



April 28, 2021

To,

The Compliance Department, BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code – 522295	The Compliance Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Symbol - CONTROLPR
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Sub: Transcript of Q4FY2021 Earnings Conference Call

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement), Regulations 2015

With reference to above mentioned subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement, Regulation, 2015, read with para A of part A of Schedule III thereof, attached please find Transcript of the Conference Call with the Investors / Shareholders of Control Print Limited (the Company) fixed through Asian Markets Securities Private Limited (AMSEC) held on **Monday, April 26, 2021 at 4.00 p.m.** on **Q4FY2021** of the Company.

This is for your information and record.

Thanking you,

Yours sincerely,

For **Control Print Limited**



Reena Shah

Company Secretary & Compliance Officer

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“Control Print Limited
Q4 FY2021 Earnings Conference Call”

April 26, 2021



ANALYST: MR. KARAN BHATELIA - ASIAN MARKET SECURITIES PRIVATE LIMITED

MANAGEMENT: MR. RAHUL KHETTRY – CHIEF FINANCIAL OFFICER – CONTROL PRINT LIMITED
MR. SHIVA KABRA - JOINT MANAGING DIRECTOR - CONTROL PRINT LIMITED



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Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY2021 Earnings conference call hosted by Asian Market Securities Private Limited. 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. Karan Bhatelia from Asian Market Securities. Thank you and over to you Sir!

Karan Bhatelia: Thank you Mallika. Hi all, good afternoon and welcome to the Control Print Limited 4Q FY2021 Earnings Conference Call hosted by Asian Market Securities Private Limited. From the management side, we have with us Mr. Shiva Kabra - Joint Managing Director, and Mr. Rahul Khetry, CFO. I now hand the conference to Rahul Khetry for his opening remarks and then we will open the floor for the question and answer. Over to you Rahul! Thank you.

Rahul Khetry: Thank you Karan. Welcome everyone to the fourth quarter FY2021 earnings conference call of Control Print. We appreciate you are taking out time from your busy schedule to attend the call, hope you and your loved ones are safe and healthy. Mr. Shiva Kabra, Joint Managing Director joins me on this call.

Let us start with a brief on Control Print followed by specific analysis of the financials of the current quarter and end with a Q&A session. The detailed presentation has already been put up on our website as well as the investor presentation notification on the exchanges for this call.

For those who are probably reviewing the company for the first time Control Print is in the niche coding and marking segment, which is an oligopolistic market with four major players, three of whom are MNCs and Control Print is the only Make in India manufacturer. This gives us an advantage to sell our products locally and compete strongly with the other multinational players. We are the only integrated player with capability to manufacture both printers as well as consumables in India, giving us an advantage to share the benefit with our customers. This also gives confidence to customers for long-term partnership with Control Print.

We have our manufacturing facilities in Nalagarh, in the State of Himachal Pradesh for the manufacturing of printers, and in Guwahati, in the State of Assam for the manufacturing of consumables. Both the manufacturing locations are state-of-the-art facility to produce good



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quality products. All our consumables are manufactured in Guwahati plant and in addition to this we have also started manufacturing some printers in that location.

We have a strong sales and service team of 350 plus engineers across our 11 branches, which gives us the advantage to service our customers efficiently and timely, since the after sales service is very critical to ensure that the production lines of our customers continue to function continuously thereby maintaining customer satisfaction. The 11 branch offices across North, South, East, West and Central India gives us an advantage to be in the direct contact with all our customers in a timely manner, since our products are critical to their production process. Post sales of printers there is a continuous demand for consumables over the life of the printer, which typically lasts for 5 to 7 years depending on the operating conditions. We have our complete attention on our customers' requirements to ensure that production is never affected and service requests are attended immediately thereby gaining customer confidence.

We have an end-to-end SAP ERP system setups, which ensures maximum transparency in accounting, sales and after sales service as well as total control from raw material planning and ordering to receivables, collection and is integrated with the CRM system, which gives the confidence to the team, the customers as well as our auditors and investors. We have a widespread customer base catering to multiple industries like pipes and cables, metals, automotives, food and beverages, FMCG, Pharma, etc., and we continuously endeavor to customize our products to reach out to other industries to increase our installed base.

We have the entire range of products in our portfolio to meet the coding and marking requirement of the industry, the details are elaborated in our company presentation. As of today the company has an installed base of 13000 plus printers across industries, which enables the sale of consumables across the life cycle of the printer. We are very confident that we have the best-in-class products to meet the requirements of most of the substates, which gives an additional advantage to the customer to do business with Control Print. With a strong foundation and five pillars that are man, machine, material, technology, and finance, well established to augment our business plan we are continuously striving for greater heights.

Let me give a brief analysis of the financials of Q4 FY2021. The manufacturing activities in the last quarter of financial year 2021 were on a high and most of the industries were pushing the productions to make up the lost time due to the impact of COVID. There was strong traction witnessed both for consumables as well as printers as the companies were increasing productions as well as capacities. These are extraordinary situations that the strength of the company is tested and we can assure you that Control Print has geared up for



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any challenge. We are financially stable and robust and have exceeded our revenue targets for the quarter. This stability of Control Print was also reaffirmed by Credit Rating Agency CRISIL with an A rating after considering the short and medium-term impact of the COVID pandemic. Our investors can maintain their belief on the company's management for an optimistic future. This quarter's performance delivered all-round growth in volume, revenue, margins, and net profit. We had the highest quarterly sales crossing 60 Crores with year-on-year growth in revenue of 32.2%; sequentially the growth in revenue was 11.8%. Revenue growth was driven by good growth in printers and consumables. We also recorded the highest printer sales in any quarter in last five years, which will strengthen our installed base. Revenue for the full year was also the highest and crossed Rs.2 billion mark; this was in spite of loss of 60 days during the first half of the year due to lockdown. Profit before exceptional items increased 105% year-on-year and also increased 38% sequentially. The profit before exceptional items for the year was similar to the previous year mostly due to high cost of consumption and higher depreciation. PBT for the full year was up 6.5% and PAT for the full year was up 10%. Healthy margins with profit before exceptional items are 20.8% and EBITDA at 24.9% with scope of improvement due to better product mix and higher revenues triggering economies of scale. We should continue to maintain EBITDA margins north of 24% on a long-term sustainable basis.

