ultima and Ultima Pro ranges gained substantial traction both in volume and value.

In Flashlights:

Rechargeable models continue to drive premiumization and with the new BIS certification in place and soon to be operational after the usual period allowed for compliance, we expect market consolidation to favor organized players.

In Lighting:

While value erosion remains a challenge, we are protecting margins by optimizing our price mix, launching value-added products and expanding into modern trade, e-commerce and institutional channels.

Now for brief comments on the financial results:

As we have indicated in our previous calls, our estimate to be back on the growth trajectory from the second half of the year came true, with both third and fourth quarters registering mid to high single-digit growth.

This resulted in an overall revenue growth for the full financial year, albeit a small one, but a significant one as an inflection point towards sustainable growth for the future. Both EBITDA and PAT improved over the previous year by 8.6% and 23.5% respectively, aligned with the Company's operational performance.

As we enter FY26, our priorities are clear. Deliver profitable growth across all four segments, complete the alkaline project on time, and deepen our market leadership through new products, storage channels and relentless cost discipline.

Before I end these initial remarks, I am happy to share that at its meeting on May 9th, the Board of Directors of the Company appointed Mr. Anirban Banerjee – Head

of Businesses, as the Chief Executive Officer of the Company. This marks an important step in our planned leadership transition as I prepare to step down from my role on September 30, 2025. I am delighted that he has joined us on today's call and will be part of the team on an ongoing basis to advise and address queries from investors and analysts.

With that, I thank you for your attention. I now look forward to your questions.

- Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Arnav Sakhuja from Ambit. Please go ahead.
- Arnav Sakhuja:** Thank you for taking my question. I just wanted to know what figure for A&P expenses can we expect going forward in FY26?
- Suvamoy Saha:** It will be around the same level as we had in the last year. 10% of sales.
- Arnav Sakhuja:** Okay. And just one more question. So, correct me if I am wrong, but in the alkaline segment, our market share has now reached 14%. So, in FY26, do we expect to capture some more market share? Will it remain around this 14% level?
- Suvamoy Saha:** So the target for the Company, the internal target that we have taken up is that by FY26 end, we should be closer to 20%.
- Arnav Sakhuja:** Thanks for answering my questions.
- Moderator:** Our next question comes from the line of Luv Jain from Artha India Ventures. Please go ahead.
- Luv Jain:** Hi, very good evening and congratulations on the results. My first question is on the Jammu plant that you mentioned that it is likely to open at the end of this year. And further on that, I have seen that in the previous interaction that, Rs. 180 crore CAPEX for the Jammu facility was to be funded with the mix of 25% self-financing and 75% of debt. Are you in line with this financing or are you changing your capital structure like funding more from reserves or any changes in the capital structure?
- Suvamoy Saha:** So, we are very much on track and we will go by what we said at the beginning of the investment. So, we maintain that we will have a 25% from internal accruals. The rest will be funded through the loan.
- Luv Jain:** And on this Jammu facility, you expected that we bring around 10% reduction in cost. Could you clarify whether this benefit will be limited to battery segment alone or will it be reflected in overall reduction in the total expenses across all revenue segments?
- Suvamoy Saha:** No, of course, because the plant is primarily for battery purposes, and we stay committed at this point of time that, you know, the major reason for that plant getting hit here is the cost reduction. So we state that at least it will give a 10% plus saving for the battery. And if we get the right product, of course, there will be a synergy of cost optimization.
- Luv Jain:** And the next question is on the flashlight segment that we have seen a growth of 6.6% Y-o-Y as per the guidelines. On Q4 FY24 concall, we were expecting a 10% to 12% growth. Is there any kind of sustainability we can see on the growth side also on flashlights?
- Suvamoy Saha:** So, you know, as we mentioned, the category suffered a little bit on the rural demand pick-up because we had mentioned that 10% growth with an idea of what would be

the rural pick-up, but that didn't take place. So, it scaled down to 7%, but we are quite confident that with the BIS now coming into play, this category will certainly see higher level of growth in the coming times.

