

# Pajson Agro India

27 March 2026

**Operator:** Good afternoon, everyone, and thank you for joining us today. I am Saisha, and I welcome you all to the investor interaction with Pajson Agro India Ltd.

We are pleased to have with us Mr. Ayush Jain, who is the Promoter, Chairman, and Managing Director. Hello sir, good afternoon.

**Management:** Good afternoon.

**Operator:** Mr. Pulkit Jain is also here as a Promoter and Non-Executive Director of the company. Hello sir, good afternoon.

**Management:** Good afternoon.

**Operator:** We also have a group of investors and participants joining us today. Thank you all for taking the time to be part of this interaction. We have Mr. Vaibhav Kapoor from Swaraj Holdings, Mr. Ashish Khowadia from Minerva Global, Mr. Sahil Raj from Samdariya Capital Ventures, Ms. Lizzeline Maharana from Tijori Finance, Mr. Abhishek Jain from AJ Capital, Ms. Diya from Sapphire Capital, Mr. Shubham Jain from Minerva Capital Research Solutions, Mr. Nikhil Singhania from Singhania Family Office, Mr. Varun Gandhi from Finn Avenue, Mr. Abhishek Garg and Mr. Deepak Tayal as HNIs, and Mr. Purva Shah from Robis Fund.

Before we begin, I will quickly run through a brief overview of the company. Pajson Agro India Ltd. is engaged in processing raw cashew nuts into market-ready cashew kernels for both domestic and international markets. The company offers a wide range of cashew kernels across bulk and retail formats, and also markets packaged dry fruits under its consumer brand called Royal Meva.

The company sources raw cashew nuts from key African countries including Benin, Ghana, Ivory Coast, and Tanzania, among others, and processes them at its automated facility focused on efficiency, hygiene, and consistent quality. In addition to kernels, Pajson Agro India Ltd. also derives value from byproducts such as cashew husk and shells catering to agricultural and industrial applications.

The company continues to focus on strengthening its processing capabilities, expanding its market presence, and building long-term relationships across its sourcing and customer ecosystem. The company was listed on the BSE SME platform in December 2025. On the financial front, for FY25, the company reported a total income of 187 crores, with an EBITDA margin of 16% and a PAT margin of 11%. With this, I would now request the management to share their remarks, following which we can open the floor for Q&A. Over to you, Ayush sir.

**Management:** Hi, good evening everyone, and thank you for joining today. I would like to start with a brief about Pajson Agro India Ltd., and then I would like to give you a brief about what we have been doing in FY26 and how the outlook looks for FY27.

Pajson Agro India Ltd. is an integrated cashew processing company engaged in sourcing raw cashew nuts from Africa, processing them into high-quality kernels, and distributing them across international and domestic markets. We also have a growing B2C brand called Royal Meva, which focusing on offering premium dry fruits to our customers. Our key strength lies in our end-to-end

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

value chain integration, from sourcing to processing, grading, packaging, and distribution. This allows us to maintain consistent quality, optimize costs, and respond quickly to market trends.

We operate a modern automated processing facility in Andhra Pradesh with a current installed capacity of 18,000 metric tons and are further expanding into a second facility in Vizianagaram, Andhra Pradesh. This positions us strongly to capture increasing demand both in India and export markets.

On the financial front, we have demonstrated strong growth. For FY25, our revenue stood at 187 crores, and for H1 FY26, our revenue stood at 118 crores. This growth has been driven by a scale-up in operations and a strong distribution network. Our distribution network spans across India, with a strong presence in key consumption markets, supported by long-standing relationships with wholesalers, retailers, and institutions. Going forward, our focus is on capacity expansion to drive volume growth, geographic expansion including exports, strengthening our brand Royal Meva, and continued investments in technology and quality to build a scalable and sustainable business.

Now coming to FY25 and FY26, FY26 has been a very strong year for Pajson Agro India Ltd. We have had revenue growth of nearly 40%, which is backed by capacity expansion at our Anakapalli plant. Our profit margins for the year are intact compared to last year. We have been focusing very hard on our depth of distribution, both in terms of wholesale and institutions.