Let me brief you on the performance of various divisions, products and business segments. Printers had a year-on-year volume growth of 69% and consumables 22%. The positive demand in spite of the challenging environment is a strong signal for an increase in momentum of industrial production. The increased installed base will drive the business in the coming quarters. The company is now a market leader in the MDF sector. The company is continuing its dominance in the pipe industry by receiving a breakthrough order from a competitor account. The flagship division CIJ witnessed traction with year-on-year growth of 22% as the production of the customers was increasing. The growth was mainly due to increased production of some of the industries where we have a stronghold like pipes, cables, steel, food, FMCG, beverages and was also encouraging to see growth in some of the upcoming sectors like dairy, pharma, paints, and wood. New product launches of TIJ, TTO, HiRes are showing good traction and with some good installation in the past few months all three divisions have recorded the highest quarterly revenue and we are confident they will continue to add value to the company's business plan. We have dedicated managers and team to drive these verticals with focus on dairy, beverages, bakery, frozen food, ready-to-eat, pharma, packaging, plywood, lubricants, marking, and coding. These new products had a bull run for the quarter as well as the full year and continue to grow during this challenging year, which builds confidence on the potential of these products in the coming years. Laser print printer business is growing steadily as product technology is



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improved and the team has been changed. This has yielded good dividends with positive response from the customers and new opportunities expected in the coming quarter. The face mask production has started and the company has declared commercial production with effect from July 24, 2020. This will contribute to the company's revenue and now with the second wave of COVID has created additional demand for the mask. The company has strong cash flow and this has helped us reward the shareholders with a final dividend of 4.5 per share thereby taking the total dividend to Rs.8.5 per share for the financial year 2021. Control Print retains its position in the list of top 1000 companies on the stock exchange by market cap on the national stock exchange. While COVID-19 has impacted the economy as a whole the worst is behind us and its return to normalcy over the next few months, we hope the similar trend of growth trajectory. Fundamentally the company remains strong and we are focused on our plans and strategies as we are confident of the growth potential to deliver positive results. The floor is now open for questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Deepan Sankaranarayanan from Trustline PMS. Please go ahead.

Deepan S: Thanks a lot for the opportunity and congratulations for the good set of numbers. First of all wanted to understand what is the contribution of printers, consumables and others during Q4 and FY2021?

Rahul Khettry: So during Q4 printers were about 22% to 23%, consumables in the range of 50% to 51%, sales and service was around 22% to 23% and the balance was the mask division less than 5% and for the full year 2021 printers was in the range of 20% to 21%, consumables around 50% to 53%, sales and service around 23% to 24% and mask again less than 5%.

Deepan S: Also, just want to check with you that we have been adding around 1000 printers to our installed base every year for the past three years, but printers sold in the range of 2000 to 2500 every year, so are we expecting this printer churns to fall down in any time in the future considering now we are present across even new age printers?

Rahul Khettry: We expect the printers to continue at this level, we do not have any indications that this should slow down, but you never know in these changing times how COVID will play out. As of now we are quite bullish to be in this range.

Deepan S: So the 1000, 1500 printer churn ratio will continue?



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Rahul Khettry: No, for the year we have done about 2500 plus printers it is not 1000 about 2700 plus printers we did in 2021.

Deepan S: My question is like we have been selling printers in the range of 2000 to 2500, but printer addition to our installed base is around 1000 only for the past three years so that is why the churn ratio is around 1000 to 1500 printers every year, so are we expecting this churn to continue?

Rahul Khettry: This is also increasing by that, we can discount this by a few hundred printers, but addition will be in the range of about 2000 printers for at least for the last couple of years because some of the printers are under buyback and other things, so around 2700, as of now we will be having about 13000 to 13500 printers, which are active in the market.

Deepan S: What is the coding and marking industry market size currently and have we increased our market share?

Rahul Khettry: I will ask Mr. Shiva to answer the size of the market.

Shiva Kabra: Yes, for all of us normally in March we did about 1100 Crores totally approx because we project that figure that is about 1100 or something out of which Domino's are still the biggest player about 1140 Crores and all the smaller players, I think the formula would be 75% of the market or maybe 80% so you can say that including all the small players the market is in the region of 1500 Crores and 1150 would be the four of us, it will be depending on what the exact numbers are.

Deepan S: So more or less you will be in the similar level of market Sir as last year?

Shiva Kabra: I think we have gained a little bit, but of course definitely I think this year we have gained a little bit, I am not sure because with the COVID it is very difficult actually to make out what the competitors have done and they also work from January to December calendar.

Rahul Khettry: Well, as per our last information we have been stable a bit and we should be closer to 19% to 20% now, which earlier was around 17% to 18%.

Shiva Kabra: The growth overall was definitely affected this year because of Coronavirus, what the pace of market goes if you see about 10% or 12% definitely quite muted last year I think, it was getting back to normal.

Deepan S: Thanks a lot and all the best.



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Moderator: Thank you. The next question is from the line of Siddhant Shah from KBS. Please go ahead.

Siddhant Shah: Congratulations on the continued momentum you guys have seen in the business despite 60 days lost. Just wanted to understand a bit on market share, you seem to have won a few contracts off late can you throw some light on what has enabled this specifically and what is our sort of value proposition when we go into sales pitches?

Rahul Khettry: Siddhant, we have gained some competitor accounts we mentioned in the previous presentation as well as this one, but mostly on the new printers that we launched the TIJ, the TTO and HiRes, which is what we had also been informing everybody for the last couple of years that these printers have a good acceptance with our customers and it is a matter of time when we will be able to get good breakthroughs and with strong references now we are finding that these printers are actually being installed at the customer places and we are able to break into certain large FMCG companies as well as we mentioned certain MDF, we believe that we are the market leaders now with some good installation that happened in the last few quarters of this year and even in pipes we have always been dominating that segment, a new customer account has been contracted in the last time last quarter, so these are giving us. I think now the pitch that you are mentioning is the strong references and the product quality of Control Print is what is giving us the advantage here. Generally, we are going with demos at the customer place and once they are satisfied with the quality the performance and the pricing of course is when we are able to get through the account.