**Luv Jain:** And about the Alkaline Battery segment that you mentioned in the previous question that you are expecting 20% market share by FY26. Can I ask you what is the overall market size right now that you are in and you also in the previous interaction mentioned Duracell is the dominant Company in this segment and our target is to reach 50%+ market share. So, can I ask by when we can expect this range of market share to achieve?

**Anirban Banerjee:** See the market size for the batteries market currently is going at about, consumer values is at about Rs. 3,400 odd crore, right. So out of that, close to about 12% of the market, and you can do the math, which is close to about Rs. 400 odd crore, would be seen as alkaline as a segment. So, the balance 88% continues to be zinc in India. Of that close to Rs. 400 odd crore, Duracell post our becoming about 14% and there are one or two other players in the market, with all of us put together, we would together be I think about 18% of the market and the estimates are that Duracell would continue to hold about 82% to 83% share of that 12% of the battery market in India.

On your question on how long will it take to go to 50%, which I definitely think is the right and fair share for Eveready, my sense is that with the current trajectory, it should take another close to three to four years before we should be able to be half the alkaline market in India. Hope that answers your question.

**Luv Jain:** Yes, thank you so much. And on the next question, I have seen that the fourth category of revenue that you mentioned in the last 3-4 quarters, is there any idea what is the status on the 4th category of revenue?

**Suvamoy Saha:** So, there has been no 4th category per se, but we have introduced adjacent product categories, like we have come out with mosquito rackets. We are on the anvil of launching on the lighting side, MCBs and wires. So these are, you know, and then some allied appliances. We haven't really gone and started a new category, a Greenfield category. So, we have more concentrated on putting out adjacent products aligned to the existing three categories.

**Luv Jain:** And on the next question, can you give a brief idea about route-to-market strategy? What operational efficiency are we looking to improve? Are we looking at targeting the distribution through quick commerce and other modern distribution channels?

**Suvamoy Saha:** So, I think this we have covered several times in our earlier interactions, and I will once again say that the route-to-market was primarily targeted towards our general trade and our electrical distribution. And when we implemented it, we did face some challenges because we overnight brought down a distributor count closer of 5,000 to 1,000. You know, that needed a lot of logistics changes, change of people, etc.

However, we knew directionally that was the right thing to do. And over time, over the 18 months which I would say somewhere there is no hard coded date, but I would say by end of the 2nd quarter of FY25, we had by and large ironed out all those challenges. And the system is now sort of quite free, easy to take on the desired objectives that we had set ourselves from.

With regard to e-commerce and modern trade, that is again a very promising channel for us and we are trying to leverage to the best of our ability on those which has nothing to do with the traditional trade where we did the route-to-market.

**Moderator:** Thank you. Our next question comes from the line of Vikas Shrivastav from RBC Consultant. Please go ahead.

**Vikas Shrivastav:** Thank you. A follow-up question on the Alkaline Battery. A, do we expect the Alkaline Battery share in the overall market to grow over time with the improving purchasing power of the middle class? That was one question. B, with this 10% cost reduction when we start producing in India, my question was that what kind of advantage does it come in terms of current market prices with Duracell today? If you can answer them, then I will go to my next question.

**Anirban Banerjee:** So growth of the Alkaline Batteries in India will be directly proportional to the growth of some of the high consumption of batteries in devices. So the propagation of these devices, whether it is an optical mouse or a blood pressure monitoring system or remote-control toys or battery-operated toothbrushes have been far more prolific in the developed countries and in lot of parts of Asia. And thus you would see the trajectory of the Alkaline Batteries in those countries have been far more accelerated.

India is one of the very few bastions where zinc continued to be 90%-95% of the battery market. But over the next decade, with our macros looking stronger, we definitely see that affordability of the Indian middle class, as you rightly pointed out, and thus the penetration of some of these high drain devices by various organizations should help in accelerating and increasing the consumption of alkaline.

While having said that, your second question was that as we get a production foothold in India, obviously our margins improve. It may not have a direct bearing on the consumer prices as today the consumer prices for alkaline whether it is Duracell or Eveready is the same. In fact, let's say, if at all over a period of time the alkaline could technically be right priced which today might be actually under par. So yes, local production definitely helps us and improves our margin for a much more prolific expansion of the Alkaline Batteries in India. Hope that answers your question.

