



Rajshree Polypack Limited
Q4 & FY23 Earnings Conference Call
May 17, 2023



MANAGEMENT:- Mr. Ramswaroop Thard:-Chairman & Managing Director
Mr. Sunil Sharma:-Chief Financial Officer.



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Moderator:

- Ladies and gentlemen, good day and welcome to Rajshree Polypack Limited Q4 FY23 Earnings Conference Call hosted by Prabhudas Lilladher Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity feedwise questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Stuti Beria, from Prabhudas Lilladher Private Limited. Thank you, and over to you ma'am.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you, On behalf of Prabhudas Lilladher, I welcome you all to the Q4 FY23 earnings call of Rajshree Polypack Limited. We have with us the management represented by Mr. Ramswaroop Thard, Chairman & Managing Director along with Mr. Sunil Sharma, CFO. I would now like to hand over the call to the management for their opening remarks after which we can open the floor for the Q&A. Thank you and over to you, Sir.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Thank you Stuti. Good evening, everyone. I welcome you all to earning call of Rajshree Polypack Limited for Q4, FY23. Joining me on the call is Mr. Sunil Sharma, CFO of Rajshree Polypack Limited. We have already uploaded the investor presentation and I hope everyone have got the opportunity to go through the same. For Q4 FY23 the Company has achieved a turnover of Rs. 64.83 Crores as against turnover of Rs. 51.49 Crores for the corresponding quarter of previous year, thereby achieving a growth of 25.92%. The EBITDA of the Company increased by 45.8% and stood at Rs. 9.32 Crores for Q4 FY23 as against Rs. 6.39 Crores for corresponding period earlier year. EBITDA margin of the Company for the quarter improved and stood at 14.38% as against 12.42% for corresponding period of previous year.
- At the same time, the Company earned profit after tax amounting to Rs. 2.67 Crores for Q4 FY23 as compared to Rs. 2.22 Crores for Q4 FY22 which was 20.50% higher as compared to corresponding quarter previous year. With regards to our performance for this financial year, Company's turnover stood at Rs. 252.19 Crores against turnover of Rs. 198.56 Crores for the previous year thereby achieving a growth of around 27%. EBITDA of the Company increased by 31.48% amounting to Rs. 35.49 Crores for FY23 as against Rs. 26.99 Crores for earlier year. The EBITDA margin of the Company improved by 14.07% as against 13.59% in the previous year. At the same time the profit after tax stood at Rs. 10.95 Crores for FY23 as against Rs. 9.55 Crores for FY22 which is 14.66% higher than the previous year. The sales mix on the product category as compared to the previous year is for the rigid sheets for FY23 it is Rs. 56.7 Crores as compared to Rs. 56.7 Crores in the last year. So this is same, packaging product has increased from Rs. 126.8 Crores to Rs. 167.47 Crores. Barrier packaging has increased from Rs. 6.34 Crores to Rs. 23.85 Crores and injection molding we have started in this year, so we have achieved sales of Rs. 4.5 Crores in this particular financial year.

- So, speaking about the growth in the barrier packaging product, we have increased our sale almost three times from last year. This is owing to the focused business development efforts of the company and with the current sales, we can comfortably call Rajshree Polypack as one of the market leaders in the rigid barrier packaging segment in India. We look forward to maintain the momentum in the current year also. Further, the Company has also started making inroads in the injection molding product segment with sales of around Rs. 4.5 Crores achieved during four months of financial year 2022-23.
- Our primary product categories have also reported remarkable growth and given the current order book, we look forward to better the same. Growth in manufacturing business require consistent investment in capacity enhancement and we are not the exception. While the Company chose to remain asset like when it comes to injection molding, we have invested Rs. 31 Crores in this financial year to increase our capacities in the core segments. Our Extrusion capacity has gone up from 14,700 to 18,200 metric ton. Our Thermoforming capacity has gone from 8,020 to 8,770 metric ton. And our Printing capacity has increased from 68 Crores pieces per annum to 94 Crores pieces per annum. Here, I find it important to highlight certain specific achievements of our journey since we are listing 4.5 years back. We have announced our sheet Extrusion capacity by 78% since IPO, which includes capacity of 4,000 metric ton per annum to manufacture high value barrier sheets.
- Our Thermoforming capacity has doubled from 4,320 metric ton to 8,770 metric ton per annum. Further, with ever expanding demand, we have placed order for another Thermoforming machine with installed capacity of 1,000 metric ton per annum, which is expected to be installed by December, 2023. Our printing capacity has gone up by 83%. We have consolidated and modernized our unit 1 and unit 3 at a new location with capacity enhancements. We now have our mid and dedicated installed capacity of 1,000 metric ton per annum of injection molding on toll manufacturing arrangement and market response is positive.
- We are working on making inroads in tube laminates for cosmetics and pharma industry. We have received four design and process patent during the year, which are expected to give us an edge in the segment. On the product front, I would like to share that your Company developed and introduced 45 new products in the various segment during the financial year 2022 -23. Our aggregated product base now stands close to 200 products across various segments. We have also onboarded more than 30 customers in the current quarter, including some overseas customers.
- We believe employees are the backbone of our organization and to strengthen our relationship with our employees, we granted stock options and the Rajshree Polypack Limited Employee Stock Option Plan 2022, RPPL ESOP 2022. This was issued in the month of February, 2023. Under this scheme, we have issued 16,500 stock options to the employees of the Company, rewarding them for their contribution in the growth of the Company. As marketing is the key aspect and we are working on showcasing our presence in every important industry exhibition across the world. During this quarter in January, 2023, we attended AHAR Hospitality Expo 2023 in Mumbai and Ahar Delhi in March ,2023. We also showcased our products in Indian Dairy Association exhibition at Ahmedabad in March, 2023.

