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Sub: Satia Industries Limited Q1 FY20 Earnings Conference Call August 13, 2019

Dear Sir,

In continuation with the previous notification dated 09<sup>th</sup> August, 2019 and 12<sup>th</sup> August, 2019, please find enclosed herewith details of the Transcript of the Conference Call held on 13<sup>th</sup> August, 2019 at 11:00 AM to discuss and update on the Company's business and financial performance for the quarter ended 30<sup>th</sup> June, 2019.

Yours Faithfully,

For Satia Industries Ltd.

(Rakesh Kumar Dhuria)  
Company Secretary

Encl.: As above

**Satia Industries Limited**  
**Q1 FY20 Earnings Conference Call**  
**August 13, 2019**

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**Moderator:** Ladies and gentlemen, good day and welcome to the Satia Industries Limited Q1 FY20 earnings conference call. As a reminder, all participant 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. Anuj Sonpal from Valorem Advisors. Thank you and over to you.

**Anuj Sonpal:** Thanks Stephen. Good afternoon, everybody and a warm welcome to you all. My name is Anuj Sonpal from Valorem Advisors. We represent the investor relations of Satia Industries Limited. On behalf of the company, I would like to thank you all for participating in the company's earnings call for Q1 FY20. Before we begin as always, I would like to mention a short cautionary statement. Some of the statements made in today's earnings call maybe forward-looking in nature. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to defer from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. Audiences are cautioned not to place undue reliance on these forward-looking statements in making any investments decisions. The purpose of today's earnings call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

I would now like to introduce you to the management participating with us in the earnings call. We have with us Mr. R. K. Bhandari - Joint Managing Director and Mr. Chirag Satia – Executive Director. Without much delay, I request the management to give their opening comments. Thanks and over to you, sir.

**Chirag Satia:** Good morning and thank you Anuj for the introduction. We would like to welcome you all to the earnings concall for Q1 financial year 2020. Before we begin, we like to give you some background about the company and its activities. SIL was incorporated in the year 1980 by Dr. Ajay Satia and its commercial production started in 1984. The plant is situated in Muksar district of Punjab and we are manufacturing all qualities of writing and printing paper which is mainly used in textbooks, notebooks, annual reports and other publishing material. Our product profile includes grades with the high brightness, surface sized and photo copier paper sold as super snow-white paper, snow white paper, ultra-print paper. We also manufactured colour paper, ledger paper, cover paper of books, duplicating paper, bond paper, etc. Recently

we have started a trial run for paper cup stock. We have also launched a copier brand called Satia Superb. The main raw material mix that we use in paper making process is agricultural residue, wood pulp and imported wood pulp. In the case of agricultural residues, it is mainly wheat straw and sarkanda and in case of wood pulp it consists of veneer waste and eucalyptus chips.

SIL has evolved itself over the time by having an integrated paper making capacity. Our total capacity stands at over 100,000 tonnes and presently we are running at a capacity utilization of 117%. Last year our production was 123,000 tonnes of paper. The manufacturing facility has 3 paper machines, two pulp mills, one pulp mill is dedicated to generate pulp from agriculture residue, and the second is from extracting pulp from wood chips. We have a chemical recovery plant which is used to recover the caustic soda used in the pulp making process and our daily requirement of caustic soda is around 100 TPD. This process helps in recovering of soda and it is also provides us cost savings of around 40 lakhs every day and tackles effluent issues too. We have our in-house power generation plant to meet our requirement of the power. The company is environmentally compliant, the treated effluents are not disposed into any water body as per the National Government Policy and the waste water is used for our Eucalyptus plantation of over 500 acres as per Karnal technology. This handles our effluent disposal problem along with securing us with the agricultural income and wood to be used in future as our raw material.