**Vikas Shrivastav:** Yes, thank you, Mr. Banerjee. Just a few more follow-up questions and I will just spell them out in one go. When are we expecting commercial production here? That was one. Unrelated question, you set up this factory in Jammu and bought real estate while we have our own real estate in other places or parts of India. My question was, where are these real estate? And I know I was told by Mr. Saha in one of the last calls that we are not in the business of selling land. But land which we are not using can be sold to reduce debt, and it could be a decent amount of money. So, I just wanted to know, what was the thinking behind setting up in Jammu and not using your existing land? And where are the pieces of land and factories which are completely unused?

My follow-up question was, give us some idea of what's happening to the KKR debt. Because a lot of our land, etc., due to High Court and Supreme Court restrictions cannot be sold till we settle the KKR debt. And the last question was that what is the status of the CCI penalty?

**Bibek Agarwala:** So, you have asked a total of five questions. So, let me give you one by one. Yes, as Suvamoy mentioned that we are on track as far as the Jammu plant timelines are concerned, before the end of this financial year, FY26, we expect the commercial production from the Jammu plant.

Now, the purpose of choosing Jammu is, of course, there is a commercial reason. You know the kind of incentive that Jammu is giving, which is way better than any other State Government. You have to see that the pricing of alkaline is so competitive that if you don't get better realization, either through cost optimization or through

some incentive, it will be difficult. So, that is one of the reasons for choosing Jammu as an investment destination for us.

With respect to lands, as we maintain that in a land and KKR matter, I think these are two related things to be discussed in context. First of all, I take the KKR question and then we go to land. KKR matter has been discussed and final arbitration has happened. And there are some timelines till 30th September has sought the claimant for internal settlement with all the parties. So, we expect that before 30th of September, the decision will come out on the KKR matter.

So now selling any land and discussion on the land is not in the question till the time KKR cases get solved. And on the Jammu plant, the Company has taken a decision two years back. So, you can understand at that point of time, we have to take a decision because of commercial reason. The Company has taken a call. And of course, when the KKR matter gets resolved, then the Company in due course will take a call that which are the lands productive, which are non-productive. Of course, you are absolutely right on your thinking that if we can dispose-off some of the property and we can get some value, why not repay the debt? Very valid thought. And we will also consider once immediately this KKR matter gets resolved.

CCI case, it is no development. There was a date on 5th of May which has got deferred to the 5th of August. So, I hope all the questions have been answered.

**Vikas Shrivastav:** Thank you, Mr. Saha. That was very helpful. Just one last bit which you did not answer was, where are our factories and what are these lands? As a shareholder, this should be public knowledge in the domain. What do we have today and land in which all destinations which we are not using today? We may use it day after, but today what are the lands or what are the factories which are not being used by Eveready?

**Suvamoy Saha:** So, we have, first of all, you know, our website will give you, provide this information. So, it is not hidden information. We operate out of a very small plant in Kolkata, which is historical, where we also incidentally have our R&D center. Then we have a plant in Assam, a place close to Goalpara. We have a plant in Haridwar. We have a plant in Mysore. We have a plant in Lucknow and one plant in Noida.

Now, as Bibek rightly said, the time for us to evaluate which one would sort of not be as productive as the other one would really come at the time when this KKR matter gets resolved. You are right that we could have. And what you refer to, we hold to. We selling land is not in our normal course of business. However, if some asset becomes surplus, obviously the Company would think of selling it off. But Bibek has rightly pointed out that time is not right yet to come to that conclusion. We will come to that in due course of time. All the plants that I listed are currently operating. They all make products for the Company.

