

RAJSHREE POLYPACK LIMITED



Investor Presentation FY 2020-21

SAFE HARBOR

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Company Overview



Business Overview

With almost 2 decades of experience in plastic packaging industry, we are one of the leaders in manufacturing of Rigid Plastic Sheets and Thermoformed Packaging Products

- ❖ 3 manufacturing facilities at Daman, Equipped with state-of-the-art machinery with annual extrusion capacity of over 14,200 MT and thermoforming capacity of over 7,220 MT with more than 135 products
- ❖ Products range includes packaging for dairy industry, food and beverages, bakery and confectionaries, trays for sweet and snacks, punnets for fruits and vegetables, electronic packaging, etc.
- ❖ Strive to ensure excellent shelf visibility with various decorations/design options like printing and sleeving
- ❖ In rigid packaging we offer sheets of PP/APET/GPET/HIPS, which are sold for 'form filled sealed' (FFS) application, for box making & vacuum forming applications
- ❖ First in the Industry in India to manufacture Rigid Barrier Packaging Products with completely integrated facility under one roof using state-of-the-art European Machinery
- ❖ BRC certified for **Global Standards for Packaging and packaging Materials**

Financial Snapshot

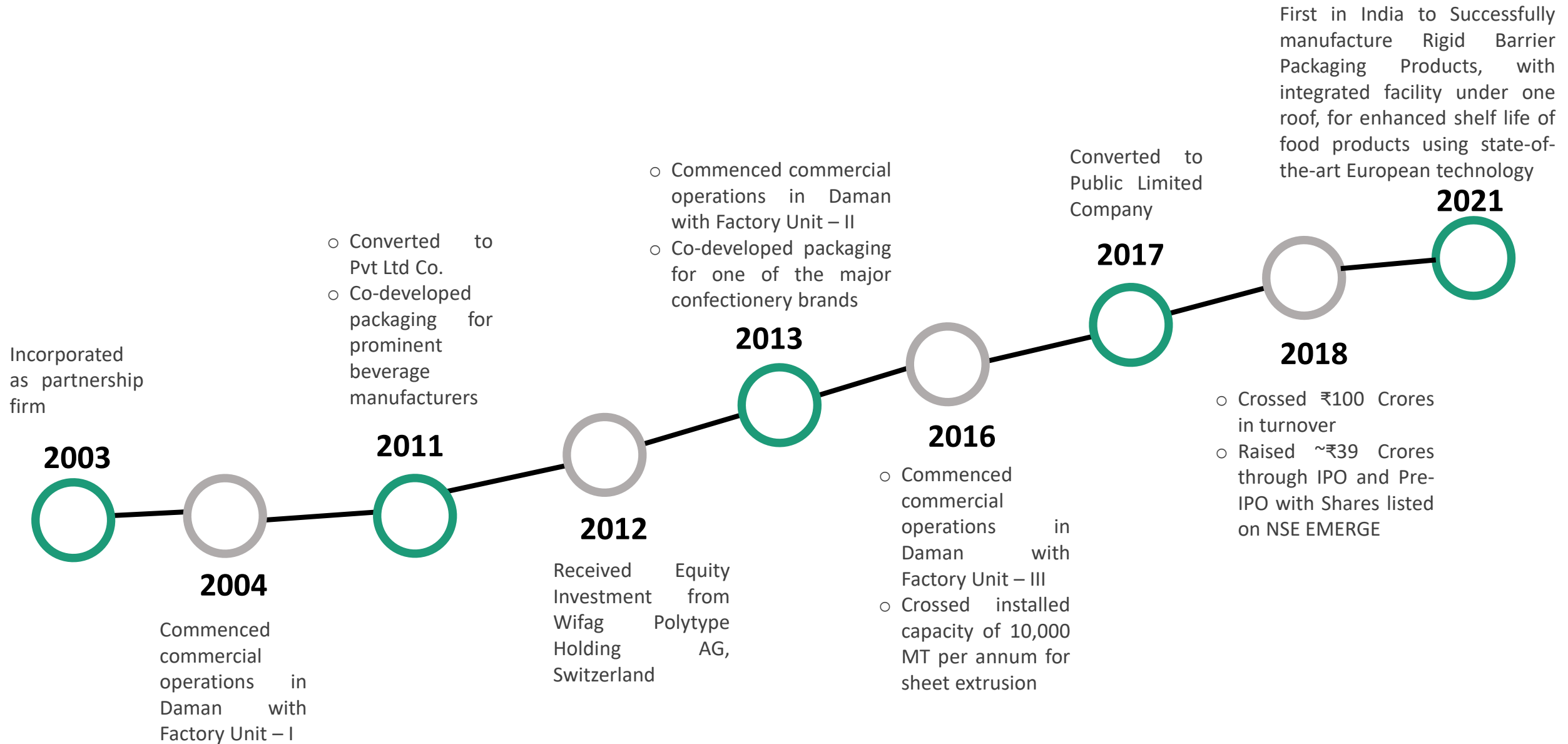
Fiscals	2021	2020	2019	2018	2017
Turnover	12,707.22	12,571.98	12,501.37	11,232.73	9,506.03
Y-O-Y Growth	1.08%	0.56%	11.29%	18.16%	0.03%
EBITDA	2,038.11	1,996.82	2,116.99	2,119.00	2,145.59
EBITDA Mgn	16.04%	15.88%	16.93%	18.86%	22.57%
PAT	881.86	926.00	1,050.93	955.77	826.40
PAT Mgn	6.94%	7.37%	8.41%	8.51%	8.69%

Annual capacity

Fiscals	2021	2020	2019	2018	2017
Extrusion (in MT)	10,200*	10,200	10,200	10,200	10,200
Thermoforming (in MT)	5,220*	5,220	4,320	4,320	4,320
Printing (pieces in Lakhs)	6,200	6,200	6,200	5,148	5,148
Sleeving (pieces in Lakhs)	1,275	1,275	1,275	1,275	825