Shiva Kabra: More broadly speaking I think before we go we have two big product ranges one is the continuous inkjet printer, which is still the half of our business is in there still the half and it will remain so for the next few years and the second was a large character printer, which we specially sold and normally was a cement industry so that is really top backing for us, but what has happened is because the other products have sort of come on stream that is helping us capture customers because depending on the application, different technologies are opted because we did not really to be honest we started this process about five to six years ago, we have had issues in terms of getting to the right cost points, but especially like in terms of features, in terms of quality issues we have to work on it continuously and then train our own people or especially when you go onto model changes and like everyone goes a bit slow because nobody wants to disturb an existing customer this is something and he is not happy with the new product the new printer there is a chance to lose your business for the existing business also if you understand what I mean, so I think that now that it is running quite smoothly I think in the last two-and-a-half, three years, now we are going to see the effects of it, of course it is all muted because of the market situation so we normally able to translate that into the type of numbers that we would want to translate it into because of the



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market situation, but the acceptance is there, we have gotten in, maybe not even 100% capacity or significantly less maybe that is why we are not getting full business.

Siddhant Shah:

That is actually really helpful. So where are you guys seeing really the incremental growth from which sectors are we seeing incremental growth from going forward say for the next two years?

Shiva Kabra:

Actually I do not know how much this is your first call or how many of you guys are there but basically what we do is we divide the business into two parts, it is called industrial and one is packaging so packaging would cover food, it is industry by a long way in this whole business, so food is the biggest and food includes dairy, bakery, packaged foods, staples, everything that is what I am saying, so foods the Maggie Noodles, then there is beverage it will be Coke, Pepsi, bottled water, XYZ juices and then there is pharmaceuticals obviously and then there is personal care items and also home care so that will be detergent, soaps, shampoos, face cream and all that so that is in India 70% of the market or something is packaging 60% to 70% of the market, about 30% to 40% of the market is industrial, industrial would be cement, steel or cable and wire, pipes, wood, all sorts of automotive components, chemicals and petrochemicals, the thing is so we have been traditionally weak in the packaging segment and we have a bit of a reverse ratio as compared to our competitors so they have about 70% of the business from packaging, 30% from industrial and we have crossed all competitors. We have been refocusing more aggressively in the packaging segment in the last year and a half or so, anyways because of COVID the industrial segment is definitely growing right now slower than the organized packaging segment. So I think a little bit of the growth that is happening is that we are getting some more traction in the packaging market overall and of course we have been developing it is not like we left our existing base, but it is also doing okay, it was doing okay in fact for part of the year, but these are sectors that when the economy is doing well I think they grow a bit faster than the economy and then the economy is not doing well it is a recession they sort of crash a little bit more, so we used to buy milk every day and used to buy your Britannia biscuits or Parle-G and if you get what I mean.

Siddhant Shah:

That helps a lot thanks and just actually one more question from my end. I just wanted to understand the inventory days on a cost of goods basis sort of over 300 days could you walk us through why such large inventories are required and sort of can we see this number coming down over time?

Rahul Khettry:

So, yes we have kept the control on the inventory it was a little slightly higher earlier, but if you will calculate it based on the sales then it is come down by about 50 days I think now it is in the range of about 110, 120 days it looks a little higher when it was on cost of



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consumption side when you prefer to do it on sale, but it has over the last three years come down by about I think 30, 40 days and we believe that there is still scope maybe another 20, 25 days for it to come down, but our business is such that we do need to keep a higher inventory because of the number of SKUs that are used in our printer basically it is an assembly operation so you need to fire all the different types of parts and even if there is a shortage in a couple of parts the printer operation stops. Having said that there are certain parts which are electronic parts and the MOQ that is the minimum order quantity for these parts is relatively high because we have to give them at a larger quantity than we produce on a monthly basis because our suppliers also need that quantity to reduce the wastages, so certain electronic parts do have a higher MOQ and the third reason is that there are multiple printers, which are in the field for which we have to keep a large inventory of spare parts because as we mentioned that service is a very important aspect of our business and that is also required for certain printers, which probably we are not manufacturing even today so it is like the automobile like if the truck is running in the market the companies do have to maintain the inventory sort of spare parts, so that is something which is part of our business we are conscious on the inventory level and continuously working to reduce this, but if you will notice the trend it is being downward for the last few years.

Shiva Kabra: Yes, so I agree with Rahul, if you have this many products you need this much inventory in the way the sales increase the inventory increases marginally. So if we add a new product group there will be a certain cost of inventory because of the MOQs involved and right now we are having a lot of issues also because of there is some shortage especially of parts and the lead times have really increased, so I really would not see this situation changing at least in the current 12 to 15 months to be honest. So we have to make sure we have material because we run out, ours is an online business and it would be a disaster.

Rahul Khettry: You will also notice that from December to March the inventory is down by about 6 Crores this quarter itself, so I hope this will further come down in the next year.

Siddhant Shah: Yes, fair enough that is really helpful. Thanks a lot guys best of luck.

Moderator: Thank you. The next question is from the line of Namit Mehta from Kantilal Chhotalal. Please go ahead.

Namit Mehta: Congratulations on a great quarter Rahul and Shiva, just a couple of questions from my side. First if you can tell us a little bit more about the distribution strategy, I know that competitors distribute via system integrators and other distributors but you guys obviously go direct to the client, so if you can talk us through why and how that really works?



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Shiva Kabra: The vast majority of our sales are direct, what our competitors and us also do is there are people see like I said before is that we are selling the printers, which is a part of your production line obviously it is not the main part it is a minor part of your production line, so a lot of customers actually what they do when they buy it from the machinery supply from the packaging equipment manufacturer. For example, if I am making a biscuit manufacturing line then what the Britannia will do is they will tell that guy that you integrate the printer and give it to me and in that case if we do not sell directly to the end customer the customer buys a machine from us integrates it on post packaging line and then sends it to the final customer, so it is a similar sales model for all of us, there is no variations out there. In addition to this I just want to emphasize most of the time especially the large customers they already have some existing machines in stock of some company so what they also specify the OEMs is that I already want this thing because I am using like six lines of this and if I am buying two more lines if they are not unhappy they tend to normally specify that I want Control Print again.

Rahul Khettry: Namit as a strategy we prefer to be in direct touch with our customers because that helps us to understand their requirements and also the disadvantage of going with a distributor I guess you have to do that if you have no other choice is that, tomorrow he might just stop selling your printers and go to some other company and then you are in a kind of a turmoil with the customer and how to support them in the service aspect, so it is always at least in India we have a stronghold with our customers and through our branch offices and that strategy we are quite comfortable with.