In FY25, we had 171 distributors, which in FY26 has crossed 350 distributors. In FY25, we operated in 17 states across India, but in FY26, we have moved to 20 states. As promised earlier, our focus is on increasing our institutional sales. Our institutional sales have increased tremendously in the past year, and we have seen an increase of nearly 40% in institutional sales as compared to last year.

Our brand Royal Meva has been doing really well, and since our inception, we have been growing continuously. We are finding marketing channels where we do not have to compromise on the bottom line, and we are able to achieve our growth target. Now, moving on to the new plant that we are setting up, for which we got listed and raised funds from the equity markets. Construction is in full swing at the new facility, and we hope to finish the civil and construction part by August or September of this year. We have already started placing orders for machinery, and we are hopeful that we will be able to enter commercial production by November or December of FY27.

Moving forward in FY27, as the new plant comes into production in November or December, we look at growth of 30–40% for the year. Even if we encounter any unforeseen circumstances, we are looking at 10–15% growth from the current plant in terms of revenue. That is all from our side. We would be happy to take your questions.

**Operator:** Investors, the floor is now open for Q&A. You can drop your questions in the chat box or raise your hand. We have a question from Mr. Nikhil Singhanian. How is the crop output in Africa?

**Management:** For the upcoming season, if we talk about quantity, we see that the crop is sufficient. The quantity is there across all countries. If we compare the quality this year to last year, the overall quality of the crop seems to be a little poor, but it is still very early to say. We are only at the end of March. We will know much more in the coming months.

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Operator:** Yes, Madhur sir, please go ahead.

**Madhur:** Thank you for the opportunity. Sir, I am looking at your competitor, Alia Commodities, and they have 5–6% EBITDA margins while we have 15–18% EBITDA margins. Why is there so much difference when we are in the same business?

**Management:** The difference is very clear. One factor is that Alia is not only into cashew kernel processing; they also trade other commodities. In pure trading, the overall EBITDA margins are much lower. This reduces their average margin. We are a pure cashew processor. If you compare only the processing EBITDA between Alia and Pajson Agro India Ltd., there would not be much difference in the numbers.

**Madhur:** Got it. With the new plant, what kind of EBITDA margins can we expect for this year and next year? Can we expect around 18–20%?

**Management:** We expect to remain at the same levels as this year and last year.

**Madhur:** Do we have any off-take agreements with customers for this new plant, or how are we planning the volume off-take for the expanded capacity?

**Management:** We do not have pre-planned agreements because customers are always looking for delivery timelines. Until production starts, we cannot give those timelines. However, we are always short of product. More than 80% of our revenue comes from repeat customers. We are currently unable to serve many new customers, and our institutional clients are demanding more quantities. Considering this, the capacity expansion is necessary to increase our revenue.

**Madhur:** Your top 10 customers contributed close to 60% of revenue for the past 3–4 years. Could you mention who these customers are?

**Management:** It is a mix of both wholesale and institutional customers. The institutional customers are some of the largest packers in the country, namely VRO, Farmley, and Happilo. Our top wholesale customers are predominantly based in Delhi, Uttar Pradesh, and Rajasthan.

**Madhur:** Why do these customers prefer Pajson Agro India Ltd. over doing the processing in-house? Many of these companies are venture-funded.

**Management:** Cashew has been a cottage industry for a long time. Large-scale processing became possible only in the last decade with mechanization. These companies look for large-scale processors to cover their required quantities. Regarding why they do not invest in-house, cashew processing is highly skilled and experience-backed. Establishing a raw material supply chain and managing the technical aspects of processing is difficult. Since these companies deal with multiple products, focusing only on a cashew plant would be tough for them.

**Madhur:** Looking at your balance sheet, inventories were 14 crores at the end of FY25 and jumped to 70 crores. Is that because the crop comes in bulk and you buy seasonal stock?

**Management:** Yes, it is totally because of that. It is a seasonal commodity, so during the mid-year, we are at our highest inventory levels.

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Madhur:** What is the capacity of the new plant?