* Company has added additional capacities (extrusion 4,000 MTPA and thermoforming 2,000 MTPA) for commencement of product trials in March 2021. However, commercial production commenced in June 2021

Business Evolution



Technology Upgradation



2016 - 2020

Maintaining thrust for technology with

- Fully automated sleeving machine with indigenous technology
- Obtained CIPET approval for Bio-Degradable PLA Products
- Obtained License from CPCB for production of compostable Products
- Setting up of Solar panels at Unit II with installed capacity of 135 KW

2011 - 2015

First to upgrade with

- Alternate decoration technology of shrink sleeving on containers
- Fully automated 8-colour printing machine in dry offset with Swiss technology in the Indian market
- High-tech extrusion machines for plastic rigid sheets with Italian technology
- Completely integrated solution under one roof i. e. Extrusion, Forming, Printing, Sleeving
- 3-Station fully automated vacuum forming machine with German technology

One of the early ones to introduce

- 6-Colour printing in dry offset in Indian market
- Fully automated thermoforming machines with German technology
- Fully automated 6-colour printing machine in dry offset with Swiss technology in the Indian market

2004 - 2010

2021 - onwards

Focused on remaining first with

- Successful commencement of manufacturing of Rigid Barrier Packaging Products, with integrated facility under one roof, for enhanced shelf life of food products using state-of-the-art European technology
- In advance stage of consolidation and modernization of Unit I & Unit III

Our business and products

Packaging is a vital communicator with the consumer as it plays major role in giving a distinctive look and preserving the flavors and hygiene of the products while also protecting the contents

- *Rigid plastic packaging products (along with lids) in various shapes and sizes.*
- *Diversified range of products that cater to the dairy, beverages, food, FMCG, QSR, retail, pharmaceuticals and the electronics sector*
- *We produce rigid plastic sheets of PP / APET / GPET and HIPS, which are sold for 'form filled sealed' (FFS) application, for box making and for vacuum forming applications*
- *We are ready to produce environment friendly packaging products*
- *Barrier Packaging Products for enhanced shelf life of food*



Plastic Rigid Sheets

End Use

- FFS – Form, Filled, Sealed Application
- Electronic Packaging
- Textile Packaging
- Displays
- Stationary Packaging
- Industrial Packaging
- Pharmaceutical Packaging



Rigid Packaging Products

End Use

- Yoghurt
- Ice Cream, Butters and Spreads
- Juice & Beverages Packing
- Bakery, Chocolate and Confectionery
- Online Food Delivery



Barrier Packaging Products

End Use

- Ethnic Sweets
- Snacks
- Pet Food
- Ready-to-Eat Meal
- Dry Fruits
- Fruits & Vegetable
- Baby Food
- Dairy Products



Our Esteemed Customers



Financial Analysis



Profit & Loss Statement

(₹ Lakhs)

Fiscals	H2FY21	H1FY21	H2FY21 vs. H1FY21	H2FY20	H2FY21 vs. H2FY20	FY21	FY20	Y-o-Y
Revenue from operations	7,672.52	5,034.70	52.39%	5,799.67	32.29%	12,707.22	12,571.98	1.08%
Operating Profit	1,637.74	1,213.08	35.01%	1,244.42	31.61%	2,850.82	2,775.76	2.70%
<i>Operating Profit Margin %</i>	21.35%	24.09%		21.46%		22.43%	22.08%	
EBIDTA	1,205.09	833.02	44.67%	804.93	49.71%	2,038.11	1,996.82	2.07%
<i>EBIDTA Margin %</i>	15.71%	16.55%		13.88%		16.04%	15.88%	
PAT	532.19	349.67	52.20%	366.30	45.29%	881.86	926.00	-4.77%
<i>PAT Margin %</i>	6.94%	6.95%		6.32%		6.94%	7.37%	
<i>Earning Per Shares (EPS) (₹)</i>	4.74	3.11	52.20%	3.26	45.29%	7.85	8.24	-4.77%

Financial Analysis



Balance Sheet

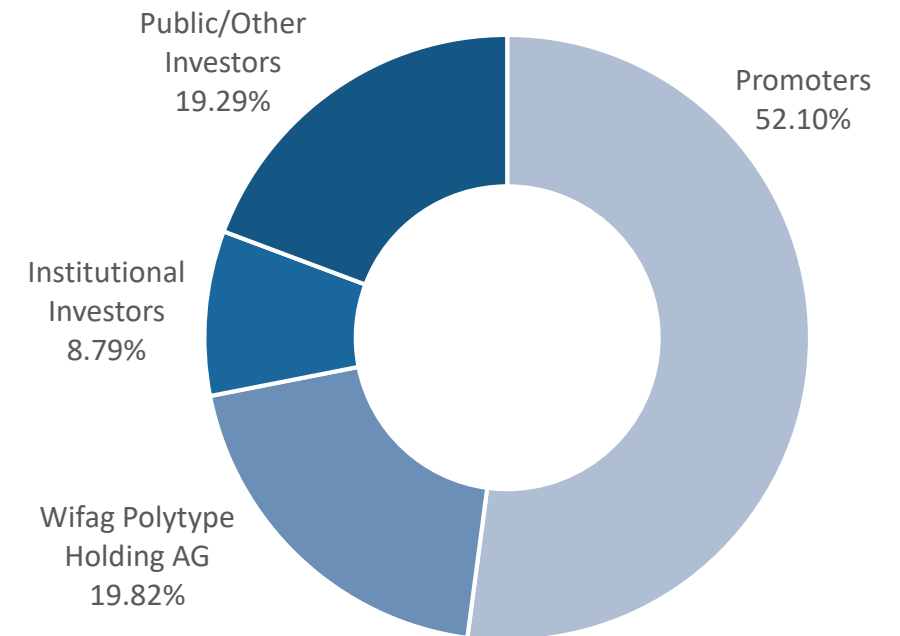
(₹ Lakhs)