Namit Mehta: Got it thanks and then just couple of followups on that. One how do we think about the strength of our distribution network in that sense vis-à-vis your competitors and also as we scale out the business when we become 500 Crores business how do you think about our current distribution structure evolving with the business is there a lot of change that is required to scale out the business or do you think that the model is working and will just continue okay?

Shiva Kabra: The current model will scale up well and we have already incurred a lot of expenses in the past few years to ensure that we can grow maybe not all the way to 500 Crores but a certain size I would say like maybe somewhere between 300 and 400 Crores without really adding a huge amount of overheads and expenses, so somewhere maybe definitely if we hit 300, 350 we might have to add another set of people and a little bit more debottlenecking in Guwahati that is the thing we should say, but not like till that level. So this is accepted sales model for this business worldwide globally so if we do a distributor model I think the main thing is that it is a very service and fast and oriented business so if for any reason the customer is not satisfied with the performance of the printer the service is the most key



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aspect in our particular business so the sales can get you in any company once, but if the customer is not happy with us with the logistics, the service, every single aspect and if you are not happy overall then you are not going to get a repeat business from them. So that sort of the situation out there, so it is about a total satisfaction, overall satisfaction what I am saying, so I do not see anything major changing in terms of these models that, is right now.

Moderator: Thank you. The next question is from the line of Jayesh Gandhi from Harshad Gandhi Securities. Please go ahead.

Jayesh Gandhi: Congratulations on good setup of numbers sir. My question is the earlier participant asked you about the market share and the market size, I think you said the market size for printers is like 1500 odd Crores?

Shiva Kabra: The overall market size is about 1500 and for us it is closer to 1150.

Jayesh Gandhi: You guys are enjoying closer to what 18% to 19%?

Rahul Khetry: Yes, around that we think we will be reaching towards 19%, 20%.

Shiva Kabra: It is about 18.5% that is what I will say.

Jayesh Gandhi: It will be calculated from 1150 Crores or 1500 Crores?

Shiva Kabra: 1100, so that is the organized segment so we do not really consider, yes okay if we take 1500 Crores those are all the smaller players the ink resellers, the pirates, so those are not really our target customers frankly speaking, but it is part of the market in that way you are correct.

Jayesh Gandhi: Can you just give me what are the receivable days we had last quarter?

Rahul Khetry: So, now we are down to about 72 days we were close to about 78 in the range of 78 to 80 days for the last few quarters, this quarter given the sales has been pretty high we are down to about 72 days.

Jayesh Gandhi: Endeavor would be to be at what closer to this levels or it is much, much lower?

Rahul Khetry: I think if the sales are high we can be in this range, but I think realistically 75, 80 days is we are comfortable it can be a few days plus minus.



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Jayesh Gandhi: One last question is we are currently enjoying the lower tax rate of closer to like 16%, 17% from which year do you think that we will be reversing?

Rahul Khettry: So to be honest right now up to 2025 we have the tax break for our Guwahati facility thereafter there is a 15-year period for carry forward of MAT, so the MAT can be carried forward until 2030 and we believe that we will get this advantage at least for a few more years after 2027. So maybe up to 2030, 2032 the MAT should continue again depends on how our sales goes, but my personal opinion would be that up to 2030, 2032 we will be able to, at least the cash flows will not get affected, so even if we have to charge a higher tax in our books we will be utilizing the MAT credit to set up the cash flows.

Jayesh Gandhi: One last question if I can ask, do we have a dividend policy or it is just last year that we have given 48%?

Rahul Khettry: No, if you see the trend for the last six years we have been giving continuous dividend interim as well as final and the management is quite comfortable considering the cash flows, we to be honest are in discussion at the board level to release a dividend policy which hopefully will be done soon.

Jayesh Gandhi: That is all from my side Sir. Best of luck for future.

Moderator: Thank you. The next question is from the line of VP Rajesh from Banyan Capital. Please go ahead.

VP Rajesh: Thanks for the opportunity and your insightful comments. I am actually new to the company so just a few basic questions. When you are talking about three other competitors can you share the market size of the largest competitors in this space?

Rahul Khettry: So basically, Domino even if you see the presentation on our website you get the details, but Domino is the largest player in India and they are around close to 345 Crores.

VP Rajesh: My second question is that when you talk about this growth from 200 to 350 Crores what is the time period you are thinking about?

Rahul Khettry: So, we would believe that in two to three years this is achievable. Definitely in three years is possible.

VP Rajesh: I was just asking that do we have some advantage on the manufacturing side that these other guys are manufacturing abroad and importing or they are also manufacturing within India?



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- Shiva Kabra:** I think the manufacturing that we are doing locally is making us cost competitive with them, but it is not giving us an advantage because we are manufacturing larger volumes, so I would not say like there is a very specific advantage there. Right now we are not in much superior phase of our product cycle to them, so I would say like I personally believe that our products are right now better quality than rather at least better features in terms of what they are doing so I think that is the only right now what I will say like is the key differentiating factor hopefully in the next year or two.
- VP Rajesh:** I have some more, but I will get back to you in the queue because I think there are more people waiting. Thank you.
- Moderator:** Thank you. The next question is from the line of Piyush from Resurgence. Please go ahead.
- Piyush:** Congratulations on a good set of numbers. Sir, wanted to understand more about the capex, we have done 24 Crores capex this year so can you just help us with the breakup how much of this is on printers on rent versus the maintenance capex and your number guidance for the next two years on this front?
- Rahul Khettry:** So this year the capex has been on the higher side but that was because we launched the mask division, which we have already informed. Apart from that you know the other one is the rental and the cost of code that we send out so those are the two main areas, so apart from the mask division there is no other major capex, we are doing some in our Nalagarh facility, which is more now under the CWIP we probably capitalize it in Q1 this year that was just to, we needed a newer modern storage building because the number of printers was increasing so there is more of a debottleneck, which was required in Nalagarh facility.
- Shiva Kabra:** So, I think the Nalagarh factory is you spend a reasonable amount only but it was just a small where more space is what we needed.
- Rahul Khettry:** Going forward as we still believe that in terms of equipments it will be more of maintenance in that size, Crore range that we have always maintained apart from those printers and all which go on rentals.
- Piyush:** Sir, can you help me with quantum how much did we spend on the mask division?
- Rahul Khettry:** On the mask division net we were about 10 Crores and around 7 was on the rental and the CPC contract and there were some other on the building and staff, which we spent 2, 3 Crores.