**Management:** 35,000 metric tons.

**Madhur:** So our total capacity will be 53,000 metric tons by the end of FY27?

**Management:** Yes, that is correct.

**Operator:** We have a question in the chat box from Mr. Deepak Tayal. "Please provide inputs on any impact on the supply chain due to the current disturbance in the Middle East."

**Management:** It is unfortunate that the Middle East is going through these disturbances, but our supply chain comes from West Africa to India. There is no direct impact on the shipping routes we take. The supply chain has not been disrupted. However, because fuel prices have gone up, there is a slight increase in freight prices.

**Operator:** Will this impact margins, or are you able to pass on the increase in freight costs?

**Management:** The total freight cost as a percentage of sales is very small, and the increase is negligible. Even if we do not pass it on, there will be no major impact.

**Deepak Tayal:** I understand you have quantity commitments with institutional clients. Are your prices fixed or based on the date of delivery?

**Management:** For a few institutional customers, we have quantity commitments. Prices are fixed at the beginning of every month. For other contracts, we fix the price for one to two months at a time.

**Deepak Tayal:** So you secure fixed prices on the sourcing side as well?

**Management:** Yes, that is correct.

**Deepak Tayal:** So price fluctuations do not impact margins because you secure raw material and sales prices on similar timelines?

**Management:** Yes.

**Operator:** There is a follow-up question regarding urea. Since cashew crops use urea, has the disruption in production increased raw material costs?

**Management:** Not really. Cashew is a tree crop and is not entirely dependent on the fertilizers used for crops like rice or soybean. The impact on raw cashew nuts is negligible.

**Operator:** Mr. Nikhil Singhania, please go ahead.

**Nikhil Singhania:** The Rupee has depreciated significantly. How does this impact your P&L?

**Management:** Rupee depreciation is mostly passed on to customers. The prices for finished kernels increase accordingly. In the short term, say one to two months, it might impact the balance sheet, but we make provisions for that beforehand. In the long term, currency impacts are definitely passed on to the customers.

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Operator:** Mr. Vaibhav Kapoor, please go ahead.

**Vaibhav Kapoor:** Regarding margins, looking at the past three years, the EBITDA margins ranged from 1% to 16%. What factors impact this?

**Management:** We have transitioned a lot since our establishment. In the initial years, we were just starting and learning. As we established our processes, we reinvested in technology. We acquired the current plant and ran that technology for a year before reinvesting in automation. As we increased capacity, economies of scale helped us reduce costs and increase margins significantly.

**Vaibhav Kapoor:** Could you be more specific about the technology and how it translated to higher margins?

**Management:** The main factor is technology. Cashew processing has evolved, and high-capex technology now improves the yields of cashew wholes. It reduces broken percentages, contamination, and improves the color of the kernels. Enhancing our technology and Standard Operating Procedures (SOPs) has helped us increase both revenue and margins.

**Vaibhav Kapoor:** You have 18,000 metric tons of capacity. What is the value of the plant and machinery on the books versus the replacement cost, and what is the capex for the new 35,000 metric ton facility?

**Management:** In FY25, the expanded capacity came into production in April 2025, so those figures do not include the entire expansion value. To set up a plant with an 18,000 metric ton capacity, the machinery cost is about 20–25 crores. For the new plant with a 25,000 metric ton capacity, the capex is about 75 crores. Out of that 75 crores, roughly 48 crores is for machinery and about 29–30 crores is for the building. This capex does not include the land, which was acquired earlier.

**Vaibhav Kapoor:** Could you give a breakup of the machinery in the 18,000 metric ton facility?

**Management:** It starts with two boilers (one 3-ton and one 1-ton). Then we have pre-cleaning for impurities, cookers, and automated conveyors and silos. We have cashew shelling machines to remove shells. We use advanced AI-enabled color sorters to separate kernels from shells. We have dryers and humidifiers for moisture control. After that, we have peeling machines to remove the skin, followed by color graders and size sorters which use deep learning technology. Color sorters are used at multiple stages: first to remove impurities and later for grading and sorting after the kernels are peeled.