Fiscals	FY21	FY20	FY19	FY18
Shareholders' Funds	10,813.94	10,044.42	9,186.14	4,698.44
Long-term borrowings	213.92	194.54	730.81	1,384.88
Non-current Liabilities	540.64	467.80	1,091.87	1,820.60
Fixed Assets (Gross)	12,675.65	8,231.24	7,395.67	6,868.24
Fixed Assets (Net)	8,293.68	4,566.17	4,436.70	4,462.81
Other Non-current Assets	168.58	208.90	213.16	395.97
Operational Working Capital	3,410.33	2,650.14	2,408.91	2,021.14
Net working capital (Exc cash and bank balance)	123.37*	2,658.98	2,113.19	1,331.00
Cash and Bank Balance	2,534.34**	2,680.34	3,496.69	329.26

* Includes creditors for capital goods amounting to ₹ 2,185.81 lakhs (covering ₹2,112.18 lakhs to whom letter of credit has been issued)

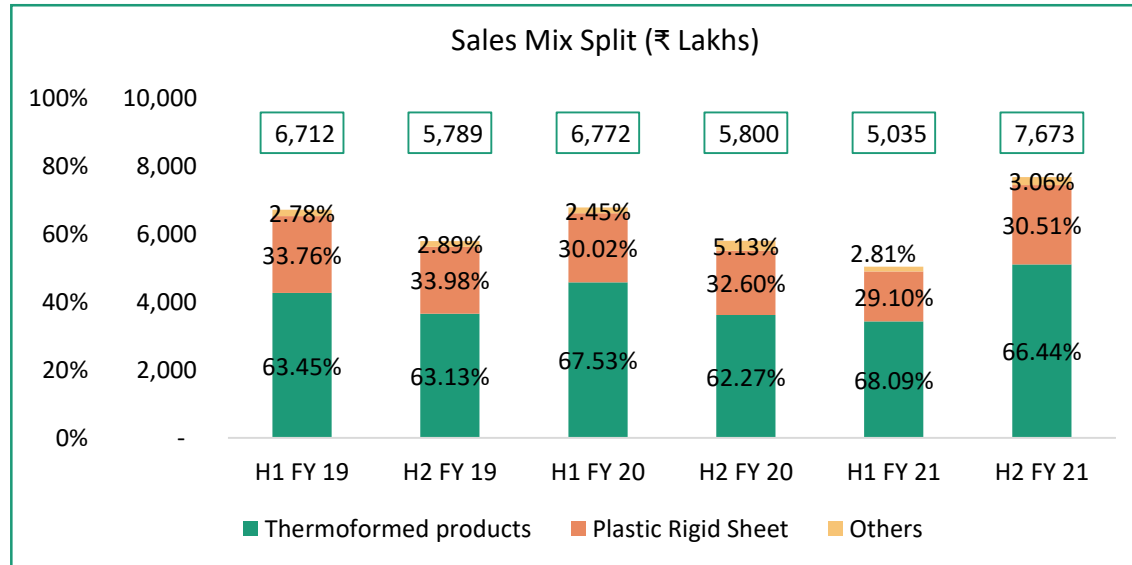
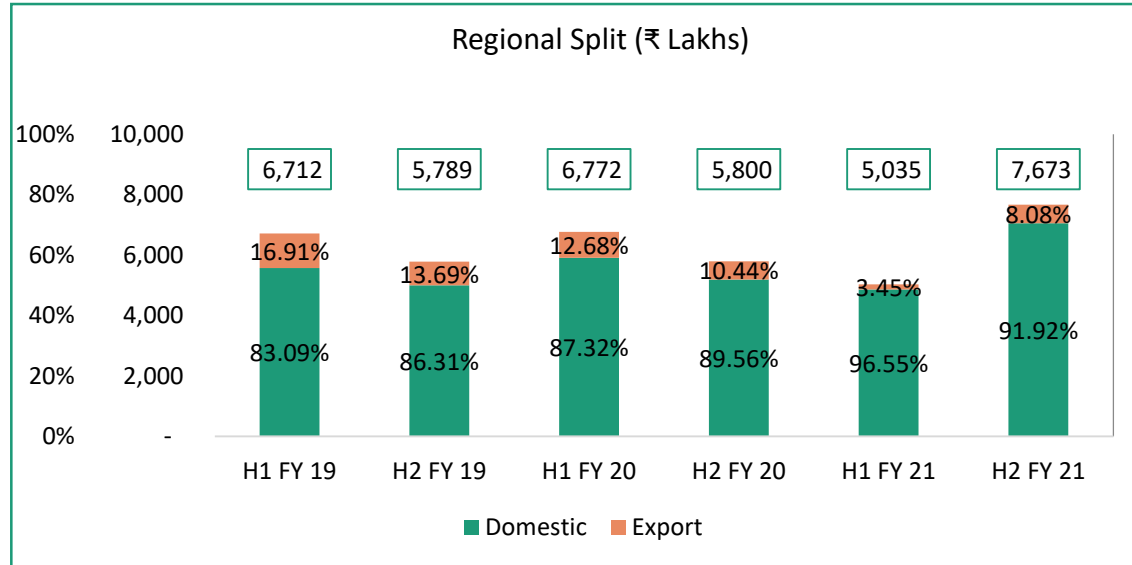
** Includes FD balance of ₹ 2,154.00 lakhs pledged with bank against Letter of credit issued to creditors for capital goods