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Piyush: Sir, another question with this regard we have also seen a reduced depreciation this year do we expect this to continue forward as well this quarterly run rate?

Rahul Khettry: For the quarter you are right, what happened is that initially the higher depreciation was because of the start of the mask division when we were depreciating it a little more aggressively on the basis of the production, now we have taken a more longer view on the mask division and we believe that this business will remain strong for the next three to five years and so we have again gone back to the original company at provision of useful life so that was the reason, but going forward you will see it in the range of about 250, 270 every quarter so this quarter has been even out, but I think going forward we will be in the range of maybe close to 270-273 Crores range.

Piyush: Sir, just one last one if you can help me. Sir we have seen the mix of printers getting higher towards 20% in the ratio right I think that is one of the reasons that gross margins have been lower do you see this mix altering now since installed base has been increasing at a faster pace so for the next two, three years can we see higher sales of consumables and this mix changing a bit towards more 15%?

Shiva Kabra: Yes, so I think just to answer that question I think that there are two, three things that happened the first is that last year itself we were actually expecting to cross 200 what happened was we lost about 10, 12 and then we lost about I would say like it was very muted sale for the first three, four or five months so the end of spillover came into Q1, so what is happening is that our printer sales have been okay they have not dropped by much because of the COVID, but because the production was less for a certain part of the year I think that has impacted us and I think also like a good chunk of what we sold in Q1 last year and even to some extent in Q2 I think that was like customer stockpiling because there was a lot of uncertainty around the logistics and what we saw that again customers started going back to normal inventory levels so like before they were putting three forms it is like the same we are buying a lot more boards and PCBs and all that sort of stuff in this past year we stocked up, but as things go back to normal we start going back to not just in time but you are something more normal so I think the same thing sort of happened in our customers because for a small thing like this nobody wants to stop their production so that sort of situation that happened, so again I think in this year like if you sell the printers obviously we are going to get the business and that ratio does not really change, but what matters is in the end is whether customers are producing at like 30%, 40% capacity and all those industrial and other customers they are producing at 70%, 80%, which is normal and then at that stage is when they start looking at expanding their facilities and buying new printers so I think it has been like fluctuating throughout the year because of the situation that is there, but this time the logistics will not be affected, the manufacturing will not be



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affected too much in the current situation because obviously it is definitely I would say again like in April you are going quite strong and again it is a little bit like again customers now not need for new projects and so on it is just like about doing what is there right now so I think the ratio is just going to depend on how much the production is affected, if production is not affected ratios would be normal what they would go historically, if production is affected customers do not stop production lines but what they do is they will run them at a lower capacity and the consumers' power printer will be reduced as a result.

Rahul Khettry: Fundamentally, if the customer's production is increasing the consumables ratio will be better for us and the gross margin will be better so it is something that is which we all are hoping for. So we still believe that there is scope of improvement in our current financials.

Piyush: Alright Sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Sachin from Swan Investments. Please go ahead.

Sachin: Congrats for a good set of numbers. How do we see our mix between the various segments over the next two to three years?

Rahul Khettry: So like Mr. Shiva mentioned earlier, we are strong on the industrial side and now our focus is also on the packaging side where we have these new products, which are giving us good references so we believe that apart from industrial packaging will also grow at a strong pace for us, next few years maybe that ratio will change a little bit towards packaging.

Sachin: Thanks, but my question is more regarding the mix between printer consumables and servicing how do you see that mix changing?

Rahul Khettry: Okay sorry for that. So yes, you have seen that printers have been going strongly for us, which is good in the long-term because this is what we give as a consumable business and we believe that if we can get higher consumables like in the last call Mr. Shiva mentioned that if the production of the customers increases definitely a consumable percentage will go up and then the profitability gets stronger, so we believe that at least right now with consumables within the 50%, 51% range it can go above 65 close to 60 and once that happens the financials will be strong, so above 55 is definitely what we are looking for.

Sachin: Secondly, you mentioned that the printer market is roughly around 1100 Crores what is the growth rate here and secondly how big would be the consumables and the servicing market?



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- Shiva Kabra:** Can you repeat that question please?
- Sachin:** I am saying first of all what is the growth in the printer market you said the market is around 1100 Crores the organized market and secondly how big would be the consumers and the servicing they would be like similar proportions or there the market size are different and their growth rates also different?
- Shiva Kabra:** No, I said the overall market is 1500 Crores out of which the organized segment that is us and the three others about 1100 to 1150, so I never said what is the printer size and the consumable size, it is overall market as a size.
- Sachin:** So this 1100 also includes the consumables?
- Rahul Khettry:** Yes, absolutely 1100 to 1150 includes consumable service and it is a total revenue so overall revenue.
- Sachin:** So the market mix would be more or less similar to the mix that we have or is the market mix different the way we have say 20% is printer, 50% is consumable the market mix is more or less similar?
- Shiva Kabra:** It should be about similar it depends on the mix like one, two companies like did not want to sell lot more lasers and also so maybe there that is a higher percentage of their sale it would be machines, but not too much different, we have not focused so much on the laser segment so that makes a little bit of a difference, but not very much I think it is similar, similar levels a couple of percent here and there.
- Sachin:** Are there any opportunities for the export markets?
- Shiva Kabra:** Yes, there are but right now it is not really possible for us to explore it so the only companies that we are doing in Sri Lanka, Bangladesh and Nepal so I think we are just focusing there, but we will not be able to travel and do need some time.
- Sachin:** No, I am not talking from a short-term my question is more from a three-to five-year perspective that can export be a significant growth driver over say five years from now or three years from now could export be like 10%, 20% of your revenue?
- Shiva Kabra:** Yes, absolutely so that is what our plans, so we start with the neighboring countries, the thing is we have to be careful because whoever we are working with whether it is a distributor directly we have to make sure our service level is high to the end customer



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otherwise we can sell once, but we would not get the repeat sales and then your business cannot grow, so that is the only thing that is there, but yes it is definitely something that they are not I think not in this current year it is not going to make much of an impact.

Sachin: Currently export should be about 2%, 3% of revenues?

Shiva Kabra: I do not know offhand but yes maybe about 3%, 4%.

Rahul Khettry: Yes, a little more about 3%, 3.5%.

Sachin: Thank you.

Moderator: Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Sir, just wanted to understand any sort of revenue trajectory we are looking at for the next two to three years kind of, you did mention about the strong demand momentum and the worst is behind so any sort of comment on that would be helpful?