Now, I would like to take you all through the financial highlights of Q1 FY20. Our revenues stood at INR 224.5 crores as compared to 198.5 crores in Q4 financial year 2019 which is a year-to-year increase of 24.7% and quarter-to-quarter increase by 13.1%. EBITDA for the quarter has gone up from 45.2 crores to 47.8 crores in Q1 and the margin stood at 21.3% which decreased by 148 bps. Profit after tax has decreased from 28.5 crores to 26.4 crores for Q1 FY20. PAT margins have increased by 138 bps to 11.76% from 10.38% on a year-on-year basis. Now talking about the operational front in Q1 sales volume have increased by 11.2% over the last quarter from 31,307 metric tonnes to 34,827 metric tonnes and the realizations increased by almost 8.2% from INR 61,000 per tonne to almost 61,500 per tonne. During the quarter the company secured 2 major orders from Maharashtra State Textbook and Assam State Textbook Corporation. The company also has generated REC certificates which were cashed around to the extent of 3.48 crores in the current quarter as compared to generating 6.06 crores in the last quarter.

Now, I would like to open up the floor for questions. Thank you.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Jainil Jhaveri from J&J Holdings. Please go ahead.

**Jainil Jhaveri:** I just wanted to know that what are the realizations currently in the market or what would we be getting approximately right now in the month of July, August?

**R. K. Bhandari:** Realization in the market at the moment has come down almost from 60,000 a tonne to almost Rs. 53,000 a tonne. But in case of Satia, since we are selling almost presently 50% to 60% of our supplies to the government sector on an annual contract basis, our prices will not be affected to that extent there will be 50-50 effect because 50% is going on almost a good price to the textbook boards. As Chirag mentioned that we got 2 orders, one for 12,000 tonne from Maharashtra and second from Assam Textbook Board and third order we are likely to get shortly from Odisha and then another 2 orders are in pipeline from MP Textbook Board and Chhattisgarh Textbook Board. So, with all these orders coming to us at a good price as compared to slightly bad condition in the market where the prices have fallen by almost 10% to 15% depending upon the quality of the product that you are making. So, I think we will not be affected to the extent as general market will be affected.

**Jainil Jhaveri:** But even these government orders would be lower now by approximately 5% to 10%?

**R. K. Bhandari:** No, like Maharashtra order is almost at the same price which it was last year price which is almost Rs. 74,000 a tonne delivered and because they buy watermark paper and they have certain input conditions also and there are 7-8-10 mills only which are making watermark paper. And due to that competition restrictions, there we are able to get a good price there. And similarly, in Assam the price is almost same as it was in the last year and same expectations we have from Odisha and other two Textbook Boards.

**Jainil Jhaveri:** So, we still are okay with the growth guidance that you are looking at approximately 7% to 10% in volumes for the year?

**R. K. Bhandari:** Yes, we have actually already got more than that in the first quarter. Last year our average production was 337 tonnes per day. But in the first quarter our average production per day is coming to almost 380 tonnes per day. So, which is an increase of over 12%-13% over the last year, so I think 10% plus increase guidance will definitely come in this current year and will likely its likely to sustain, yes.

**Jainil Jhaveri:** And any updates on the capacity expansion like any ...

**R. K. Bhandari:** Any other mills?

**Jainil Jhaveri:** No, means any updates on the capacity expansion that we were thinking off?

**R. K. Bhandari:** Yes, as we have even earlier explained that we have already we are going in for a 300 tonne per day new machine for which land has already been purchased, machine order has been already placed. We have almost placed order for 70% to 80% of the equipment. The total project cost is 500 crores. In the first phase we are going ahead by implementing the projects with a cost of 400 crores. So, recovery part which we already have in place to meet this expanded production, the additional standby provision will do in the second phase 400 crores.

So, our permissions are likely to come, I would say by September, October from the Ministry of Environment for this Public hearing has already gone through well. We have already filed our applications for final hearing to the Ministry and that date is likely to come in August or September only. So, I think we will be able to come into production later by the end of 2020. We will give minimum one quarter production in the next financial year in this expanded capacity.

**Moderator** Thank you. The next question is from the line of Saumil Bhardwaj, an individual investor. Please go ahead.

**Saumil Bhardwaj:** What would be the value of the 2 orders received?

**R. K. Bhandari:** The order is around over 90 crores each.

**Saumil Bhardwaj:** 90 crores from Maharashtra and 90 crores from Assam that is what you are saying?

**R. K. Bhandari:** Yes, besides that we have a pending order from West Bengal Government for another 3,000 tonnes which will be anyway near 20 crores and then from Telugu Academy and other 10 crores and so many orders they keep coming off and on wherever we have been participating in the tenders. But these things are big one we have mentioned that, yes.