- This helped us in contacting large pool of audience or potential customers from dairy and HoReCa sector. In case of Olive Ecopak Private Limited, the construction of factory building is as per schedule. And we have already placed order for multiple machines with advance payment released to the suppliers. We will keep you posted on the progress for Olive.
- With this, I would like to invite your questions. Over to you, Stuti.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. Anyone wishing to ask a question, may be press star in one or near touch tone telephone. If you wish to remember yourself in the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Rahul Jain from Credence. Please go ahead.

Rahul Jain - Credence Wealth Management:

- Thanks for the opportunity. Am I audible?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, Rahul, you're very much audible.

Rahul Jain - Credence Wealth Management:

- Thank you. My first question is with regards to the revenue, so the existing capacity as we speak today, what kind of sales can be generated with the existing capacity?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We can look at adding another 15% to 20% revenue from the existing capacity.

Rahul Jain - Credence Wealth Management:

- So around Rs. 300 Crores of revenues are possible from the existing setup?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Rahul Jain - Credence Wealth Management:

- And that includes the injection molding, 16-18 Crores revenue you had spoken in one of the previous calls.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, including all whatever investment we have done till date. So apart from Olive, the paper project, from this investment, we can go roughly around that number.

Rahul Jain - Credence Wealth Management:

- And what is the future CapEx plan apart from the Olive one?



Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I will say that we will first utilize this capacity, what is available with us on our hand, consolidate and as per the requirement, which segment shows a potential we see good potential in our existing product core segment as well as in barrier packaging. So as things progress, we will take a suitable investment call at the right appropriate time.

Rahul Jain - Credence Wealth Management:

- But typically what amount of time it takes to do a CapEx and get the capacity up and running for commercial purpose because you mentioned existing can do about Rs. 300 Crores, we are currently already at Rs 252 - Rs. 255 Crores, Rs. 252 Crores to be precise. So another 15-18 months will we exhaust this capacity? When do we plan our next?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- As we will have an Olive coming into picture which will also have substantial sale numbers. We are looking at around Rs. 180 to Rs. 200 Crores capacity from Olive also. So as that revenue starts kicking in, as per our holding in that particular company, that will also add to our revenues. So it's not that we will have a lean year in the growth of the Company. So by the time we see the growth in the Olive in a year's time we can look at options of further growth in the core Company of Rajshree.

Rahul Jain - Credence Wealth Management:

- Sure. And coming to Olive. Sir, do we expect commercial production around November/December.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, currently, as I'm speaking to you, November looks possible.

Rahul Jain - Credence Wealth Management:

- And how much amount we have already spent till now.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Till 31st March, we have invested Rs. 9 Crores from RPPL side.

Rahul Jain - Credence Wealth Management:

- Okay. And how much time it will take this Olive to ramp up to, say, Rs. 180 Crores - Rs. 200 Crores of sales, which you just mentioned.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- One and a half to two years, we should be able to reach to the capacity of Rs. 180 and Rs. 200 Crores.

Rahul Jain - Credence Wealth Management:

- That's good. Sure. Lastly, sir, on the margin side in the previous call you had mentioned that quarter one and quarter four are best quarters in terms of margins. This quarter, we have done

margins 13% and typically so how do we plan to get to that 15%, 16% margin mark or in what time frame do we expect to be at around 15%- 16%?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Let's see. The overall EBITDA margin for this particular year stands at roughly 14.38% for quarter four. So as we will further add up to the top line, we definitely will come close to 15%. That's what we are looking at.

Rahul Jain - Credence Wealth Management:

- So you have included the other income for that margin?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, I'm saying about the gross EBITDA margin at 14.38%.

Rahul Jain - Credence Wealth Management:

- Okay. So typically next year, and with Olive also coming in, what can be the sustainable margin in our business?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- For Rajshree, I would say we will be around 14.5% -15%.

Rahul Jain - Credence Wealth Management:

- And Olive?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Olive also looks into the range of 13% to 15% as off, as we enter, we will be able to give you more clear picture.