**Vaibhav Kapoor:** What is the minimum viable capacity for a competitor to be efficient?

**Management:** There are setups as small as 1,000 metric tons, but they cannot match our economies of scale or efficiency. A plant would need at least 15,000 metric tons to match our production efficiency. A 1,000-ton plant might only make 1% margin or even lose money; they are effectively cottage industries. Moving from 18,000 tons to 50,000–55,000 tons can provide an additional 2–3% margin difference.

**Vaibhav Kapoor:** How does the efficiency differ at the 35,000-ton scale compared to 18,000 tons?

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Management:** The main difference is overhead. We still only need one General Manager and one Production Manager for 25,000 tons versus 18,000 tons. The indirect costs per unit decrease.

**Vaibhav Kapoor:** You mentioned changing technology when you took over the plant. What were the specific gains?

**Management:** The heart of the process is shelling. Earlier, we were getting 87–88% wholes. After changing the machinery, we got nearly 98% wholes. The previous conveyor system caused contamination from cashew nut shell liquid (CNSL) which reduced the sales realization. Contamination dropped from 13% to 1%. Finally, the final packable wholes increased from 52% to 70–73% of the entire process. Wholes have a much higher sales realization in the market.

**Vaibhav Kapoor:** Any reason why the previous owners did not make these changes?

**Management:** They were a Singapore-based global company and the largest cashew processors in the world. They had their own corporate structure and global tie-ups and were not ready to change that specific plant's configuration.

**Vaibhav Kapoor:** How many players in India operate above 15,000 metric tons?

**Management:** I believe there are 15 or fewer.

**Vaibhav Kapoor:** Where do your imports come from?

**Management:** West African countries; namely Nigeria, Ghana, Ivory Coast, Guinea-Bissau, and Togo.

**Vaibhav Kapoor:** Is there an import duty on finished cashews in India?

**Management:** Yes, it is 70%.

**Operator:** Ms. Lizzeline Maharana, please go ahead.

**Lizzeline Maharana:** Cashew is a commoditized business and prices are volatile. What is the current price trend and your future projection?

**Management:** Cashew is a niche commodity because it is grown only in certain parts of the world, which is a big advantage. To manage volatility, we are very strong in sourcing from West Africa. We participate throughout the season across all production areas at regular intervals. This helps us average our purchase prices throughout the year, mitigating the volatility that usually occurs during the raw cashew nut season.

**Lizzeline Maharana:** Have you seen any demand impact?

**Management:** Not really.

**Lizzeline Maharana:** What is the price difference between raw cashew nuts procured from India versus those imported from Africa?

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Management:** India consumes over 2 million tons of raw cashew nuts but does not produce the entire amount, so it must import. Indian crop quality gives much higher yields than African crops. Consequently, the price per kg for Indian crops is higher because the yields are higher. Currently, the price for the Indian crop is about 170–175 rupees per kg, whereas raw cashew nuts from Africa are between 140–150 rupees per kg.

**Lizzeline Maharana:** Are you planning to extract oil from cashew shells or add other nuts like almonds or pistachios to your portfolio?

**Management:** Yes, we are looking at Cashew Nut Shell Liquid (CNSL) extraction. Once the new plant is commercialized, we will set up a CNSL plant there; we have already marked space for it. Regarding other nuts, we will focus on them under our B2C brand, Royal Meva. We are already doing that in small quantities. We are also developing value-added products like flavored cashews for the B2C brand.

**Lizzeline Maharana:** What percentage of revenue do you expect from B2C?

**Management:** Currently it is very small, but our target for the next three financial years is to reach 15% of total revenue.

**Lizzeline Maharana:** Will the new plant be operational in FY27 or FY28?

**Management:** It will start operations in FY27. The byproduct oil extraction will start in FY28.

**Operator:** Mr. Deepak Tayal, please go ahead.

**Deepak Tayal:** What is the largest cashew processing plant capacity globally?

**Management:** The largest global players have multiple facilities totaling 110,000 to 115,000 tons. Single facilities usually reach a maximum of 35,000 to 50,000 tons.

**Deepak Tayal:** The new plant starts in December, so we will only see the capacity impact in Q4 FY27. Since the current plant is at full capacity, will growth be limited for the first three quarters?