**Moderator:** Our next question comes from the line of Bhargav from Ambit Asset Management. Please go ahead.

**Bhargav:** Good afternoon, and thank you very much for the opportunity. So, my first question was on this alkaline plant which we will put up in Jammu. So, Rs. 180 crore obviously translate into a fairly large turnover. Especially given that we are at close to Rs. 50 crore to Rs. 60 crore of run rate in alkaline and obviously as we are looking at 20% market share, we are effectively not going to cross Rs. 100 crore in this. So, is it fair to say that we are also looking at other opportunities like exports of the Alkaline Batteries from India or maybe also sell to some B2B channel? Lot of corporates also consume Alkaline Batteries. So, just wanted to have thoughts on that.

- Bibek Agarwala:** Yes, very true. Actually, I think you have gauged the point. This plant is not only for today selling to the B2C market. There is a huge opportunity on the B2B OEM and export opportunities. So the entire objective of putting the plant was to consider holistically that how do we capture the entire OEM bit because as we say that if we have to put the batteries in the blood pressure machine, you have to have a very cost competitive pricing so that you can connect with the OEM. So, those are the strategies to incorporate that B2B market also through the Jammu plant.
- Bhargav:** So, parallelly, I mean, to cater to these opportunities, are we already taking steps? Meaning, are we visiting these foreign buyers who might buy from us or maybe these OEMs? So, are we parallelly doing it or maybe once the plant comes in and then we start those initiatives?
- Bibek Agarwala:** So, we are parallelly doing it.
- Bhargav:** Secondly, you alluded briefly to some of the new product developments on which we are working. So, is it fair to say that this will be mainly as an ancillary to batteries, like say, maybe mobile battery chargers, etc., or a sort of emergency lamp, which we see on the website, which has an inverter attached to something like this, or it may be very different in terms of NPD?
- Suvamoy Saha:** So this should be all at this point of time ancillary to all our three existing verticals, which is batteries, flashlights and lights. And there would be perhaps one commonality that we would be using in all these products some battery source which gives us synergy with the Company. We have not yet thought of any category, which as I mentioned a little while back, which is infill in nature, which has nothing to do with the existing three categories.
- Bhargav:** And lastly, Mr. Saha, thank you very much for your time. You have been really kind enough since so long. And Mr. Anirban, congratulations on your appointment as the CEO. Thank you very much.
- Suvamoy Saha:** Thank you. Very kind of you.
- Anirban Banerjee:** Thank you.
- Moderator:** The next question comes from the line of Chirag from Keynote Capitals. Please go ahead.
- Chirag:** Thank you for the opportunity. My first question is related to the battery segment. Is it possible for you to give value based figures between the Alkaline Batteries and Zinc Batteries for the entire year?
- Suvamoy Saha:** Okay. So, Zinc Battery throughout the year is Rs. 800 crore and the Alkaline is Rs. 55 crore.
- Chirag:** With this kind of mix at this moment, I just want to know as margins for Alkaline Batteries are comparatively lower, 20% at this moment and once the new facility would commence, it would improve. However, with increasing zinc prices at current levels, are we expecting some kind of reduction in our gross margins for the next year or going forward?
- Suvamoy Saha:** So, we are trying to hold to the almost same level, 100 bps plus and minus because more and more alkaline mix may disturb, but we will try to recover it from some other operational efficiencies.

**Chirag:** So, our target gross margins will be the same as what it is at current levels?

**Suvamoy Saha:** We try to hold near about that. As I said, 100 bps plus minus.

**Chirag:** My next question is related to lightning segment. In our previous calls, we have mentioned that we are increasing our focus towards professional and consumer luminaires, right? Just wanted to know what are the developments over there because I was having an understanding that due to this kind of a strategic thought, our volume and value growth in the lighting segment was expected to increase at a faster pace. Is this because of the higher erosion in price that is taking place? And if it is yes, then could you just let us know what kind of erosion of price has taken place till now?

**Suvamoy Saha:** So, you know, this is the experience of the entire lighting industry. There has been significant price erosion. While we have been able to grow volumes, our revenue growth was very muted. I mean, we did a positive growth, but it was muted.

With regard to that, you know, growing our consumer luminaires, it is a continuous process because we are under indexed there. And that is the journey that we have already started taking in terms of reviewing the portfolio, what needs to go to the retailer, etc. That job is on. And hopefully in the coming days, we will see improvement in that indexation.