Rahul Jain - Credence Wealth Management:

- Sure. And there's one thing with regards to the drivers for growth. So typically how do we look for growth? It is basically adding of customers, marketing through various trade fairs. How do we go about on the growth path in terms of improving our revenues? What exactly works?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, like it is like adding different technologies. Like what we are doing is we entered into barrier, we entered into injection molding. We are entering into paper. This are with respect to technologies acquiring, acquisition of more customers, participating into various exhibitions across the globe, looking for export potentials. So definitely we have to work on all the aspects to improve the revenue of the Company and the Company is working in all these aspects.

Rahul Jain - Credence Wealth Management:

- Sure. And just about this margin part, so do we look at margin?

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Sorry to interrupt, Mr. Jain, may we discuss? Thank you. The next question is from the line of Ankit Agarwal from Yellowstone Equity. Please go ahead.

Ankit Agarwal - Yellowstone Equity:

- Hello. Thank you for taking my question. My first question is on the GST subsidies. Did we get the GST subsidies this quarter or is it included in the margin?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No, GST subsidy we have not got as yet because still we have GST credit in our books from our CapEx. So we expect that to exhaust first that GST which is lying as a credit from capital investment in next one or two quarters. As we exhaust that then we will start getting the benefit of GST subsidy.

Ankit Agarwal - Yellowstone Equity:

- Okay, so maybe like second half onwards of financial year 24.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Ankit Agarwal - Yellowstone Equity:

- Okay, and what will be the quantum of the subsidy?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- It has to be eligible for around Rs. 20 to Rs. 23 Crores of subsidy over a period of 10 years.

Ankit Agarwal - Yellowstone Equity:

- Okay, understood. Okay, and is it linked to like revenues or something else?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, it is linked to the sales in the state of Gujarat because the subsidy is given by the state government in the form of a SGST. So SGST refund we will get on the sales.

Ankit Agarwal - Yellowstone Equity:

- So any sales into Gujarat and not outside Gujarat?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, in Gujarat.

Ankit Agarwal - Yellowstone Equity:

- Okay, understood. And so as far as the EBITDA margin is concerned, I mean we were guiding for 15% +. I mean it's not that far from what we were guiding but are there any areas where there could be more operational efficiency or were there any one offs which impacted the EBITDA margin this quarter?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Like I would say the electricity cost has gone up across which has increased our manufacturing cost. That is probably one of the reasons for also increasing to the manufacturing cost and little reduction in the margins. So that's a major factor I would say that has contributed.

Ankit Agarwal - Yellowstone Equity:

- Okay, and in terms of if you look at EBITDA growth versus the PAT growth for the full year, PAT growth is much more subdued related to the EBITDA growth. Is this like a function of the CapEx that we are doing which is leading to like depreciation or finance cost or and seems like also the tax might be also affecting. Are there any, I mean could you highlight what are the components which are affecting?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I would say two reasons, depreciation and interest. Those are the two Rs. 6 to Rs. 7 Crores higher than the previous year. So if we don't opt for growth, probably we can look at Rs. 6 Crores to Rs. 7 Crores extra addition to the profit margin.

Ankit Agarwal - Yellowstone Equity:

- Okay, understood. And even in terms of volume, we were probably thinking about doing 11,000 plus metric ton. The volume came in slightly lower than that. Was there like any impact seen on the demand side or were there any issues on the delivery side?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We have done almost 10,883 tons, so 11,000 was our guidance. So we are almost there at around 11,000 tons.

Ankit Agarwal - Yellowstone Equity:

- Okay. So no issues with the demand environment or anything of that sort, right.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No.

Ankit Agarwal - Yellowstone Equity:

- Okay. And what is the kind of volume growth we are targeting for the next year?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- On the revenue side, we are looking at somewhere around 15% to 20%. That is what is available from existing set up. So that's what we are looking to achieve in this particular year.

Ankit Agarwal - Yellowstone Equity:

- Right. And this does not include the 1,000 metrics we are going to add in December, right?



Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No, because that's going to come in December. So we will get that only in next year quarter.

Ankit Agarwal - Yellowstone Equity:

- Right. Okay. And how much CapEx are we planning for FY24?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Rs. 4 Crores to Rs. 5 Crores.

Ankit Agarwal - Yellowstone Equity:

- Okay. Including the Olive venture.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No, Olive is separate, in Rajshree Rs. 4 to 5 Crores. Olive is separate. Okay.

Ankit Agarwal - Yellowstone Equity:

- Okay. Any sense on how much on Olive?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Olive roughly Rs. 10 Crores to Rs. 11 Crores.

Ankit Agarwal - Yellowstone Equity:

- Okay. That's it for now. I'll probably join back in the queue. Thank you for answering my question again.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. The next question is from the line of Rajesh Jain from NB Investments. Please go ahead

Mr. Rajesh Jain - NB Investments:

- Good evening, sir. I need some clarification regarding the extrusion capacity. The other things mentioned in the investor presentation, first, the Extrusion capacity 18,200 includes the 3,900 new Barrier packaging capacity that we installed in January also.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, that's the total capacity.