**Saumil Bhardwaj:** And sir like, just wanted to understand that the trends of our paper products, so what has been the current price trends in terms of the paper products? Just trying to understand the revenue growth, I mean how much as it has been grown through volumes and from the prices? So, I just wanted to understand the price trends this year versus the last year?

**R. K. Bhandari:** Price trend presently if I look at our last year trend, in last year April the price that I was telling was 51,772 April, 2018 and by the end of the year I was selling average price of Rs. 60,000 a tonne. So, the average every month was April 51, May 53, 53, 51, 54, 56, 58, 60 and so and so on. So, I think since we had been in this industry for the last 30 years and we see that this average trend happens almost every year in the off season from a period of, I would say June to up to Diwali the prices come down, sometime 5% to 6% and when some international disturbances or slowdown is there then the prices may come down by 10% to 15% which has happen this year. But simultaneously if we look at the input prices they have also come down. So I think, we sell, we able to maintain our margins even when prices are falling because fuel prices are on the lower side and waste paper and pulp prices they have come down anywhere from 25% to 30%. So, I think the margin we should be able to maintain.

**Saumil Bhardwaj:** So, it is like 5% to 6% if not on the global, if there is no change in the global prices which, so 5% to 6% is the price change on an average, right?

**R. K. Bhandari:** Yes, that happens almost in every off-season period starting from June-July till Diwali and then prices starts increasing day-by-day. And as I was earlier telling effect on us is not that much because we always almost always have a buffer of government order when we are not getting good price orders from the market we can always rely back on those order and make those orders in those lean periods. That is the strategy we normally work with.

**Moderator:** Thank you. The next question is from the line of Abhinav, an individual investor. Please go ahead.

**Abhinav:** So, I have 2 questions. So like, can you throw some light on why the other income has grown by 85% Q-o-Q and finance cost has also grown by 40% on Q-o-Q basis? And secondly, why has your tax increased significantly in this quarter by around almost like 40% year-on-year and 200% on Q-o-Q basis?

**Chirag Satia:** I am sorry sir, can you just repeat it once regarding the interest cost?

**Abhinav:** Yes sir, so like your finance cost has also grown by 40% on Q-o-Q basis, so if you could just throw some light?

**Chirag Satia:** I will address it in step-by-step. Firstly, the other income, the other income has increased by what you call by 3 crores because in the first quarter generally we never encashed our RECs as per the previous trends. But this time we have been able to encash the same, the same is never actually predictable when it is happening. So, we have a REC income of roughly 3.5 crores this quarter as against last year. So that is the main reason of increase in other income and also we have book some agriculture income wherein we, as I mentioned we have 500 acres of eucalyptus plantation. So, we keep cutting some trees which are matured over the time and we realize that agriculture income as well, roughly 2 crores. So, that is the major crux of other income that is roughly 5 crores to 6 crores in this quarter. So, that is 3.5 of REC and 2 crores of agriculture income other being minor insurance claims and freight, etc.

**Moderator:** The Next question is from the line of Jainil Jhaveri from J&J Holdings. Please go ahead.

**Jainil Jhaveri:** So, why is the interest cost gone up this quarter, if you can tell us that?

**Chirag Satia:** That is primarily because our CC limit utilization increased by roughly 10% to 20% in this current quarter as we were placing some orders for the new project. So, we had ballparked our funds in the last quarter of financial year 2019 accordingly because we would be spending a little on the project CAPEX for this quarter. So, that is the reason of some slight increase in the interest cost of the working capital.

**Jainil Jhaveri:** And what is the total debt and net and cash? So, gross debt and cash as of today?

**Chirag Satia:** Our total term loan as on today speaks roughly around 140 crores of term loan. And our CC limit outstanding is roughly around 60 crores.

**Jainil Jhaveri:** That is your working capital?

**Chirag Satia:** Yes, that is it. So, we have a comfortable debt of roughly 200 crores.

**Jainil Jhaveri:** And cash?

**Chirag Satia:** Our current availability of cash is roughly around 25 crores as in the availability cash flow, fund flow availability as on date it is 39 crores.

