Expecting over 5lac tonnes export.
Last year 4.5 lac.
So growth is there. Still 20% growth.

First quarter is best quarter, and last quarter is best.

Rainy season is disease prone. Thus 1 season in Gujarat, while andhra is continuous farming.

Processing Cap: 25k
Up by 30% in first quarter itself. Expecting 1200 Cr turnover.

Geographical adv. You need sea water. Now coming to England due to this.
Earlier costal only, now saline water only.

China has decreased from 14 to 7 lac.
Ecudor and India got that share.
Others don't have that kind of land availability as already 70-80% saturated.

Vietnam is re-exporting to China by importing from India.

Antibiotics is the biggest threat.
This year the rejections have been lowest.
Earlier 10% checks, now 50% unilateral checks.
It is not prevalent in other markets, only European unions doing it. Europe is 16% export.
We want to do 100% check for buying, but not done till now. Lapses are there.
Traces are there, but degree is going down. Farmers know that they won't exist if they continue.

Supplier of the year in 2014 for Sysco. Other years it is Gold Supplier.
Contracts are index linked, every week.

Sysco:
We need to keep more inventory due to the model. So there are inventory gains and losses during price volatility.
Not everyone can take that kind of exposure. We need big working capital. First 6 months we keep high inventory (around 50%).

98% of production is exported. You can take export as production.
Total capacities might be double the production.

To emulate, one needs to emulate cash flow, Sysco, reputation and appetite to take risk of 6 months inventory.
Imagine price volatility, currency volatility.
Daden, Red lobster, Cheesecake and Sysco are top 4 customers. 80% to these.
Rest to Costco and other high value customers.

10% margins:
This comes from efficiency and value addition.
Peeling, de-heading and these additions require trained labor.

We are selling 32m pounds of the 400 m pounds. Market is huge.
India has got very good respect and preferred supplier in US.
Our processors are following best practices and building plants on global standards.

For managing labor, we just pay more when needed more. We don't regulate production due to labor.
Processing plants are being setup near areas where labor is substantial. These are cost effective measures.

Risks:
- Diseases:

Our advantage is abundant sunlight.
Shrimp is high value and minimum days. So we focus only on this.

Feed vs processing:
Feed is not generally more profitable than processing. It can be temporarily phenomenal. Monsoon was good, so soya and fish meal prices went down.
In both, the investment cost is not much. Working capital costs are much higher.
Feed plant is 50% cheaper than processing plant.

Thai Union is a very good player in US. It will give preference to Avanti.
- So it will get volumes (at market price).
- Can easily sell 15,000 tonnes
- Only 20-25% value addition can be done by other player. Even 20-25% is too high. Value addition also reduces capacity. It is seasonal product, so value addition is limiting factor during peak season.
- Value addition is also of many kind, it might be value addition for Indians but not for Thailand.
- We cannot be Avanti and they cannot be Devi.

Why no one else growing in feed?
- Product is very important. Others can make same, but people cut corners when prices go up.
- Sentiments are important. Farmers have a connection for Avanti.
- We don't think they will increase price if soya prices come back.
- We also believed that there might be cartel. But it is not true.
- CP and Avanti won't interact on business.