With regard to professional luminaires, we have sort of inducted a new leadership, and we are extremely aspirational on this vertical in the lighting. So that is as of now. We did grow last year also on professional luminaire by about what?

**Anirban Banerjee:** A high double digit.

**Suvamoy Saha:** A high double digit. But we think we should grow even faster than that in the current year.

**Chirag:** Two general questions. One is, could you let me know what is the mix of general trade and alternate channels?

**Bibek Agarwala:** So, general trade and alternate channel is around 74%, 26%. So, three-fourth is the trade and one-fourth is the alternate channels.

**Chirag:** This is for the entire year, FY25, right?

**Bibek Agarwala:** Yes.

**Chirag:** And second question. I am able to see that our gross debt levels are similar at this hovering around Rs. 310 crore level. However, our interest costs have gone down drastically over the last one-year period. Is it because of the change in interest rate what has happened and what can be the finance cost that we can expect going forward?

**Bibek Agarwala:** So, two parts. You know, the gross debt reduction has happened throughout, if you see, it may look like the debts are looking same compared to last year. But actually, on a like-to-like basis, there is almost Rs. 90 crore to Rs. 100 crore date reduction which has happened throughout the year. But there is another investment of Rs. 100 crore for Jammu plant which has happened recently.

So, while the debt reduction has happened throughout the year, but the payment for the Jammu investment has gone recently. So that is one of the reasons of the interest

looking better than that. And so we will see, today because our interest cost, we expect that it will be in line with the additional borrowing because if we have invested Rs. 100 crore, so there will be another Rs. 80 crore spend to be on account of the Jammu plant. So, we currently maintain around 8.7% to 8.8% kind of coupon rate and we look forward to hold on the same round. So, interest cost will be on line with that only.

**Chirag:** Fair enough. Lastly, when you mentioned in the call that 12% and 88% market mix of batteries in alkaline and Zinc, was it related to volume-based mix or value-based mix?

**Suvamoy Saha:** That's value based.

**Chirag:** Value based, okay, thank you so much. I will get back in the queue.

**Moderator:** Thank you. The next question comes from Priyanka Sarkar with Square 64 Capital Advisors LLP. Please go ahead.

**Priyanka Sarkar:** Good afternoon. You mentioned a bit on the lighting. I just want to get some more clarity. Point one is, what is the outlook for the lighting segment at an overall level because there has been continuous price erosion? That is one. And what are the margins that we clocked for the entire FY25 in this division of lighting? And are we on target to double the revenue which we had given I think two years back?

**Bibek Agarwala:** So, operating margin for the lighting, for whole year we could manage to break even actually this year. So, while you may see there is a very marginal increase in the top line, but our volume growth was substantial. So, in this business, last year we are around 4%, 3.5% type of operating margin, negative. So, we could manage to come to the break even this year.

**Priyanka Sarkar:** Another question is, what is the number of distributors that we have reached for lighting as of now? And what was it in F24? Because I believe we are trying to have a separate channel for lighting, right?

**Suvamoy Saha:** So, we have about currently 250 active distributors. The numbers have not changed very drastically. What has happened is we have, you know, as we said that this is a focus area and we need good distributors to partner us for the growth journey. So, we have eliminated some distributors who we thought were not really sort of fitting the bill and taken on new distributors. So, count remains the same but the quality has improved.

**Priyanka Sarka:** The first question which I asked, are you on track to double our revenue in the lighting segment which we had given a couple of years back?

**Suvamoy Saha:** Yes, so, you know, we have been extremely ambitious on the lighting, but this price erosion was something which was not at that time factored in our thoughts. So, we remain aspirational and we have internally again taken our target for growth. I would say significant growth this year.

The price erosion, you also had asked where do we see this price erosion going. It is tapering off. I mean, it has not stopped but it is tapering off. And we hope that the way the cost dynamics work, it cannot be sustained for too long by all the players, not alone by us.