Mr. Rajesh Jain - NB Investments:

- So now in the next slide you are given Extrusion production 17,207, but you said now the 11,000 some figure is that 11,000 is the same or what is the 17,000 and 11,000? What are these two?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- This 17,000 is the production from the Extrusion wherein the sheets are sold directly also and we consume those sheets for the second stage of process which is Thermoforming and we produce the FG from those sheets.

Mr. Rajesh Jain - NB Investments:

- Okay, so that 11,000 what you say is that is used for the second stage.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No, 17,000 what we have produced in this 3,500 we have sold directly to the end customer and balance has been used in house to make thermoform products.

Mr. Rajesh Jain - NB Investments:

- Okay, and then what is this 11,000 some figure you mentioned to the last part that you said.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- That's a total sold quantity.

Mr. Rajesh Jain - NB Investments:

- That includes what, sir? It includes both the sheets as well as the second stage products also.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, 3,549 is the sheets and 3,463 is the sheets and 7,420 is the thermoform products.

Mr. Rajesh Jain - NB Investments:

- Okay see why this clarification asked was now we have already produced 17,000 out of 18,200 capacities. Correct. So that means we are already running such a high capacity utilization in spite, this machine was installed in January. Is that understanding is correct?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- This was installed in January, 2022.

Mr. Rajesh Jain - NB Investments:

- Barrier packaging?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, not in January, 2022. It was installed in Jan -- June 2021 if I'm not wrong.

Mr. Rajesh Jain - NB Investments:

- Okay, sir, if that is the case see, we are already running, usually this Extrusion, I think you can run up to 90% to 92% of the capacity, total capacity. So that means you already must be running up close to the maximum possible capacity, right?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Extrusion can run even at 95- 97%, thermoforming or the mechanical processes are difficult to get full capacity as you have to do a lot of mold changeovers. So Extrusion typically 95% to 97% is possible.

Mr. Rajesh Jain - NB Investments:

- Okay. Even then, for whatever the growth, you are saying 15% to 20%, is this 18,200 is sufficient to take care of that growth for the current financial there?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, it will be able to take care of the growth because probably today we are talking this capacity based on 26 days working. If required, we can further start utilizing these machines for another two days and increase our requirement, if possible, for a few years or six months or eight months till the time we make further investment.

Mr. Rajesh Jain - NB Investments:

- So this 18,200, you're saying 26 working days of a month?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Mr. Rajesh Jain - NB Investments:

How much time it takes to get the new machine installed and ramp it up.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Depends from where you are buying and what is the configuration of the machine. So it's difficult to answer the question. It can vary from six months to 18 months.

Mr. Rajesh Jain - NB Investments:

- So why I was asking is in case if there is any sudden increase in the demand of our products, so hope we will not run shortage of the capacity as per your whatever the plan and also.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, so as I said, it's a simple contract can be installed in six months' time.

Mr. Rajesh Jain - NB Investments:

- Okay, enough. So my second question is about this barrier packaging machine. So, first of all, how is that working? How much turnover was done in FY23 and how much we can expect in 2024?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We have done around Rs. 20 Crores to Rs. 23 Crores of sales in FY23 and we look to do around Rs. 32 Crores to 35 Crores in 2023- 2024.

Mr. Rajesh Jain - NB Investments:

- Okay. Earlier I think we were expecting something around Rs. 15 Crores per quarter. Right.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- That's the total, if we do it on barrier the entire thing, that's a total capacity available. The same machine can do barrier and non-barrier. So currently we are utilizing that machine with now Rs 23 Crores - Rs. 24 Crores with a barrier. So as gradually we go into barrier, we will reduce our non-barrier products on that particular machine and do more of a barrier with a value addition.

Mr. Rajesh Jain - NB Investments:

- Okay, so you mean to say the barrier we are not doing to the full capacity, it is running at almost around 50%.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. So gradually we are increasing that like we were at Rs. 6 Crores last year, we increased it to Rs. 24 Crores now. So we expect that in another one, one and a half year probably we'll be able to use the full utilization of that.

Mr. Rajesh Jain - NB Investments:

- Very good. Sir, in the same machine we were to supply to cosmetic industries also there were some issues during January or so. So has it been sorted out and can we expect some sales in FY24?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, we have done some sales in 2023 also and we expect the revenue to come from this segment also for us.

Mr. Rajesh Jain - NB Investments:

- But would that be around Rs. 5 to 10 Crores type of thing?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We can look at around anywhere between Rs. 5 Crores to Rs. 7 Crores from that segment.

Mr. Rajesh Jain - NB Investments:

- Sir, over next period of two to three years, both the barrier as well as the cosmetics definitely will go up from the current, whatever the projections you have given, and in these products, we have higher EBITDA margins, but even then, your projection given for the EBITDA margin is still around 15%. Any particular reasons?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Over the years, the cost of manufacturing is also going high and that's putting little pressure on the margins. But we are in constant engagement with our customers to increase the conversion cost. So we are a bit conservative and at the moment quoting 14.5% to 15% on EBITDA

margin. But definitely as this value added categories goes up, we can look at a better margin for the Company.