Shareholding Pattern – 31st Mar 2021



Operational Analysis

Sales



Ratio Analysis

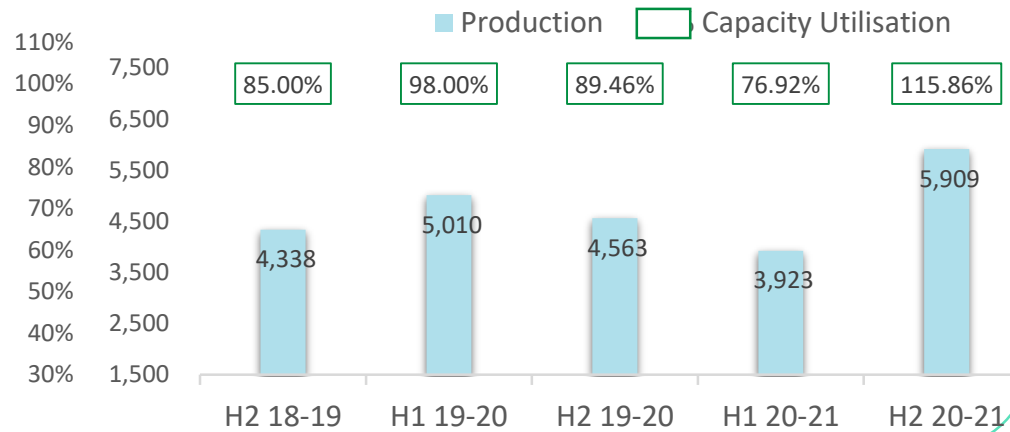
Fiscals	FY21	FY20	FY19	FY18
Debtors Turnover (Days)	78.75	66.22	60.65	66.44
Creditors Turnover (Days)	58.55	43.29	43.92	58.48
Fixed Assets To Turnover (X)	1.52*	2.72	2.82	2.52
Inventory Turnover (Days)	96.37	60.77	60.47	57.11
Debt Equity Ratio	0.15	0.08	0.16	0.44
Debt EBITDA Ratio	0.82	0.42	0.71	0.97
Interest Coverage Ratio	13.17	9.19	7.62	6.64

* Seen lower due to capitalization of expansion project in March 2021

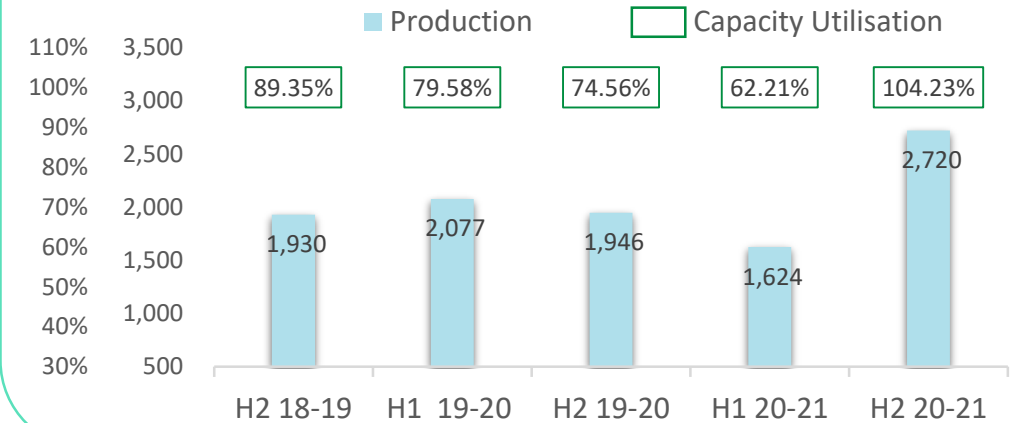
Operational Analysis

Capacity Utilization

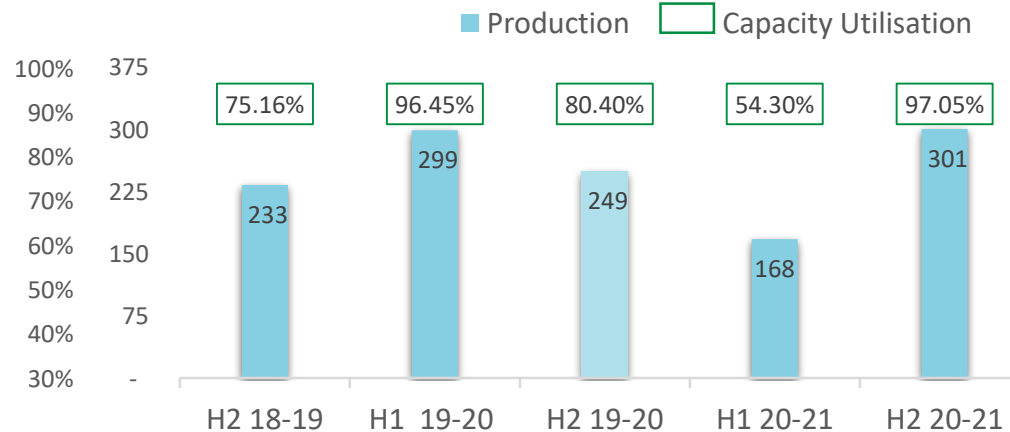
Extrusion (in MT)



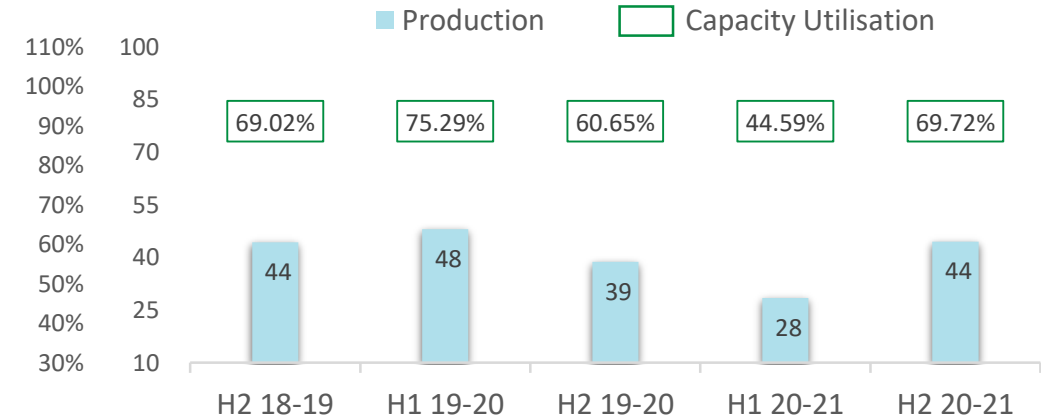
Thermoforming (in MT)