So, I think the market would resume its normal behavior sooner than later. And hence, as we have mentioned, we managed to grow volumes. But the value did not

sort of reflect that. In the coming times, I think volume as well as value both would show, I would say, significant level of growth.

**Chirag:** Fair enough. Thank you, and wish you all the best.

**Moderator:** Thank you. The next question comes from Arnab, who is an investor. Please go ahead.

**Arnab:** Hello. Thank you for the opportunity. I have one comment and one question. Coming to the comment, I wanted to thank Suvamoy. I remember from the first Eveready conference call, first two calls, he told us a plan and for last eight, nine quarters, with his leadership team, he has executed the plan. Eveready looks very different and in a much better shape today in terms of business plan, execution capability and what it has been able to achieve on the ground. And I am sure with all his leadership team, a lot of creative people, Suvamoy. So, thank you very much. Heartfelt thanks from the side of the shareholders.

**Suvamoy Saha:** Much appreciated. Really much, very kind.

**Arnab:** All right. Now moving on to a question. So, one of the targets we had was we would get to twice as much revenue as we had in FY21-22, around that time. And I know that even the categories we have, which grows about, you know, one category grows 5%, one there is not expected price erosion, the flashlight is not big enough to move the needle. So probably, even if we take three years out, we would have added in these three categories together, optimistically, maybe another Rs. 500 crore. That will still leave us with a gap of Rs. 500-600 crore or maybe Rs. 400 crore on our acquisition term, which was a new category, maybe an acquisition or anything. So, I was curious to know at this point, do you want to leave us with some point of what to expect on that front going forward? That's all. Thank you very much.

**Bibek Agarwala:** So no, you are very true actually, you know, FY21-22 onwards we planned to do the doubling, and I think this has come a couple of times. But you know the dynamics of the industry was little bit different now because once we took over that ambitious target, lighting was one of the biggest growth driver. If you see the last two years, we may have grown the volume more than 40%, but our value almost remained constant. That is one of the things. And what has happened over a period of time is that zinc carbon, because of the competitive pricing of Alkaline Battery which remain, there is a very two front. One is volume growth is tepid and the price increase is also not very deep spoken at the high because the value alkaline prices are also moderately below par. So, this is the second reason for the battery.

And third, flashlight is an innovative category. You might have seen that Eveready earlier, two years back, was mostly on the battery-operated flashlight. But what happened? The market has significantly moved towards the rechargeable flashlight. So, over the last four quarters, there is an enough number of innovation has happened in the flashlight category. And today we think that will lead us to the next level of growth and plus the BIS certification, which is expected early next year will give a level playing field for the organized sector. So, these things have taken, I think, post route-to-market six to eight quarters of the settling time as you rightly mentioned that we are maybe two years we have lost in our entire journey.

**Arnab:** So, 4th category plan right now, there is nothing in the offering, or will it come with some time?

**Bibek Agarwala:** So, two things. First of all, innovation, new things, almost always in radar. So, as of now, we are working only on adjacency. But if you say 4th category, it is only on the drawing board level for us. We are thinking many categories, but we have to be very

careful, because building a category, building a brand takes a hell lot of time. Since we have just settled down our route-to-market, we want to see a couple of quarters of while parallel growth. Plus, we think a new product, new innovation, whether it is a new category or through efficiency. But the growth is paramount for us now.

**Moderator:** Thank you. Our next question comes from Luv Jain from Artha India Ventures. Please go ahead.

**Luv Jain:** Hi, can you tell me what is the status of Electrical Outlet Division (EOD)? Can you share some revenue numbers or growth that the Company is expecting?

**Suvamoy Saha:** So, electrical outlet divisions as you said are the key channels for our revenue growth. So, around Rs. 115 crore is the revenue for those channels with 10% growth there.

**Luv Jain:** In the previous interaction, you mentioned that you expected to reach around Rs. 1,800 crore revenue by FY27. Is there any tentative timeline where you can see the growth of this much of revenue?