Shiva Kabra: Yes, right now we cannot say because of the situation I think this last year we got affected because everyone closed so yes even in the previous year I think the March definitely got affected so last year we got affected overall in the whole year so it is difficult to say like I think once the situation is streamlined then we can get a better idea of what the thing is. The market overall under normal circumstances it was growing 10% maybe 12% a year, but right now it is I think even from my understanding like overall the market was sort of affected last year overall. So I think you know the best thing is if you look at the industrial production of manufacturing growth of the country our business will grow at 1.5 - 2x that so I think that is a fair assumption.

Deepak Poddar: That is it from me. Thank you.

Moderator: Thank you. The next question is from the line of Aman Vij from Astute Investments. Please go ahead.

Aman Vij: My question is to understand the sub market, so for example we are the leader in MDF market and quite strong in pipes so are these markets like under 50 Crores each or some of them are big could you talk about that?



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Shiva Kabra: I think that is unfortunately a bit confidential so that is information very specifically we cannot give you. I did mention overall that the packaging is 70% and industrial is 30%, but going down to that next level specifics we would not provide that because our competitors are private so it is right now it is something I cannot disclose.

Aman Vij: Could you talk about our growth in the industrial segment for FY2021 as well as the packaging segment?

Shiva Kabra: So, I think that definitely in the past we are not short of the exact numbers, but my own understanding is that I think the industrial was more muted for us and the packaging growth was one of the main drivers, so it was more consistent. I do not know the exact numbers because Rahul is not there, but I will say like industrial was not really much at all but most of the growth that we had was packaging.

Aman Vij: Yes, and this was the trend I think in last year also right so last two, three years we have mostly grown in packaging my understanding is correct?

Shiva Kabra: No, I think this is more of a story of last year before that we have grown in industrial and we have grown in packaging, but I think in the last year it has been more in the packaging market, specifically in the last year. We had a fairly okay printer sale overall that was not bad, but I think in the industrial segment the consumption per printer went down and that is our belief is that the capacity is not these companies are not running it with normal capacity.

Aman Vij: Yes on that part sir cement and steel sector which I think we are also applying to those sectors are doing decently well so any reasons we have not grown in these two, three sectors?

Shiva Kabra: Yes, so I am talking like that from an overall annual basis not from a quarterly basis, so what happens again in cement we have actually lost a lot of market share, which I do not know if you guys have followed over the last few years because they just want the cheapest print and in the steel segment we are printing on value added steels we are not printing so much on the Ingots and the Blitz and all what we are doing is we are printing on the color coated steel or galvanized sheets and so on and pipes and what not so that market has grown, but then again what happened was like those markets were affected for a part of the year, so from an overall annual basis I do not know what sort of production growth there was I do not know the numbers offhand, but I feel overall annual basis it was not that significant, a lot of these markets are linked either to construction because they are using things like roofing sheets and partitions and all sorts of things or automotive white goods and those sort of things, so overall those markets also have their ups and downs over the



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years. So I do not know how the annual numbers worked out so that there might be a better indication of number of amount. So in Q4 obviously it was almost back to normal and now again it will be effective.

Rahul Khettry: Steel industry to be honest we have a very strong presence in the coding and marking segment, but the industry is so large so you cannot actually relate our product to their total volumes that they have got we will probably be doing on a few steel products, but whatever few we do we dominate.

Aman Vij: Sure Sir and my second question is on the packaging segment so we have done quite well this year and I think you have hinted over the next two, three years we will be growing, we will be changing our ratio more towards packaging, so Sir the market is still going at 10%, 12% but I think we are targeting much higher growth?

Shiva Kabra: Last year I do not think the market growth is there.

Aman Vij: In spite of that we grew quite well so there is definitely market share again if my understanding is correct, so any particular sub segment which we are quite bullish on and is there a technological advantage you were explaining quite well so we are leading in terms of technology and products in this cycle maybe?

Shiva Kabra: Yes, I think that would hopefully serve us for the next two, three years so I think the idea would be obviously that in some parts of the products, which I am saying overall obviously, but I think the idea like I said is that we are weak in certain industries so it is just a matter of seeing whether we can capture some of the customers in those industries, it has been a bit slow because of the Corona and so we had created a lot of work in the previous year to this and last also we have got some opportunities. What happens is a lot of times even when you break through a customer and you have some things especially when they need to change equipment in this time it is a pandemic and all because they are meeting less it is less of a priority for them to go from to make or you can say like changes that are unnecessary in their view just because something is a bit better they just want to be as conservative as possible I think that slightly limited us, but I think that because our product range is better in certain different areas different segments we are getting some advantages for that and that is helping us definitely, so I think the idea would be obviously to just keep that up and do the best we can in that strength we have on our product range and a service sales network to try to convert that market share gains in those segments.

Aman Vij: The two, three printers which we have launched in the last one to three years has that helped in getting more market share in packaging segments specifically.



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- Shiva Kabra:** Yes, I think that has been instrumental.
- Aman Vij:** Okay Sir, Thank you for the information.
- Moderator:** Thank you. The next question is from the line of Madhuchanda Dey from MC Research. Please go ahead.
- Madhuchanda Dey:** My question is pretty simple, while we have ended the year on a strong note, have you seen any change on the ground in the last one month?
- Shiva Kabra:** Yes, definitely I think I answered that earlier, but definitely it is going to be more muted, production does not seem to be that affected as of yet, but obviously the mood is a bit subdued for sure, let us say the pandemic has hit really hard much harder than in fact what had happened last year, but I hope that if the logistics and manufacturing got affected last time even though essential because of there was no logistics available for us and like it affected us very badly the whole logistics network sort of got affected, so I think that this time at least I think if the logistics and manufacturing is less affected not have so much of an effect relatively speaking on our business, but obviously in the end we all related to GDP and GDP per capita and like I said we are a secondary industry so if our primary customers producing less steel or selling less automobiles buying less steel then we are printing on less steel and so on, so we are again depending on that manufacturing on industrial growth and right now I will say it is less for manufacturing but the mood is like a bit like it is one of those things that delay new projects delay new things.
- Madhuchanda Dey:** Yes, got it. Just one related question you mentioned that you were very heavy on industrial and relatively low on packaging, which is changing now so as on fourth quarter what was the share of packaging in the revenue?
- Rahul Khettry:** So earlier we were like 60:40 more towards that industrial because it has not changed very drastically because industry still there is a stronghold for us and is also growing along with packaging so I would say it is maybe 5% shift maybe 55:45.
- Madhuchanda Dey:** So 55 industrial, 45 packaging that is what right?
- Rahul Khettry:** Roughly.
- Madhuchanda Dey:** The reason I am harping on this point is as far as the packaging segment is concerned most are more evergreen businesses relatively less affected by a pandemic situation if it were to worsen also, so do you think to that extent that part of the business is insulated and

whatever disappointment comes is likely to come more from the manufacturing side is it a correct understanding?