Printing (pieces in Mn)



Sleeving (pieces in Mn)



Capital Investment

Fixed Assets - FY21

(₹ Lakhs)

Fiscals	Unit II (Extension)	Others	Total
Leasehold Property	629.21	-	629.21
Plant And Machinery	3,502.26	54.49	3,556.75
Other Assets	107.58	150.87	258.45
Total	4,239.05	205.36	4,444.41

Sources of Funds - FY21

(₹ Lakhs)

Sources of Funds	Unit II (Extension)	Others	Total
IPO Proceeds	3,175.44	-	3,175.44
Internal Accruals	1,063.61	205.36	1,268.97
Grand Total	4,239.05	205.36	4,444.41

On-going Project

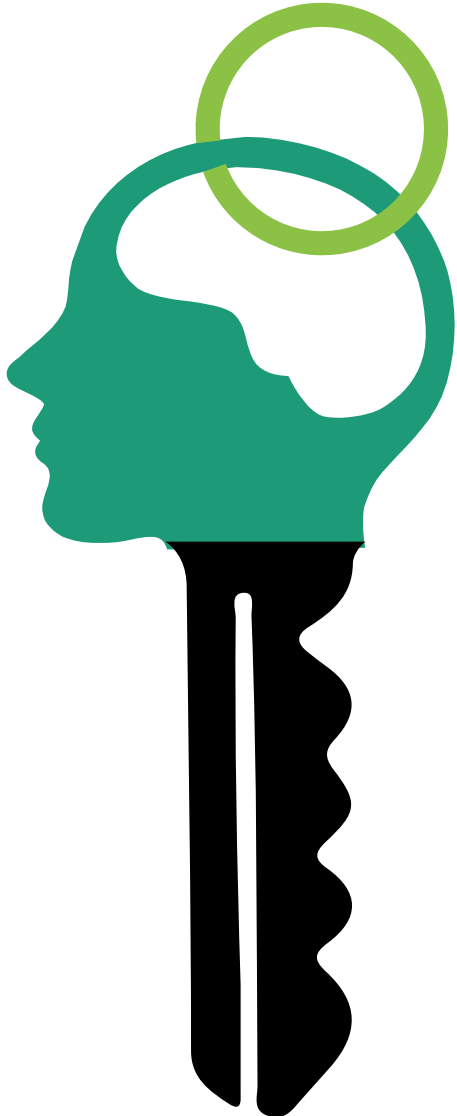
(₹ Lakhs)

Consolidation and Modernization of Unit I and Unit III	~1,500.00
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Sources of Funds

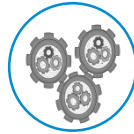
Sources of Funds	₹ Lakhs
Term Loan from Banks	1,100.00
Internal Accruals	~400.00
Grand Total	~1500.00

Latest Developments



Product Development

- Successfully developed barrier trays for Ready-to-Eat meals for one of the top industrial houses in India
- Successfully developed Rigid sheets for MAP and Retort application
- Introduced ~15 new products of different designs for snacks, bakeries and sweet segments



Capacity Expansion

- Implementation of Unit II (extension) complete. Commercial production commenced from June 2021
- Consolidation & modernization of Unit I & Unit III in progress; Expected to be complete by Jan 2022
 - Will help in reducing cost of manufacturing
 - Capacity enhancement by ~15% of current combined capacity of Unit I and Unit III



Sustainability

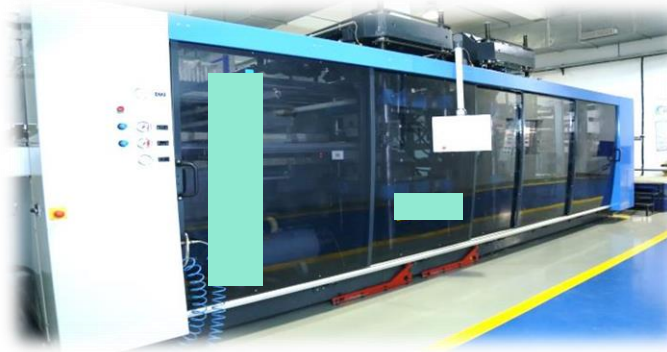
- Tied-up with Rapidue Technologies Private Limited for waste collection & recycling and meeting Extended Producer's Responsibility requirements

Infrastructure

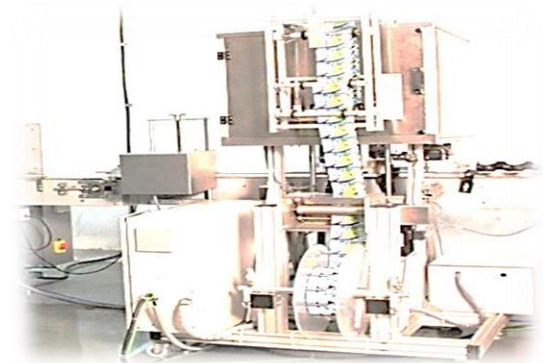
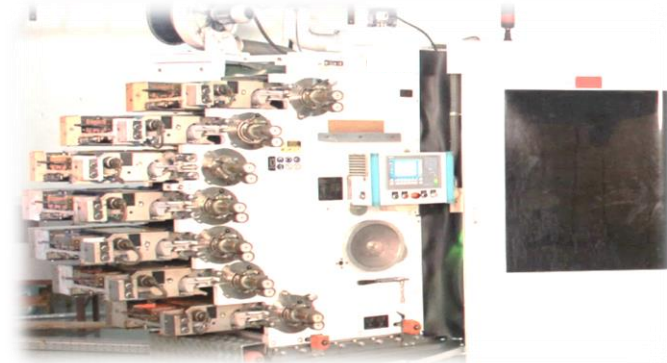
EXTRUSION