**Management:** Even without the new facility, we expect to grow 15–20% in FY27 through optimization. With the new capacity coming online for a few months, we would achieve a higher number. This growth is based on quantity.

**Operator:** Mr. Nikhil Singhania, please go ahead.

**Nikhil Singhania:** You mentioned that the upcoming crop may have quality issues. Will this impact demand from big clients like Haldiram and Bikanerwala?

**Management:** Quality issues in raw cashews mean the kernel yield per pound is lower. For example, if the yield was 26% last year, it might be lower this year. This affects overall supply rather than demand. The color and wholes are generally consistent.

**Nikhil Singhania:** Why don't we procure from Vietnam?

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Management:** Raw cashew nuts grown in Vietnam are processed there. It does not make economic sense to export them to India.

**Nikhil Singhania:** When selling, is the major issue price or quality?

**Management:** It is the price. It is a very price-sensitive market.

**Operator:** Mr. Varun Gandhi, please go ahead.

**Varun Gandhi:** You mentioned you have reached maximum capacity and are doubling it by FY27. What is the peak potential revenue from the new capacity?

**Management:** At peak, at 85% utilization, it would be between 500 and 545 crores. We target reaching that level by FY29.

**Varun Gandhi:** How do you differentiate Pajson Agro India Ltd. for new customers?

**Management:** Our quality control is very stringent. Since cashews are eaten without the skin, sorting and grading are essential. We ensure uniformity in entire lots, which has not traditionally been the case with all processors. This consistency has built trust with institutional clients, as reflected in our 80% repeat revenue rate.

**Varun Gandhi:** How do you hedge your selling price?

**Management:** There is no mechanism for hedging the final selling price. We stay in touch with customers and supply at market prices. Kernel prices are directly impacted by raw cashew nut prices. Since the season is only 3–4 months per country, volatility is lower once the season ends. We rely on averaging our raw material costs.

**Varun Gandhi:** Will working capital requirements look similar as you scale?

**Management:** The required amount will increase with capacity. We are working on the most efficient ways to cover that working capital at the best cost.

**Varun Gandhi:** What does a typical sales cycle look like?

**Management:** It is a continuous process. It takes 4–5 months for raw cashew nuts to arrive from Africa. We currently have orders in hand for April and half of May. Once the raw material is at the plant, it takes 15–18 days to process it into finished products.

**Operator:** Mr. Ram, please go ahead.

**Ram:** What is the price difference between your products and your competitors?

**Management:** Between us and our competitors making similar quality, there might be a 1–2% difference. We customize products to customer requirements. We do not necessarily discount; it is a market-driven price. Relationships and consistent supply are more important. If a customer has worked with us for three years, they value the consistency over a slight price offer from a new competitor.

Report is AI-generated and may contain inaccuracies.

## Pajson Agro India

27 March 2026

**Operator:** Mr. Purva Shah, please go ahead.

**Purva Shah:** Are you looking for any inorganic expansion in the next year or two?

**Management:** No, our expansion is coming from our own capacity additions.

**Purva Shah:** Regarding related party transactions with Pajson Global DMCC, could you explain the directors' interest and the rationale for this company?

**Management:** Pajson Global DMCC has been in the raw cashew nut business for 14 years and has an established procurement presence in Africa. They have been a major supplier of raw cashew nuts to us because of that experience. I am the common promoter in both entities and own 100% of Pajson Global DMCC. We are gradually moving away from these transactions and setting up a direct procurement network for Pajson Agro India Ltd.

**Purva Shah:** What was the vision behind starting Pajson Agro India Ltd.?

**Management:** Pajson Global DMCC is a much larger scale company involved in multiple businesses. The rationale for Pajson Agro India Ltd. was to set up a dedicated processing facility in India to be a world-class processor. We visualize ourselves as a "farm to fork" player, maintaining full control over the cashew supply chain.

**Operator:** This was the last question. If you have further questions, you can ask in follow-up meetings or reach out to us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Have a wonderful day, everyone. Thank you.

**Management:** Thank you all.

Report is AI-generated and may contain inaccuracies.