Rahul Khettry: It is anybody's guess your guess is as good as mine in this pandemic situation, we did not see any trend line in the previous year so current year also we will have to watch because this is a different situation compared to last year like Mr. Shiva said that productions are not affected as of now like we mentioned what happened in the past one month we cannot see any industrial units shutting production, but if consumer demand goes down in the next few months then obviously people will cut production so let us just wait and watch right now we feel that things will not get much affected but let us not over project it.

Madhuchanda Dey: Thank you and all the best.

Moderator: Thank you. The next question is from the line of Falguni Dutta from Jaideep Securities. Please go ahead.

Falguni Dutta: So just wanted to know if as our packaging mix increases so in short are more consumables used if we serve the packaging sectors just because of the volume being if the consumables consumption increase if our packaging mix increases compared to industrials?

Rahul Khettry: I do not think there will be a major shift, which will impact our financials to a great extent because packaging though it is a good industry, good pay master, they are more organized but their prints and their consumption is still much lower than compared to a steel or a wire or a cable industrial side because let us say on the pharma side or on a tetra pack, the amount that is printed is quite small we really need a magnifying glass at times to see it and even the content that is printed is much lesser whereas on a pipe or a cable it is like a continuous print over thousands of meters of thing.

Falguni Dutta: Volume would be more know in the packaging but it will...

Rahul Khettry: That is why I said it could be a little bit, but it is not something that is going to affect our financials.

Falguni Dutta: One more question is on the installed base, what was the installed base of printers in FY2019 I just wanted to know like two years back what?

Rahul Khettry: About 2000 printers, so right now we are about 13 to 14 that time will be about close to 10000 I would say 9000 to 10000 and now about 13000, 14000.



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Falguni Dutta: So these 3000 additional printers over two years can we expect this number to be much higher over the next two years?

Rahul Khettry: We mentioned in the earlier question that it seems sustainable we believe they do not have any reason to believe this will go down, but at the same time we do not think it will go up significantly. We are pushing, we have a strong team on the field and if people are adding capacities I feel this range is sustainable, if we add more we will definitely, we will have to see.

Falguni Dutta: One last question is what was our printer volume in FY2020?

Rahul Khettry: You mean the printer sales volumes?

Falguni Dutta: Yes, printer sales volume.

Rahul Khettry: Roughly, similar about 2500 printers.

Falguni Dutta: Okay thank you. That is all for my side.

Moderator: Thank you. The next question is from the line of Saket Kapoor from Kapoor & Company. Please go ahead.

Saket Kapoor: Thank you for the opportunity and Congratulations to the team. Sir, firstly on this investment in the mask segment and this 8 Crores capital work in progress if you could explain how these two amounts are going to benefit the company going forward in terms of increase in revenue and the bottomline?

Rahul Khettry: So mask we have told you that it was an investment, which we did basically in the pandemic period for the society and the CSR activity. We will be quite confident that the investment will definitely be recovered, but now we find that it is also a good business model in the long run because our product is we feel superior and it can sustain even post pandemic on a long-term basis, so we are now hoping that things will be more stable, but things are so volatile I would not like to make any predictions, the prices are changing, the quantity demand is changing, so you just give it a little more time for things to stabilize. Like we had mentioned earlier that we have done a good quality investment in this project and considering the Control Print's brand image and strength we believe that the smaller players will wither out, but the more stable players like Control Print will be in the market for the long-term. The second wave is definitely improving our strategy because we find that there are many smaller players in the first wave, which now are not available and the



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quantities that we are receiving is much higher in terms of that, so this also as we think is as a good export market post pandemic so we are quite now confident on this mask being a good strategy. The second part that you asked on the CWIP is related to us mostly on the Nalagarh facility we are expanding our building because we need more space as the printer volumes are increasing and that was the reason we wanted to get more organized so most of the CWIP will get capitalized most probably in Q1 itself related to the Nalagarh facility.

Saket Kapoor: Sir, what my point was how is this going to improve the margins in that sense we are investing in for debottlenecking?

Rahul Khettry: Saket Ji if the volume of printers is increasing to continue to manufacture them and look at a couple of years down the line we have to invest in our building facilities.

Saket Kapoor: My second question is relating to FY2018, in FY2018 we did a revenue of around 174 Crores and our EBITDA gross margins were 68% and EBITDA margin was closer to 29% so just to get back to this level what factors played out for us during that time and in the coming years can we look forward to reaching that mark again or this gross margin in the vicinity of 61% to 64%, 65% is a reasonable number your thought process?

Rahul Khettry: Saket Ji, the game changer is the higher percentage of consumers that we all know and we have discussed in this call, so selling printers is a good sign that if you tell now the volume will keep on increasing and like we are all discussing about the 300 Crores mark now so we believe that only if we keep selling printers the consumable volumes will increase so there might be a few percentages down, but 24% on EBITDA still is a strong sustainable number and once the consumable increases we believe it can definitely go closer to the 29%, which we are talking about, but with printers selling well we are quite happy at this stage, you have to reach out to even the last mile user and on a long-term basis this is what the business requires.

Saket Kapoor: Sir as you told the 300 mark is two years guidance?

Rahul Khettry: Two will be aggressive but yes in three years it is I think achievable.

Saket Kapoor: I will come in the queue Sir, thank you for answering and for a very comprehensive discussion sir this time.

Moderator: Thank you. The next question is from the line of Shalabh Agarwal from Snowball Capital. Please go ahead.



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Shalabh Agarwal: The first question is there was a comment made that we have got a competitor for pipe, we have got an account from a competitor for a pipe division so can you just elaborate on what led to us gaining that account so typically we have seen our customers do not change their vendors in the single business?