**Jainil Jhaveri:** 39 crores cash?

**Chirag Satia:** Yes, 39.

**Jainil Jhaveri:** And what kind of CAPEX are we going to do this year?

**Chirag Satia:** Sir, the total project will be implemented by next year third quarter. So, if I bifurcate the CAPEX expenditure in 2 years basically it will be roughly around to the tune of 125 crores in this financial year.

**Jainil Jhaveri:** And then the 275 next year?

**Chirag Satia:** Yes, sir major other CAPEX that will come will be in the form of you can say buyer's credits and LCs that will be utilizing. So, that will be the disbursements to suppliers when we utilize the new debt that we will be availing for these projects. So, I am talking about the civil cost and our personal contribution to the project that will be roughly around 100 to 125 by end of this year.

**Jainil Jhaveri:** So, at the end of this year what is the debt that we will be looking at for the whole company? That will be around 325 crores or 350 crores?

**Chirag Satia:** In terms of sanction, yes, but not in terms of outstanding. In terms of outstanding it will be more than 175 crores.

**Jainil Jhaveri:** I am talking about working capital plus the term loan.

**R. K. Bhandari:** The term loan will be roughly around between 175 and working capital which should be the same around 60. It will be sustained over there.

**Jainil Jhaveri:** So, total debt will only go up by 30 crores–40 crores from here till the end of the year?

**Chirag Satia:** Yes, in terms of new fresh disbursements that will be utilized you can say.

**Moderator:** Thank you. The next question is from the line of Kevin Dedhia from PM Securities. Please go ahead.

**Kevin Dedhia:** What is the CAPEX spend for this year?

**R. K. Bhandari:** The CAPEX plan sir is not specifically fix for this year. It is related to the entire project which will be commissioned by next year, last quarter. So, it will be continuously incurred over a period of time which will include this year as well to the tune of 175 to 200.

**Moderator:** Thank you. The next question is from the line of Pratik Oza from East India Securities. Please go ahead.

**Pratik Oza:** So, I just wanted to ask there is some investments in Bhandari Export Industries Ltd. So, just wanted to know which, I mean what is this industry?

**R. K. Bhandari:** Sir, Bhandari Exports was actually, first a consolidated unit of Satia itself which we had acquired way back in 2009. During those days, earlier times the consolidation accounts were taking place. But now over the period of time SIL has diluted its stake and is also it is planning to dispose of those entire investments as well as in those shares. So, we have no further interest in maintaining those investments. We are close to liquidating those as well.

**Pratik Oza:** So, by when it would be liquidated?

**R. K. Bhandari:** Hopefully by the end of this year as and when we find a suitable investor for the same. It was actually an associate company earlier on that is the reason we use to consolidate the accounts. But now since the last 6 years it is not being the same thing.

**Moderator:** Thank you. The next question is from the line of Charmi Mehta from Prabhudas Lilladher. Please go ahead.

**Charmi Mehta:** Sir, I would like to know the volumes for Q1 FY19?

**R. K. Bhandari:** In terms of metric tonnes no?

**Charmi Mehta:** Yes, sir.

**R. K. Bhandari:** 34,000 tonnes Ma'am. We produced roughly around 34,700 tonnes of production was achieved.

**Charmi Mehta:** So, that means Y-o-Y we had a flat kind of sales?

**R. K. Bhandari:** We had an increase of roughly 15% in the comparison to last quarter, ma'am. Last quarter we had roughly around 31,000 tonnes.



**Charmi Mehta:** Yes but I am just talking about year-on-year.

**R. K. Bhandari:** Year-on-year will be increasing almost 10% like I told earlier that last year our average was 337 productions per day and now it is coming 381 tonnes per day. So, the increase is anywhere near, almost 14% to 15%.

**Charmi Mehta:** And in Q1 our gross margins were somewhere around 55.7%. So, going ahead this will be a little better, right because you said that the raw material prices are decreasing?

**R. K. Bhandari:** No, I said that it is likely to be maintained because paper prices in the market are declining at the moment and they are likely to continue with this trend till Diwali at least. In the mean time since certain input prices are also declining. So, we hope to keep this margin at the same rate as we have been achieving in the last year. So, 10% to 12% increase in performance over the last year that guidance we hope to maintain, that is what I said, yes.

**Charmi Mehta:** And my last question is what was realization in the last year same quarter? Or it would be somewhere around 53,000-54,000?