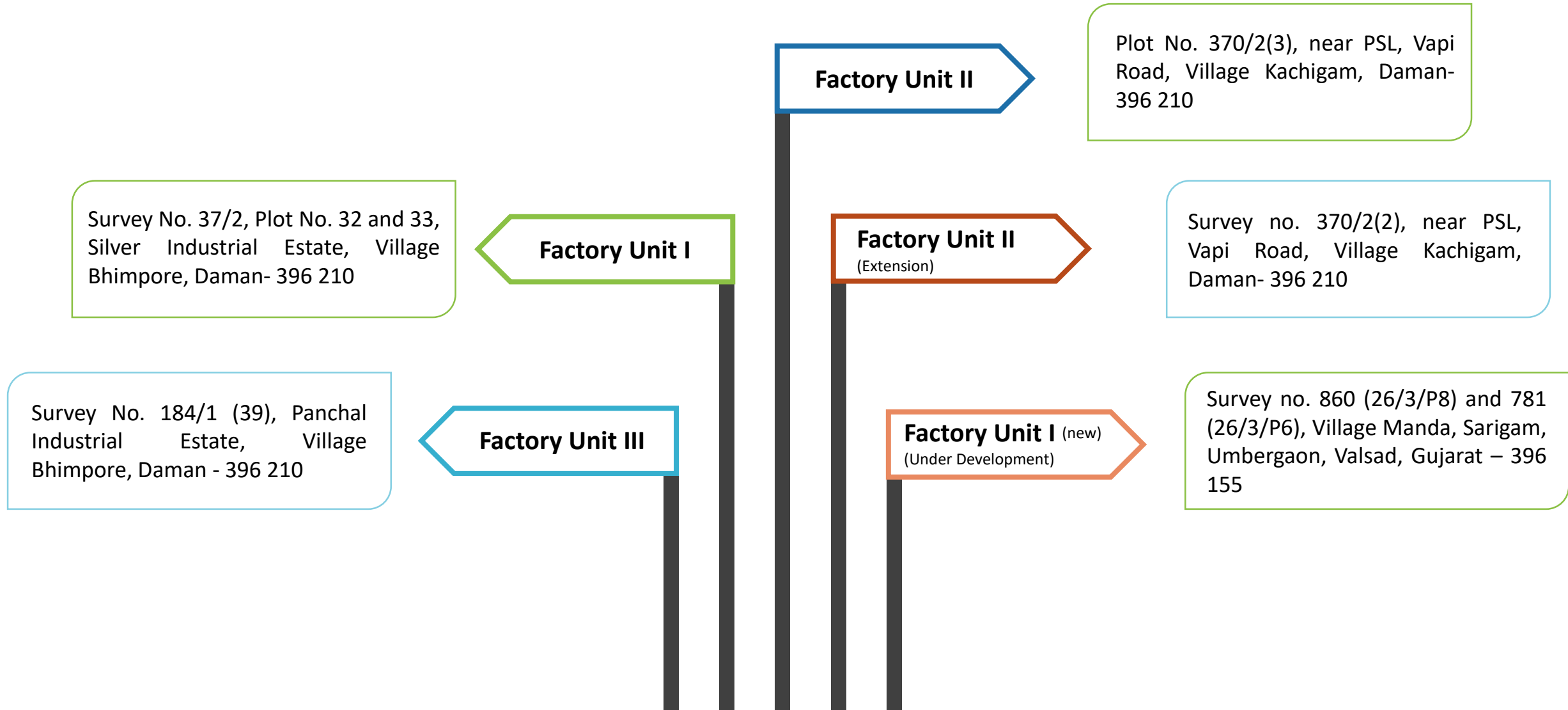
THERMOFORMING



PRINTING & SLEEVING



Factory Units

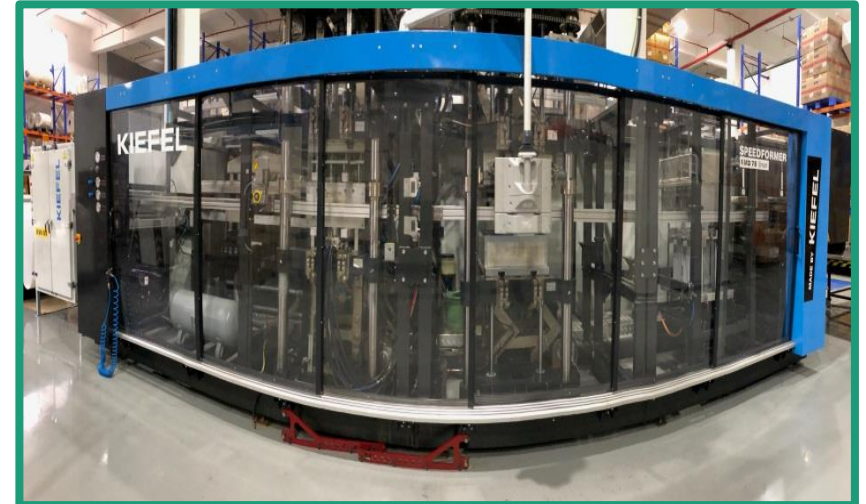


Factory Unit II (Extension) - Daman

Extrusion



Thermoforming



Factory Unit I (New) (Under Development) - Sarigam



Commitment to Environment

Manufacturing facility well equipped to produce PLA and Compostable products as per market demand

Increasing focus on environment friendly recyclable products

Installed solar panels with initial capacity of 135 KW as first step towards renewable energy

Tied-up with Rapidue Technologies Private Limited for waste collection & recycling and meeting Extended Producer's Responsibility requirements



Board of Directors



Mr. Ramswaroop Thard - Chairman & Managing Director

- Bachelors of Engineering, Pune University having experience of 24+ years in plastic industry
- Plays pivotal role in strategy, business development, sales and finance



Mr. Naresh Thard – Joint Managing Director

- Experience of 22+ years in plastic industry with strong technical strength in packaging domain
- Instrumental in growth of the Company since inception with focus on manufacturing, marketing and support functions



Mr. Anand Sajjankumar Rungta – Executive Director

- Bachelors of Commerce with experience of 8+ years in manufacturing, trading, import and export, textile, transportation, commission agency of plastic items and other products