**Bibek Agarwala:** So, now we still have two years to go and if, finger crossed, we are on the right trajectory, as you see, after the five quarters, we have constantly demonstrated a growth journey. So, last Quarter 3, we have a 9% plus and this quarter also 6% plus growth, and if this growth momentum continues and the kind of NPD and the adjacency product we have in line, this is very much possible. And we just only say that what we have seen unprecedented value erosion in the category of lighting, despite of serious volume growth, we could not see any revenue growth. So, these are some challenges, but at this point of time as we think that maybe that value erosion has bottomed out, and we may look forward whether it will be Rs. 1,700 or Rs. 1,600 or Rs. 1,800 crore, but what we can say that we are now completely having growth momentum in place. And we look forward to profitable growth in coming quarters.

**Moderator:** Thank you. The next question comes from Chirag from Keynote Capitals. Please go ahead.

**Chirag:** Thank you for the follow up. Is it possible for you to provide operating margins for all the three segments for FY25 and FY24?

**Bibek Agarwala:** Yes. So, the operating margin as we mentioned, I think lighting already we have mentioned is a breakeven at this point of time. And 15% for the battery business and 8% for the flashlight business. Overall, it is 11.3%.

**Chirag:** This was for FY25.

**Bibek Agarwala:** Yes.

**Chirag:** And for Q4 FY25?

**Bibek Agarwala:** That is 13% for battery and almost flat for lighting business. And flashlight is marginally negative to a 5%.

**Chirag:** And as you are mentioning that we have a substantial volume growth in lighting segment, could you give a ballpark number for the same and what kind of value growth on that?

**Suvamoy Saha:** So, now you have to see in the lighting it has to be a category-by-category isolation as a lighting you can't say because GLS, if you see, is a continuous de-growth category. But if I have to tell you that emergency bulb category, we have grown more than 20%. Consumer luminaire we have grown more than 30% So, these are the kind of volume growth we have got in these businesses. But because of one side is the value addition, another side is that GLS, which is continuously de-growing high double digit. So, that is why overall lighting volume is not comparable. Hence, I have given category wise number to you.

**Chirag:** Thank you, and all the best for the future.

**Suvamoy Saha:** Thank you.

**Moderator:** Thank you. Our next question comes from the line of Lakshminarayanan with Tunga Investments. Please go ahead.

**Lakshminarayanan:** So, a couple of questions. The first is that there is a product differentiation and a distribution differentiation, right? So, if you just look across all your three product lines, clearly on batteries there is a product differentiation. For the other two categories, how you would think about differentiation? Is it a distribution or a regional or how to think about that?

**Suvamoy Saha:** So, you know, it is a mix of both. First of all, in batteries, we try to differentiate with higher performance, but the brand is very important. That is why all our endeavors, much of our ad spends and the promotional efforts go towards the batteries, keeping batteries high. We hold a very high market share of 53%. On flashlights, these are all feature driven. So, it is not only the brand, there are features which are unique to us which the rest of the market do not have.

On the lighting, I would say, other than the emergency bulbs, where I think we have some features which others do not have, most of the products are somewhat me too. You cannot differentiate on an LED bulb. What more or less can you give? So, there it is the story of the brand and the story of the availability. So, you know, we make sure that in the geographies where we operate, our products are available on the shelves when the consumers go to pick them up. And for that matter, the e-commerce platform or the modern store. So, that is what I would say, that it's a mix of all factors together. There is no one unique factor.

**Lakshminarayanan:** And on rechargeable flashlights, right, so what kind of geography mix or Tier 1, Tier 2 thing do you have?

**Suvamoy Saha:** I will let Anirban answer that.

**Anirban Banerjee:** See the flashlights as a category in India, two-thirds of the flashlights come from rural India. So, it is not as relevant in urban India as it was because of better electricity, more cell phones, more mobile phones, etc. And that's, you know, wherever there is a agricultural belt from the east to west of the country, there is a certain dispersion of flashlights. So, West Bengal, Bihar, UP, Rajasthan, Madhya Pradesh, as I said, it's a fair mix of East, West and North kind of comprises a significant portion in the Tier 2, Tier 1 and rural areas will be the primary target group and place for flashlights in India.