Mr. Rajesh Jain - NB Investments:

- Okay. Am I allowed to ask some more questions or should I come back in the queue?

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- We would request you to return to the question queue. The next question is in the line of Ankit Gupta from Bamboo Capital. Please go ahead.

Mr. Ankit Gupta - Bamboo Capital:

- Thanks for the opportunity. For the Olive Ecopak, can you talk about how the efforts going on the business development front since this will be a new initiative?

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- We are not able to hear you clearly.

Mr. Ankit Gupta - Bamboo Capital:

- Is it better now?

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Slightly better, yes.

Mr. Ankit Gupta - Bamboo Capital:

- Can you talk about the business development initiative or marketing initiative on this Olive Ecopak side since this is a new product that we are entering? So how are we approaching customers and how are things developing on the marketing front there?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, I would say that the product is new, but the customer are common for this particular segment, for few of the customers which are in QSR segment and also for our partner who are in this segment. So we are already in touch with the customers both at the domestic level and at the overseas customer. And so we don't need to hunt for the customers, I will say. So we know the customer, we have identified the customers, and in fact, the product range is being developed in consultation with the customers. So we are optimistic on achieving the numbers for this category as we come up with the production.

Mr. Ankit Gupta - Bamboo Capital:

- Sure. And how much CapEx have we spent on this project till 31st March?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We have spent from our side around Rs. 9 Crores and overall I think so we have spent around Rs. 16 Crores - Rs. 17 Crores as a total CapEx in Olive.

Mr. Ankit Gupta - Bamboo Capital:

- Okay, and what will be the total cost of CapEx for this project?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- The total CapEx we are looking at around Rs. 100 Crores with around Rs. 60 Crores - Rs. 65 Crores in plant and machinery and around Rs. 30 Crores - Rs. 35 Crores in land and building.

Mr. Ankit Gupta - Bamboo Capital:

- So out of that we have spent around Rs. 19 Crores till now.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. Rs. 16 Crores till 31st March.

Mr. Ankit Gupta - Bamboo Capital:

- Rs. 16 Crores. Okay. I think the major cost will come in when we install the machineries and also which will happen in the first half of this year.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- No, we are looking to start the installation by October 2023.

Mr. Ankit Gupta - Bamboo Capital:

- Okay. And how much money is left from our side to be invested in Olive?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. Rs. 11 Crores further to be invested from 1st April in this financial year we'll have to invest Rs. 11 Crores.

Mr. Ankit Gupta - Bamboo Capital:

- Sure. Okay. And on the debt side we look at it both because of the CapEx and working capital requirements of short term as well as long term debt has shot up as in 31st March 2023, we have further investments to be done in Olive and some regular CapEx also at our standalone facility. So how do we see the debt for the Company going forward?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- As I mentioned, like Rs. 11 Crores is what we have to invest, out of which Rs. 4 Crores we are going to invest from the money which has come from preferential issues of shares. So balance Rs. 7 Crores and Rs. 5 Crores, Rs. 12 Crores is what we look at the total CapEx in this particular financial year. And so whatever other cash flows we'll generate in this year, we'll be able to definitely bring down our short term and long term debt at least by one third at the end of this financial year.

Mr. Ankit Gupta - Bamboo Capital:

- Okay. Thank you.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- The next question is on the line of Dhwanil Desai from Total Capital.

Mr. Dhwanil Desai - Total Capital:

- Hi, sir. Good afternoon. You can hear me? This is slightly new business for me, so I'm asking some basic question. In this, the kind of products that we supply to our customers, typically, does our product remain relevant for customers for offtake throughout the entire product lifecycle, or it's only an annual thing and then they keep on looking at options every year or every certain time frame. How does it work?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I will say this is a primary packaging material which has to be used onto their filling lines. So the products are designed as per their filling lines. So generally, the customers don't change or switch to the new vendors unless we do go for unless our prices are way beyond the market standards. So we have seen that our customers are with us, stick to us for a long period of time.

Mr. Dhwanil Desai - Total Capital:

- Okay, so essentially so what you're saying is that the base demand, once you acquire a customer and then they ramp up whatever business with us, then that remains generally steady, right? Is that a right understanding?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Mr. Dhwanil Desai - Total Capital:

- Okay, so I think the reason I'm asking this question is that we have mentioned that we have added around 200 new customers in FY23. Right. So considering that our base demand from our customer base existing remains more or less steady, some go, some come, but then this incremental customer addition should drive substantial growth in business. So I'm trying to understand that with this kind of a customer addition, why are we looking at 13% to 15% kind of a volume growth?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- See what happens sometimes the customers product, what they'll come up with, sometimes they are successful. They are not successful. We get business only if they are able to sell their product into the markets.

Mr. Dhwanil Desai - Total Capital:

- Okay, so what you're saying is that this 200 customers come to us. Develop prototypes. We kind of develop prototypes for them. Only a few of them will go to the market and then ramp up.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Like we make supplies to them once, twice, thrice. And if they are successful, it goes on, sometimes some of them, they are not able to get those sales numbers over a period of time may also don't continue also, it depends.