**R. K. Bhandari:** Yes, it was almost same, 53,000.

**Moderator:** Thank you. The next question is from the line of Rabindranath Nayak from Sunidhi Securities. Please go ahead.

**Rabindranath Nayak:** Sir, tell me about this government contract that you are getting with the West Bengal state government? What is the payment comes and why they will not negotiate with lower price and the price is come down from Rs. 63 to Rs. 53 currently in the market?

**R. K. Bhandari:** Actually, the payment terms from the textbook boards are normally within 30 to 45 days. And the price factor because this is an annual contract and the tender was floated at a time when the prices were not that much down. And after the tendering process it takes almost 1 and 1.5 month to finalize. So, price effects on the lower side it has come because of that.

**Rabindranath Nayak:** And you said that your payments are in 30 days, if I am not wrong?

**R. K. Bhandari:** Yes, 30 to 45 days depends upon textbook board to textbook boards. And this payment is 90% and 10% comes between 60 to 90 days. So, average is 50 days plus.

**Rabindranath Nayak:** And you said that your 50% of your turnover is coming from the state governments and rest 50% you are selling sir outside non-state government to dealers and distributor, right?

**R. K. Bhandari:** Yes.

**Rabindranath Nayak:** But what is the payment from those kinds of sales receivables, I am talking about.

**R. K. Bhandari:** From the market, open market?

**Rabindranath Nayak:** Yes.

**R. K. Bhandari:** Again almost same because you really cannot press people in this tight liquidity situation if you have to sell. So, 30 to 45-50 days more or less same but if you want early payment then you have to pay cash discounts on that.

**Rabindranath Nayak:** That is why your receivable days are relatively higher than the other companies like Kiri and other companies around 55 days, right?

**R. K. Bhandari:** Yes, because if you want quick payment then actually mills are offering discount of 2% to 3% on their prices. If somebody gives let us say like Shreyans is giving 3% kind discount on their price. So, if I do not give that discount, so that means that if I accept payment after 60 days, so still I tend to gain another 1.5% every month, so which is a good return. That is why we do not push dealer for early payment if our cash flow permits us to give that kind of credit and we get better returns then the interest will pay to the bank.

**Rabindranath Nayak:** Tell me what is the current realization? I am talking about second quarter realization and current trend of the realization in different type of paper. Last quarter your realization if not wrong it is around Rs. 63 on a net basis, right? If I have just calculating, dividing the volumes that you have reported in the presentation.

**R. K. Bhandari:** Yes, the realization for the government sector will be anywhere near 60 plus only. And like the copier paper that we are making it is again in the same range almost 59, 60, and 61 only. It depends from the product-to-product like color paper these days we are making and the prices again 60 plus. But the normal varieties which are snow white and other quality they sell anywhere between Rs. 53,000 to Rs. 55,000 a tonne.

**Rabindranath Nayak:** Last year you did around 130,000 tonnes ...

**R. K. Bhandari:** 1, 50,000 tonnes, yes.

**Rabindranath Nayak:** And what is the composition of government sale and also non-government sale and also in the non-government sale if you can quantify what would be the copier volume that would ...

**R. K. Bhandari:** Copier we started selling aggressively only in this financial year because copier prices were earlier on the lower side because of the dumping. Once the government put anti-dumping duty the copier prices stabilized and we were able to get good copier prices in the market. And that is when we stated pushing in this financial year only and in last year our average government sales out of the total tonnage was almost 50,000 tonne.

**Rabindranath Nayak:** This year it would be how much?

**R. K. Bhandari:** It will be more than that because market is little slow we are trying to push get little more tonnage from the government sector where we are likely to get higher tonnage, yes higher realization, price realization.

**Rabindranath Nayak:** So, maybe if at all you see that this will be remaining constant around Rs. 60-Rs. 61 from the government product?

**R. K. Bhandari:** Yes.

**Rabindranath Nayak:** And rest of this if you suppose you would be doing delivering volume of around 135,000 this year and take around 70,000 for the government order and rest can you please quantify how much it would be copier and how much it would be non-copier?