Mr. Alain Berset - Non-Executive Nominee Director

- Mechanical Engineer from E'ole d'ingénieurs de Fribourg, MBA from Haute Ecole de Gestion de Fribourg & Bern having experience of 23+ years



Mr. Praveen Bhatia - Non-Executive Independent Director

- Chartered Accountant with experience of 26+ years in issue management, merger & amalgamations, foreign collaborations, project consultation, loan syndication, audit, taxation and investment advisory



Mr. Pradeep Kumar Gupta – Non-Executive Independent Director

- Mechanical Engineer & PGD - Industrial Management, Operations Research having 39+ years of experience in Plant Operations, Business & Market Development and Client Relationship Management



Mr. Rajesh Murarka - Non-Executive Independent Director

- Chartered Accountant with experience of 25+ years in debt syndication, debt structuring/ re-structuring and debt advisory services



Mrs. Sangeeta Sarin - Non-Executive Independent Director

- MBA, YWCA Delhi; PGD in Insurance Management, Pondicherry University; Diploma in Scientific Vaastu Consultancy, Design Gurukul – Delhi. Has 21+ years of experience

Key Managerial Personnel



Mr. Arun Bhalerao – Product and Business Development Head

- M. Sc., Polymer Technology, having 40+ years of experience in Packaging Industry
- Area of expertise include R&D, production, product development, business development & marketing



Mr. Pradeep Kumar – Marketing and Sales Head

- PG-PPT and GDP from CIPET, having 26+ years of experience in field of packaging, operations and business development
- Has served many Companies across pharmaceuticals and food industry including Cadbury, General mills & Park-Davis/ Pfizer



Mr. RS Nair – HR and Administration Head

- Masters in HRM having 26+ years of experience in office administration and HR across industries including pharmaceuticals, polymer, paper and plastic



Mr. Sunil Sharma – Chief Financial Officer

- Looks after accounting and financial matters of the Company
- Has 16+ years of experience in fields of finance & accounting, administration, planning & execution and marketing



Ms. Mitali Shah – Company Secretary and Compliance Officer

- Member of Institute of Company Secretaries of India
- Associated with RPPL since Jan'18, having ~4 years of experience in corporate laws compliance

Board of Advisors



Mr. V Balaji, Technical Advisor

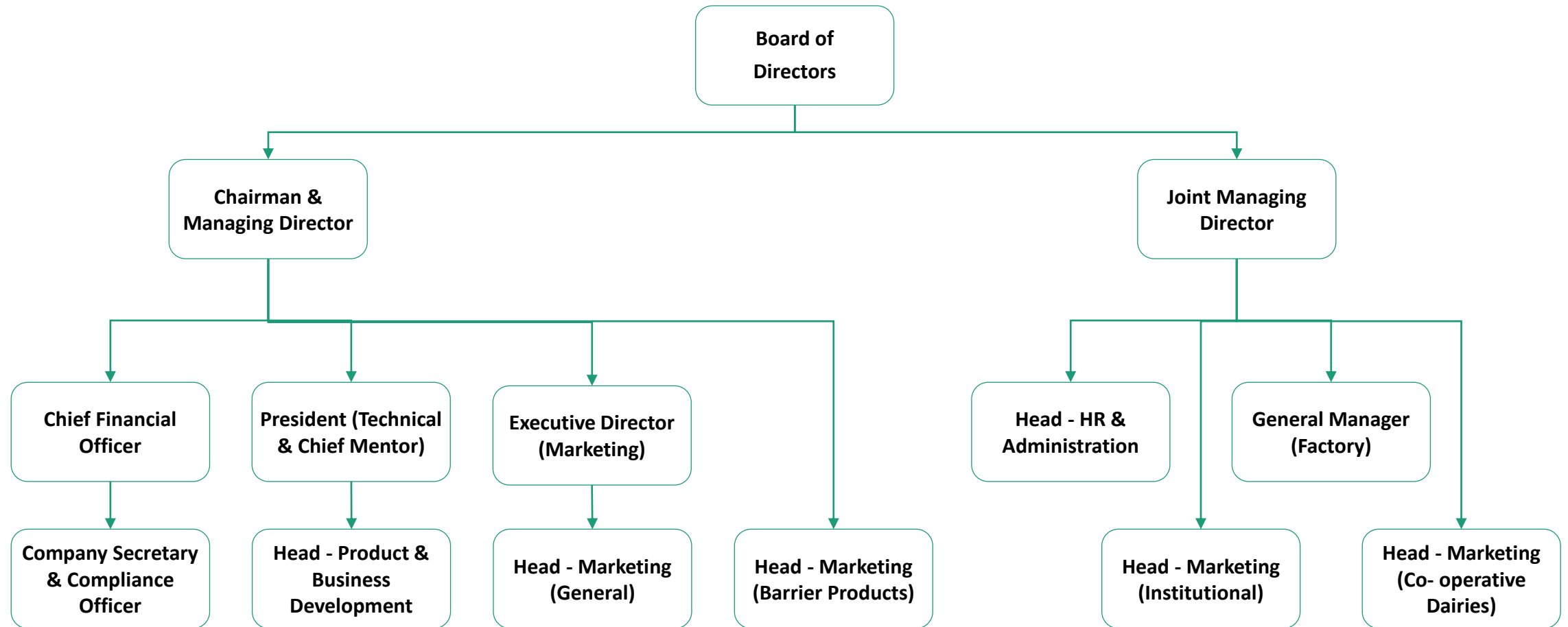
- Aged 63 years, has 42+ years of experience across printing, lamination and cast PP film industry
- Carries hands-on technical knowledge of all kinds of Flat tube laminate
- Has also worked on production of barrier PE films (Nylon EVOH, Nylon PE and EVOH PE), used for non foil tube laminates in various thickness namely from 275 to 400 Mic