Mr. Dhwanil Desai - Total Capital:

- Okay, got it. And second question is that as earlier participants were alluding, we are operating at a very high capacity utilization, so considering the kind of customer addition and everything that is happening are you not considering CapEx slightly early to kind of not miss out on demand?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I would say like it's a chicken and egg situation where whether we keep on investing because we have already done a lot of CapEx in last two years, so ideally, we would like to consolidate for a year or so at least in this particular segment and then we look for further CapEx.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. The next question is from the line of Kunal Patel from Equilligence Capital.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Hi, thanks for the opportunity, sir. Relatively new to the Company.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Sorry, you're not audible sir just hold.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Is it better? Yes, so relatively new to the Company. So the first question should look at in terms of EBITDA -

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- There is lot of disturbance still. I'm not able to get all that.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- There's a lot of disturbance from your line.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Is it better now?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Ya. please go ahead

Mr. Kunal Patel - Equilligence Capital Advisors:

Yes. So, first question is regarding EBITDA. So should we look at our EBITDA on per Kg basis or should we look at in percentage terms?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We have given both the numbers like operational EBITDA is at around Rs. 30 per kilo for the financial year 2022- 23. And we have given in terms of percentage also.

Mr. Kunal Patel - Equilligence Capital Advisors:

- No, but just to understand the business better because when I look at our competitors, generally their EBITDA per kg revolves around Rs. 35 - Rs. 36 and in good times, it went up to Rs. 40. Right now, we are at Rs. 30 so should EBITDA go up to Rs. 30 -Rs. 35 in a normal scenario.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- As we add up more barrier packaging sales to our overall revenue, we can definitely see the consolidated EBITDA numbers to go up in near future.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Is it possible to give EBITDA per KG product wise like how much it is in barriers, rigid, plastic rigid and injection molding?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- That number is not available but I'll ask my team to send across to you.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Okay. And the products we are developing in Olive so there the EBITDA per KG is much higher than our regular business or how is it?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- It will in the range of 13% to 15% over there also.

Mr. Kunal Patel - Equilligence Capital Advisors:

- 13% to 15%, I mean in terms of per kg it would be around Rs. 35 or Rs. 40 or higher.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Those products are like it selling in the range of Rs. 160 to Rs. 180 per kilo so based on that we can look that particular number around Rs. 25 - Rs. 30 per kg.

Mr. Kunal Patel - Equilligence Capital Advisors:

- Around Rs. 30 also, okay. And lastly just on return, our CapEx return. So we are investing Rs. 20 Crores of investment in a Rs. 100 Crores plants for 50% stake. Is my understanding, right?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. At 50%, exactly.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- The next question is from the line of Rahul Jain from Credence. Please go ahead.

Mr. Rahul Jain - Credence Wealth Management:

- Hello. Sir two things. One is on the working capital side. Our working capital has gone up in last years and typically this year it has still gone up sharply higher. So it says something on that side, what are we trying to our working capital was around 45 days four or five years back and then gradually from 45 for 50 days it has gone up to almost 100 days.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. So as we entered into this barrier packaging segment, there are certain raw materials which are having high lead time. So we have to keep inventory of those material and these are little expensive raw materials. Plus off late during this period of the year we are keeping certain stock for the customers for the seasonal demand. So we start stocking up for them from September- October when the period is when the sales are lower during that part of the year. And as I mentioned in my last call also that we are able to utilize our capacity as we are doing stock for the customers so that inventory of finished good is available with us. And also our raw material inventory was higher at the end of this year to complete certain MOQ requirements which we sign with our raw material suppliers to get the volume discounts. So that's the reason why we see a little higher inventory as compared to last year. Plus there is a sales reversal of around Rs. 4 Crores. That is also one of the factors.

Mr. Rahul Jain - Credence Wealth Management:

- So how should we look at the working capital going ahead? What is the score?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Around Rs. 45 Crores - Rs. 50 Crores maximum we will have.

Mr. Rahul Jain - Credence Wealth Management:

- Okay, from the current, roughly around Rs. 90 crores.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. Rs.63 Crores, Rs. 64 Crores. It will be around Rs. 45 Crores to Rs. 50 Crores will be our working capital.

Mr. Rahul Jain - Credence Wealth Management:

- Okay. With regards to just more understanding on the business part, so typically when we talk about the industry, where we are and what we are planning to do specific to our Company. So how do I look at it in terms of the payback period and the return ratios? So say Rs. 100 CapEx would result in what kind of sales for us and what kind of margins, and according to the payback period, how do you look at it?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Generally, the CapEx to the turnover is we are looking at 2.5x. and we operating roughly at 15% EBITDA, so that's equation with the industry we are working in right.

Mr. Rahul Jain - Credence Wealth Management:

- And that's the benchmark we have for ourselves. Any new CapEx which we do.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, roughly, I would say that's the range in the industry segment, we are that will be the range.