Rahul Khettry: So like I mentioned that we have very strong references in that industry and are continuously evolving our printers to meet their requirement, you know that there is a lot of spurious i.e. pipes that are sold in this industry if you are following that you would be knowing the industry have been concerned about the spurious pipe spreading so we do help them out to innovate and try to make certain changes on their printing side, which can differentiate them from the spurious pipe supplies, so that has been something that we have been working closely with the pipe industry and this reference is helping us gain customers.

Shalabh Agarwal: Was this account gained from one of the other three suppliers?

Rahul Khettry: So I would just say that is a competitor account I would not like to devise more of that.

Shalabh Agarwal: Sir, secondly having asked in one of the earlier sessions we were indicated that we are finally selling to the guys who are doing the packaging right like Britannia would buy the packaging line and this will then integrate our printers or the other competitors printers into the packaging line, so who are these packaging manufacturers or our customers to whom we are selling?

Rahul Khettry: So there are certain OEM sales that we do so these are the packaging industries in India who are supplying those lines to the packaging industry, apart from that we also do a lot of direct sales because customers do not want to go through OEMs all the time knowing that they have to buy the consumable as well as get the service from the Control Print, so they at times like to place direct purchase orders and build their relationship right from the consumer, so it is basically these packaging lines that nobody should find.

Shalabh Agarwal: What broadly would be the OE percentage in our sales broadly?

Rahul Khettry: The OE?

Shalabh Agarwal: Where we are selling this to packaging manufacturer?

Rahul Khettry: OEM?

Shalabh Agarwal: OEM.



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Rahul Khettry: The OEM sales. It is growing for us I will be honest with you earlier we were more focused on direct sales then we have got all India manager now who is focusing on the OEM sales this has definitely grown for us, but still is very nascent maybe 1% or 2% of our turnover as of now, but it is a segment that we have to remain focused and we think that can get some more business.

Shiva Kabra: Difficult to understand because that is more of a printer sale, so the bulk of our revenue still comes from the consumables and the filters and the services and all those sort of things that is connected to this, so that is more of a printer sale. Again, like I mentioned earlier a lot of OEM sales are also sort of actual directed sales so a lot of time a customer will buy our printer he is happy with our printer then when he is buying some machinery from a supplier he will tell that supplier that use this person's printer I would not, this is my specification so the building is happening via because it is simpler for him the machine is already mounted from the beginning on his parent line and so on and so forth so that is why they prefer it rather than getting everything at their factory and then they are running around doing all of these things, but it is not necessarily like a new market and still the customer who is sort of saying that this is what I want, so it is like when I am buying, I do not know like I am doing my house I want a Polycab cable I want pipes from Ashirvad I want something so I am specifying that, but yes the architect is the one who is getting built he is just sending me one bill for everything but it is my decision to use tiles from Kajaria you understand what I am saying.

Shalabh Agarwal: I got it. So in this the installation will not be done by us our sales people or our service people will not be installing the printer at the line right?

Shiva Kabra: Normally what we do is we supply to the OEM our printer, we integrated in his line, he sent the entire line to the customer and at that time normally we reinstall the print and do training if he is a new customer or depending on situation then it depends so normally we install the line at a printer on the OEM's line in factory and he will ship the entire thing to the customer that is a basic benefit that is all tested before hand that everything is handshaking well and it is open.

Shalabh Agarwal: I will come back in the queue. Thank you Sir, all the best.

Moderator: Thank you. The next question is from the line of Sunny Ahuja, an Individual Investor. Please go ahead.



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Sunny Ahuja: Again congratulations for a great set of numbers this quarter. So I just wanted to understand that what were the margins in the industrial versus packaging segment are they different that would be the first question?

Rahul Khetry: No not really we do not have a kind of breakup like that actually share, but we would assume that it is quite similar, it is only that depends on how much consumable is sold in that segment so it is tough to say where the industry is more profitable, difficult to put it that way.

Sunny Ahuja: Second question was is there any effect of this, as you did kind of answer that question but just wanted to kind of get a little bit more clarity, what is the effect of the second wave on the outlook in Q1 in particular and also I know it is kind of hard to kind of project it further out, but in terms of Q1 are we seeing any material impact as of now?

Rahul Khetry: So like I answered earlier we have not seen any of the production lines going down or the factories shutting during the second wave so our business is not really materially affected, but yes if consumable consumer demand goes down a few months down the line and productions are withheld or cut down like Mr. Shiva said maybe capacities are lower then we will have to see, but as of now we cannot see any effect.

Sunny Ahuja: Thanks for answering my question. Thank you.

Moderator: Thank you. The next question is from the line of Deepak, an Individual Investor. Please go ahead.

Deepak: I have two questions related to non-core business, non-core business I believe you explained a lot, one is related to the current investments as per the result you have 25 Crores of current investment, is it all equity? that is one and whether the company will continue with this investment in equity in future as well and second question is related to the real estate business, earlier the company used to report a segment in real estate with respect to its Chandivali property, is there any plan with respect to that monetization?

Rahul Khetry: So on the investment though you all are seeing an increase I would like to clarify that most of it is because of the mark to market, it was about 14 Crores that was in March 2020 when the markets had slumped and now with the markets improving it has gone to 25, but that jump mostly is because of the mark to market there is no additional investments that we have done maybe there is some change of portfolios, but there is no real cash flows that have got affected because of this increase in investment and I am sure that each one of you are the experts and your investments would have also gone up, but it is more of a mark to



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market rather than an actual cash outflow from the company. The second part on the real estate is it is too fluid and too many things are changing so no development on that side, we continue to hold Chandivali property.

Deepak: Okay thank you, thanks for the answer.

Moderator: Thank you. The next question is from the line of VP Rajesh from Banyan Capital. Please go ahead.

VP Rajesh: Yes, my questions have been answered for now. Thank you.

Moderator: Thank you. As there are no further questions I would now like to hand the conference over to Mr. Karan Bhatelia from Asian Market Securities for closing comments.

Karan Bhatelia: Yes. Thank you Rahul and thank you Shiva for extensive thoughts.

Rahul Khettry: Yes, thank you everybody, thank you for participating, please stay safe and healthy during this tough time.

Shiva Kabra: Thank you everybody and be safe I think that is the best thing that everyone can do. Thanks.

Rahul Khettry: Thank you Karan, thank you so much.

Karan Bhatelia: Thank you very much.

Moderator: Thank you. On behalf of Asian Market Securities that concludes this conference. Thank you for joining us and you may now disconnect your lines.