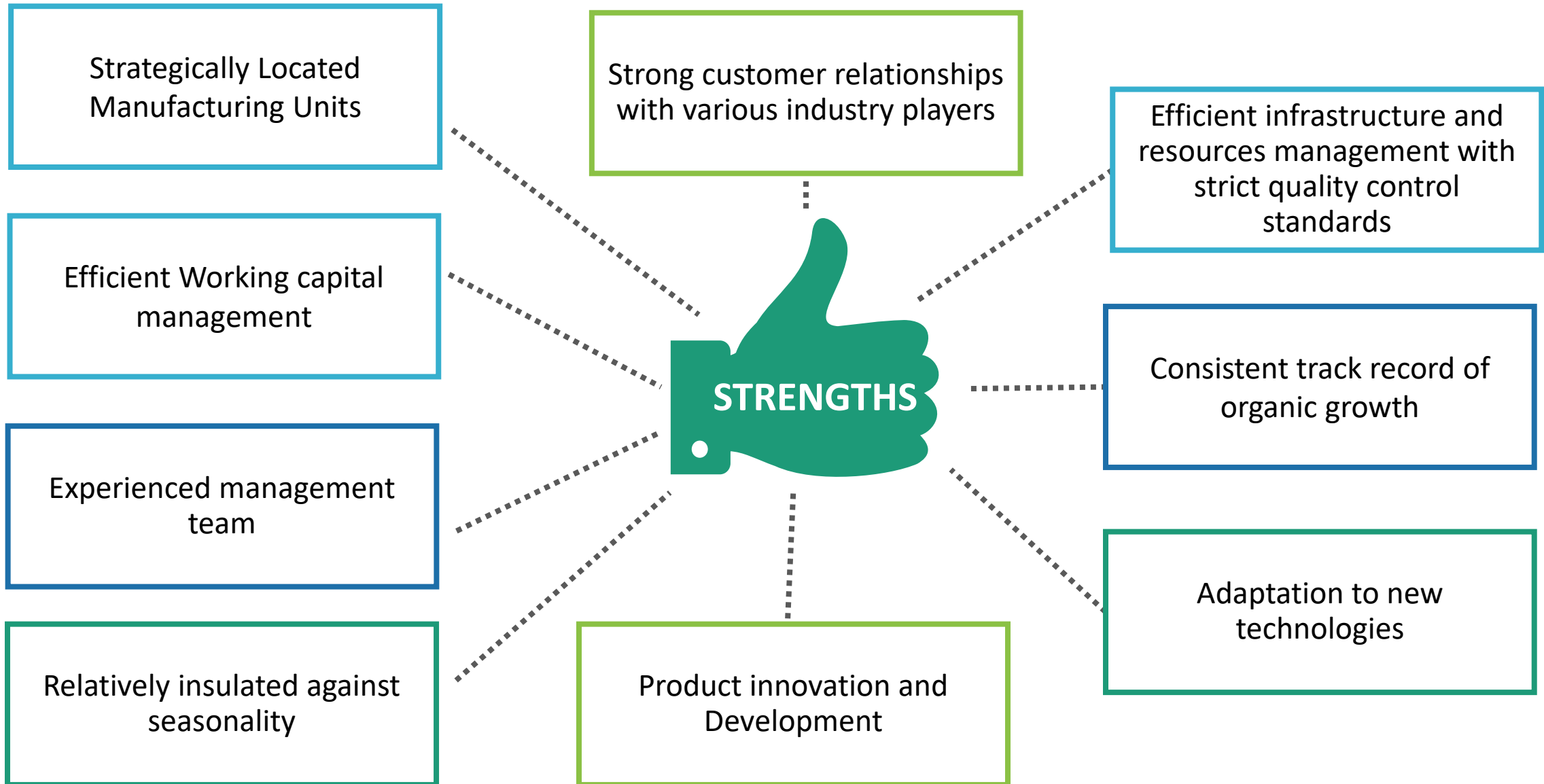
CA Saurabh Agarwal, Strategic Advisor

- Seasoned professional with over 17 years of experience across business verticals including planning and implementing innovative strategies
- Though a finance professional, his area of expertise covers all aspects of business activity be it marketing, admin, HR etc which play a vital role in success of any business enterprise

Management Organization Structure



Our Strengths



Industry Overview



Global Industry

- Global rigid plastic packaging market, estimated at USD 228.7 billion in 2020, is projected to grow to USD 313.5 billion by 2027 at a CAGR of 4.6% during 2020 - 2027
- In volume terms, global rigid plastic packaging consumption is projected at 58.6 MMT in 2019 and is forecast to grow during 2019–2024 at an annual rate of 3.5% to 69.8 MMT
- Global Food and Beverages market is expected to grow from \$5,838.8 billion in 2020 to \$6,196.15 billion in 2021 at a CAGR of 6.1% and is forecast to reach \$8,163.61 billion by 2025. Rigid packaging plays a key role in food and beverage industry as these packaging materials provide longer shelf life to food products
- Asia Pacific led the market with a revenue share of over 42% in 2020. Asia Pacific dominates the global rigid plastic packaging market

Indian Industry

- Market size of the country's packaging industry is expected to touch \$204.81 billion by FY25 on account of rising population and income levels
- India rigid plastic packaging market stood at around \$7.7 billion in 2018 and is projected to grow at CAGR of 10.8% to reach \$14.4 billion by 2024
- According to the Indian Institute of Packaging (IIP), the packaging consumption in India has increased by 200% in the past decade, rising from 4.3 kg per person per annum (pppa) to 8.6 kg pppa

Contact Info

Rajshree Polypack Limited

Registered Address:

#503-504, Lodha Supremus, Building No.1

5th Floor, Road No. 22, Near New Passport Office, Wagle Estate, Thane (W) – 400 604. India

Corporate Address:

#502, Lodha Supremus, Building No.1, 5th Floor, Road No. 22, Near New Passport Office, Wagle Estate, Thane (W) – 400 604. India

Board: +91-22 2581 8200

Fax: +91-22 2581 8250

Email: info@formpack.co.in
marketing@formpack.co.in