Mr. Rahul Jain - Credence Wealth Management:

- And with regards to the segment classification, typically food, dairy, cosmetics. So within our sales, what could be the proportion of each of this segment?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Food is our major segment, so 99% of our sale is coming from food, beverages, and dairy.

Mr. Rahul Jain - Credence Wealth Management:

- Okay. And with regards to last question on the value added part so typically, in one of the previous participant questions, we were talking about value addition and better margin segments. So value added till today is what proportion and how do you see this proportion changing over next two, three years for Rajshree alone and maybe Rajshree and JV together.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I would say, like, we will be in this range of 15% plus minus 1%, is the range. We can look at over a period of next one to two years.

Mr. Rahul Jain - Credence Wealth Management:

- Okay, Thank you so much.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. The next question is from the line of Rajesh Jain from NB Investments.

Mr. Rajesh Jain - NB Investments:

- Thanks for the opportunity again, dwelling more on this production and the capacity. I just did some calculation out of these 17,207 productions, if I remove the 3,463 sheet sale so that comes to around 13,744. So if you leave out some stock for the sheets also in the thermoforming is the wastage is around 30%.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. There is a reusable skeleton generated which comes back.

Mr. Rajesh Jain - NB Investments:

- So is it up to the extent of around 30%?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, roughly 30% - 35% which comes back again, back to us as the raw material.

Mr. Rajesh Jain - NB Investments:

- Okay, fair enough. That is understand. The second is about this JV which you are saying expected to commission by November,2023. In Q4, can we expect some sales from that plant?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Mr. Rajesh Jain - NB Investments:

- How much? Anything you are planned? Estimated sir.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We are looking at least Rs. 20 Crores to Rs. 25 crores of revenue in this year from that particular plant.

Mr. Rajesh Jain - NB Investments:

- And you said around it takes two years to ramp it up to up to Rs. 200 Crores or so that means in FY25 this can go up to Rs. 150 Crores or Rs. 160 Crores something of that figure.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Mr. Rajesh Jain - NB Investments:

- Okay, Sir, is it possible to share how much was the export sales during 2023?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Export sales was around Rs. 13.5 Crores.

Mr. Rajesh Jain - NB Investments:

- O.k.And with the barrier packaging and of course now cosmetics also coming into this, can we expect a higher export sale during the current year?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, exports will increase and we are also focusing on increasing our export sales. We definitely will see growth in the export sales, but exact number may be difficult for me to give a guidance at this moment. But definitely we'll see a growth in exports.

Mr. Rajesh Jain - NB Investments:

- Okay, so this barrier packaging film that we are making, it is basically for the sweet industry, right?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- It's basically for food industry wherein to increase the shelf life of the food.

Mr. Rajesh Jain - NB Investments:

- Correct. So what is the current potential there in India?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- The overall market at the moment is roughly at around Rs. 100 Crores - Rs. 125 Crores will say, which was almost negligible five years ago. So this is a new technology and segment which has come up and with the more and more food processing plants coming up and addition of the new processing technologies with the sweet manufacturer and the food processing unit, we will definitely see a growth in this particular segment.

Mr. Rajesh Jain - NB Investments:

- Okay. So that means you will have to concentrate more on export for this product.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Not really. I would say export, domestic and export both has to be concentrated. But in India also, we see a lot of investment happening by small players, by startups, also into various food processing units, and they are asking for this range of products.

Mr. Rajesh Jain - NB Investments:

- Why I asked that question was, you have given only Rs. 30 Crores to Rs. 35 Crores sales from that in the current year, from what, 2020 to 2023, which you have done in 2023. So if there is not much of demand, for whatever reasons, in the domestic market, can't we target the export market?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Actually, the validation period for this kind of packaging is little higher. So that's the reason why we are giving little conservative numbers for the growth of this particular segment. Because it takes three to six months from the first trial to validate and get the product commercialized.

Mr. Rajesh Jain - NB Investments:

- Okay. My last question is regarding the guidance you have given of Rs. 500 Crores in FY25. Yeah. So for that, whatever the CapEx we have done and going to do in FY24, including the JV, if you set all those things aside, how much more we may have to do CapEx in the current year and next year to achieve that Rs. 500 Crores.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- At the moment, with whatever CapEx we have estimated we look at around Rs. 400 Crores from RPPIL as well as from Olive put together. And to get additional Rs. 100 Crores, we may look at another CapEx of Rs. 30 Crores to Rs. 40 Crores going by the ratio that we generally the CapEx to the turnover 2.5x.

Mr. Rajesh Jain - NB Investments:

- Okay. So that you will have to do it in FY25 now.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- After middle of FY24, we can evaluate and we can invest that by that time.

Mr. Rajesh Jain - NB Investments:

- So that is middle means this maybe October, November, something you're saying?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. We can start evaluating and we'll implement it after April or mid of '24.

Mr. Rajesh Jain - NB Investments:

- Okay. Sir, why I was asking this is based on the current cash generation. You've already indicated that both our short term and long term debt will come down by one third. So for this additional investment of 30 to 35, you will have to go for debt again or any other plan.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- This investment we will do in 2024-2025. So whatever cash flows will come from 2024- 2025 revenues, we will be doing the CapEx using them.