**Moderator:** Thank you. Our next question comes from the line of Vikas Shrivastav from RBC Consultant. Please go ahead.

**Vikas Shrivastav:** I have just a couple of more questions. We invested in our RTM and obviously the market has been disruptive, and we have moved to e-commerce and I think that's a thrust area. So, does the distribution cost come up over a period of time? How do you see the share of e-commerce versus traditional off-the-shelf sale? That was one question.

The second question which I couldn't complete and which I wanted to know is that what is the size of the Noida plot? And I am assuming after we pay off and if all this consolidation happens after we pay off KKR and our CCI liability, if any, in the consolidation, do you expect just from these two, three cash flow sources or liabilities, could we expect some positive cash flows or could we be left with a liability?

And third question was, what is the management's or the Board's decision on stock options to senior personnel of Eveready?

**Anirban Banerjee:** I will take the first question which has to do with the distribution saliency. So, my sense is that, as we all know, e-commerce in India is at a nascent stage and is growing fast, and certainly it would be wise to be a participant in the journey. Batteries, you need it now when you need it, right. So, there is no question of waiting any longer for batteries that I go out and get it and that quick commerce is an important anvil for serving the consumer need for his immediate need for batteries that have gone poor. We are partnering with many quick commerce and are encouraging consumers in urban areas specifically to be cognizant and trying to be up on the share of shelf, etc. And our brand is very cleanly available across zinc and alkaline and other batteries including rechargeables and coins, etc.

Now that being said, traditional trade in India is not going to go away anywhere at all in my sense of it. It is going to remain there, and it is going to be the pivotal backbone of any FMCG consumer goods Company. We are present in close to about 4.5 to 5 million outlets as per third-party researchers, etc. And that to be disrupted completely by e-commerce very soon. So, to me, there is going to be a fair play of the traditional trade, the modern trade, running e-commerce channels, each serving to a set of consumers and their value needs and purposes. And we are going to keep our old channels while partnering some of the upcoming channels to be able to ensure that irrespective of where the consumer looks for a battery, he kind of very smoothly gets hands-on availability.

**Suvamoy Saha:** Coming to your second question with regard to what is going to be the heat on the Company for KKR or CCI, as we mentioned, this would be sort of known to us in the days to come. We already have explained to you earlier also our stand on the KKR issue and the appeal that we have made on CCI. Now whether this crystallization of amount would take place in the next two months or by 30th September as Bibek mentioned a little while back is something that we have to figure out.

Now, obviously, any such hit, if at all, we would ensure that it doesn't fall adversely on the growth trajectory of the Company or its operational day-to-day business. So, at that point of time, exactly, I am not saying that I will know on day one and on day two I will decide. But management would apply its mind, as I said, that based on logistics, based on distribution, we would see which asset is the best to be rendered as surplus and hence, you know, sort of disposed of. We have not come to any such conclusion. So, putting a name to this at this point of time would be inappropriate and misleading maybe.

**Vikas Shrivastav:** That's good. And on the stock options, please, what's the, as a retention and compensation policy of the Company.

**Suvamoy Saha:** So the Company is thinking about it, but as we had highlighted earlier also, I mean, we are waiting for this KKR matter to be resolved. As soon as that is resolved, we should be in a position to come out with, I mean, in principle, philosophically, the Company is totally aligned on this concept.

**Vikas Shrivastav:** So, one can feel also comfortable that then we are not looking at a preferential allotment or anything to the current promoters in the near future.

**Suvamoy Saha:** We really haven't, you know, that is getting ahead of ourselves. We have not thought that far. We know that as a method of compensation, senior employees need to be rewarded through the ESOP option and that is what we would be working on.

**Vikas Shrivastav:** Thank you very much. You have been very patient with me. Thank you.

**Suvamoy Saha:** Thank you. Pleasure as well.

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

**Suvamoy Saha:** Thank you everyone for taking time out to join us on this earnings call today. I hope we have adequately answered all your questions. If you still have more queries, please reach out to our Investor Relations team and we will be happy to address those. Thank you once again and look forward to connecting with you again in the next quarter.

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

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