**R. K. Bhandari:** Copier will be anywhere near 10,000-1,000 tonne every month minimum and 5,000 tonne to 10,000 tonne colored paper and colored cover. And then surface sized paper and other 10,000 tonne to 15,000 tonne and rest are our normal low realization quality like Snow White paper and which are presently selling anywhere near Rs. 53,000 to Rs. 54,000 a tonne.

**Rabindranath Nayak:** One thing you told in the conference call that there is some agriculture income from your plantation. So, you sell to whom?

**R. K. Bhandari:** Yes, we sell to the people who are, there are 2 kinds of people. We sell normally to the traders only who are further selling to either mills who are making raw material for veneer industry, plywood industry and other is who make coal from this, raw coal, they use for that. These are the normally and third whatever they can cut and give back to us the quality and third use is that. So, they take it from us whatever they can sell to veneer industry, plywood industry that they get little higher price Rs. 7-Rs. 8 a kg and then they sell to us they get Rs. 5-Rs. 6 a kg and if they sell to us they get Rs. 3 to Rs. 4 a kg. So, that combination then that division that segregation that trader does who buys that chunk of land from us and he cut on his own segregates and sells to different type of clientele to increase this average realization to the best.

**Rabindranath Nayak:** And this land that you grow the plantation is belongs to the company or ...

**R. K. Bhandari:** No only almost 10% of the land belongs to the company, 50 acres plus belongs to the company rest we have taken on 5 to 10 yearly which we keep on renewing whenever there is expiry.

**Rabindranath Nayak:** It is a 50 acres land?

**R. K. Bhandari:** Yes.

**Rabindranath Nayak:** And how much volume you generate eucalyptus wood every year? And you also get eucalyptus for your own operation from that land or you buy from outside.

**R. K. Bhandari:** That is I told earlier also because the whole product does not go into our kind of raw material because what we buy we pay let us say Rs. 5,000 a tonne for that but if they can give to the plywood industry whatever quality they can use out of that wood they will be getting much higher price Rs. 7,000 to Rs. 8,000 a tonne. So, wherever they get best realization they give their only.

**Rabindranath Nayak:** But you do not use that eucalyptus wood for your operation?

**R. K. Bhandari:** No, we own our own we do not cut it comes back to us indirectly, yes.

**Rabindranath Nayak:** No, I could not understand, indirectly we sale to the trader and ...

**R. K. Bhandari:** Whosoever buys this wood, part of it he gives to the people who are supplying us woodchip. So, they buy from him then again it comes to us in after proper cutting and removal of the bark.

**Rabindranath Nayak:** Why actually, we cannot sell that wood directly?

**R. K. Bhandari:** Yes, because we do not have the Chipper house. We do not have chipping facility in-house. We are buying chipped wood only. Yes, that is the reason.

**Moderator:** Thank you. The next question is from the line of Abhinav, an individual investor. Please go ahead.

**Abhinav:** I had like ask you a question regarding the other income and finance cost as well as the tax. So, I got the answer for your other income increasing by 85% but can you like explain me why your finance cost has gone up as well as your tax has increased year-on-year as well as quarter-on-quarter?

**Chirag Satia::** So, the finance cost as I had briefed earlier but you are got disconnected the reason is because our CC limit utilization increased by roughly 15% due to the CAPEX plans, we add we were arranging the orders and placing token advances with the suppliers as well. So, that is the reason for slight increase in the finance cost for the term loan. And the term loan for Union Bank that was availed last year is also under disbursement. So, the interest cost has also gone up for the same.

**Abhinav:** And sir, what about tax, it has gone on almost like 40% up year-on-year as well as like 200% Q-on-Q?

**Management:** Yes, it has increased by 1% due to lower income tax depreciation. Due to, in the income tax law we follow the WDV method of depreciation. So, the depreciation increases with these passing years. So this year we had slightly lesser depreciation due to lesser capitalization as the major capitalization is still under CWIP. So we should have a higher depreciation again once the union bank disbursement is over and the CWIP is converted into capital assets for the company. But

we however continue to remain in the MAT regime only that is just 20% tax bracket and not in the regular tax income.

**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Chirag Satia from Satia Industries Limited for closing comments.

**Chirag Satia:** Thank you everyone for your time and it was a great pleasure speaking to you all. We take great pride that people have taken so much of interest in our company and us thank you so much for the time and effort. Thank you so much for your interest, thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of Satia Industries Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.