Mr. Rajesh Jain - NB Investments:

- Thank you very much sir, this was very much helpful. Wish you all the best.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. The next question is from the line of Gurjot Ahluwalia, an individual investor.

Mr. Gurjot Ahluwalia - Individual Investor:

- Hi. Am I audible? So first question is around the EBITDA margins. So last year at the end of FY22, the guidance in the Q4 con call was of 15% to 16% EBITDA margin for FY23. And I clearly recall discussing how confident the management is to achieve those margins due to the post COVID supply chain disruptions, the geopolitical conflict in Europe leading to raw material price inflation and I think the guidance was at 15%, 16% is very much achievable as cost of goods sold will reduce by 100 basis points because of the new unit one efficiency. So in this year FY23 we've delivered 14% EBITDA margin. It's still a miss of 1% to 2% so can you explain like, I mean you were very confident last year but you are not able to achieve 15%.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes, as mentioned, due to the shifting of unit to Gujarat, we are paying higher electricity cost and we have factored in that we will be able to offset that with the GST subsidy. So that GST subsidy, it's little delayed due to the credit which is still available with us due to CapEx. So once that starts coming in, we will be able to add another Rs. 1 Crores -Rs. 1.5 Crores to our bottom line.

Mr. Gurjot Ahluwalia - Individual Investor:

- Okay. So related GST subsidy being delayed. Thanks. Okay. So the second question is again around the profitability. So what would be profit before tax be if Company had not gone for the Olive Ecopak JV? Now, I am asking this because the last five years there is hardly any increase in the profit or earnings since the IPO even though the revenue has doubled.
- So the revenue has gone more than two times. But the earnings which was at Rs. 12 in FY18 is now at Rs. 9.5 earnings per share. So due to the equity dilution and the CapEx so if we have not gone for this CapEx or the JV with Olive Ecopak, what would be the profit before tax like this year?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- I will say it's not only about the CapEx in Olive. The CapEx has been done even in Rajshree altogether. So if we see even for 2022-23, the depreciation for Rajshree itself is Rs. 3 Crores higher than last year. And also the finance cost is also Rs. 3 Crores higher. So if we have not done any CapEx in Rajshree also we could have seen Rs. 6 Crores addition into the profit from last year to this year. So if we see our sales in 2018 was at Rs. 112 Crores and now we are at Rs. 250 Crores. So the cash profit what we are generating from Rs. 14 Crores in FY18 to Rs. 26 Crores in 2023.

Mr. Gurjot Ahluwalia - Individual Investor:

- Okay. That's I think useful. So cash profit has gone from Rs. 14 Crores to Rs. 26 Crores. Okay. And then lastly on the revenue potential you mentioned with Olive Ecopak, JV, Rs. 180 Crores to Rs. 200 Crores. So what will be Rajshree's share, percentage share in that?

Mr. Gurjot Ahluwalia - Individual Investor:

- 50%, 50.1% to be very precise.

Mr. Gurjot Ahluwalia - Individual Investor:

- Okay. So we are looking at about Rs. 90 Crores to Rs. 100 Crores of revenue potential from this JV.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes.

Mr. Gurjot Ahluwalia - Individual Investor:

- Okay, Thank you very much and all the best.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. The next question is from the line of Ankit Agarwal from Yellowstone Equity.

Mr. Ankit Agarwal - Yellowstone Equity:

- Yes, I had just one quick clarification question. So the total CapEx for Olive JV is how much like total we are planning to do, including both the parties.



Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Total capex for the project is Rs. 100 Crores to Rs. 105 crores, including land, building and machinery.

Mr. Ankit Agarwal - Yellowstone Equity:

- And of that we are probably going to do only Rs. 26 Crores - Rs. 27 crores. Is that correct?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- We will bring in Rs. 20 Crores. The JV partner will bring in Rs. 20 Crores. Balance is through debt.

Mr. Ankit Agarwal - Yellowstone Equity:

- Debt. Okay. Understood. And injection molding. How much revenue are we expecting for this year?

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Around this year we have done around Rs. 4.5 Crores and we are expecting around Rs. 12 Crores to Rs. 15 Crores in 2023 -2024.

Mr. Ankit Agarwal - Yellowstone Equity:

- Okay, Okay that's alright Thank you.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you. Ladies and gentlemen, I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Mr. Ramswaroop Thard - Chairman & Managing Director: Rajshree Polypack Limited:

- Yes. Thank you very much, ladies and gentlemen, for taking the time and asking really pertinent questions. I appreciate each of the questions, and I hope I've been able to answer all of them. If some has been left unanswered, you can contact us. We'll revert back to you. With this, I wish you all the best. Thank you for joining us today. PL to take the call and conclude.

Ms. Stuti Beria - Prabhudas Lilladher Private Limited:

- Thank you, sir. On behalf of Prabhudas Lilladher Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

End of Transcript
