

Astral Analyst Meet,2025

23rd May,2025

Mr. Sandeep Engineer Speaks

So, we welcome you all to this fiscal year-end results discussion, and we'll also talk about the future and scenarios. We'll answer all your questions in person. So, welcome all of you. Actually, the range is so vast and significant that we opted for a bigger hall so that everybody can see the complete range of product lines. We are also having a dealer meet thereafter from 8 PM in the same hall for Mumbai.

This year has been a very challenging year. The questions I've been answering since morning, especially about the polymer industry, indicate that everyone faced a big, challenging year and PVC was the most challenging polymer, where price challenges were prominent, followed by growth challenges. But in this scenario, as you can see, across all four quarters, we have delivered very good results. The growth has been modest, but the margins have been well-maintained and improved.

From this, you can see many questions were asked about our CPVC growth. We don't want to quantify it people have quantified their numbers in percentages, above a certain percentage but we don't want to quantify the numbers. If you look at the numbers and the margins, obviously, the market share and the growth of value-added products have gone up. CPVC is one of the value-added products, as are the new products. If people have quantified the numbers with huge growth, we don't see any value in quantified numbers that reflect in value addition. In short, I'm saying we have achieved growth in our core product lines and new product lines, and we've done this with healthy margins.

As usual, I don't want to go into a presentation or discuss capex cycles because this will be covered in value terms. Mr. Savlani will take you through these numbers. But every plant has a balance of expansion going on, including new plants. The Hyderabad plant is fully operational, and this year, we will have the full range of pipe products manufactured from the Hyderabad plant. The Kanpur plant is on the verge of completion in the construction segment, and machines will start arriving from the next quarter. So, in the third quarter, the Kanpur plant will be operational, and by year-end, it will be fully operational.

We have started fitting operations in the South and also in Rajasthan. We will shortly start fitting operations in the East, in Orissa. There are also expansion plants in progress, so we can easily cater to those markets for pipes as well as fittings. Our new range of valves, especially ball valves, is complete. We are adding butterfly valves and other types of valves used in the plumbing segment. This range of specialized valve products will be completed by this fiscal year.

We are also adding machines for our silent pipe production. We have almost doubled the capacity, even more than doubled. Our Drain Pro, which is doing well excellently, has also

increased capacity. We are the first company in India to receive complete approval for HPVC pipes and fittings for fire applications, which is a big achievement for us.

We're also getting our PEX aluminum machine around Diwali, and we will be the first company to start an advanced range of PEX aluminum pipes from India. This is a state-of-the-art, very fast machine that will deliver the best quality composite pipes.

Coming to the growth of value-added products and channel drains, surface drains, which are doing excellently well for Astral, we have continued to sell our value-added products and range to many prestigious projects in India.

In the bathware segment, we achieved a growth of 15% this year, reaching close to 130 crores. We're not yet at break-even, but the growth is encouraging. The market is giving a good response to our products, and most of our distributors have started selling bathware and ceramic ware products, which adds another range of sales from Astral.

Coming to adhesives, adhesives have done excellently well in India, both in terms of growth and margins. More discussion on adhesives, especially the growth and margins, will happen as we answer questions. The plant we established in Dahaj is fully operational for two chemistries: epoxy and white glue. We are adding two more plants in Dahaj this fiscal year and the next to complete many of our chemistries, which will be manufactured at the Dahaj plant.

For solvent cement, the plant work has been commissioned. We are launching a fully automatic solvent cement plant—that's the pipe-joining chemical plant at Dahaj. We will also add capacities for other chemistries in the coming year at Dahaj. So, Dahaj will be fully operational and almost packed with these additional capacities.

We have also added machines to manufacture certain products at Kanpur. We are making our own tapes electric tape and Teflon tape at Kanpur. We've received a good response for the export of Teflon tape to the US because it's approved by many buyers in US. We will shortly starting exporting Teflon tape from our plant and also sell it in the Indian market.

There has been a challenging time in adhesives in the UK, and I know there will be many questions about that. Many questions were asked today about what we would do with the UK and whether we're thinking of exiting the UK. That business has been with us for 10 years. This is the 11th or 12th year since we bought it at a level of 60 to 70 crore turnover, which has now reached almost 380 crores.

In one year, nothing wrong has happened. Let me be very frank there are base corrections that need to take place, from operations to many other corrections. Alterations will come in the next two to three quarters, especially from one quarter onwards. You will see the results, corrections, and positive outcomes in terms of growth, value, and bottom-line improvement. So, there's nothing to worry about in any of these segments.

There are cycles. In the past, when we bought the adhesive business, we had a cycle for two years where things dipped and then went up again. It's very much under our radar, and we've

taken multiple measures in the US and UK, which will be reflected in the next two quarters in terms of results. I don't want to take up time and detail the measures we've taken, but as we see the corrections, we will always discuss them with you.

Secondly the biggest benefit we get from the UK and US plants is that a lot of chemistries have come from there. Our chemistry for silicones and our chemistry for certain adhesives, including hybrids, have come from there. In the UK, we've gone four steps backward in hybrids, which will improve margins in both the UK and India.

We're coming up with a high-tech machine with the help of US and UK technologists and R&D people. It will be the first to produce 100 colours of different cartridges coloured silicone for the first time in India. There will be 100 different colours of silicones offered in the market by us. So, there are a lot of positive things. There's nothing great about negativity, but there's great potential in the growth and margins, which we will address very diligently this year.

Coming to the paint segment, because paint is another area with a lot of worries, I understand. But if you look at it another way, we are very small-scale in paint. Again, I want to tell everyone that paint was specifically acquired to increase the adhesive business, to be in the paint business, and also in the industrial paint and construction chemical business. We haven't put any capex behind the paint business. When we acquired it last year, we said the capacity is sufficient, and we won't be adding any capex, which remains the case.

Last year, the concern was about burning money. Paint has a positive EBITDA, though it's low, and there's nothing negative. The growth is low. The reason is that after last March, when we took over, when we took over 80% and we took over Control of the paint business. Until then, two quarters went into multiple corrections, and the same continued in the last quarter. We achieved good growth in paint, and we continue to see good growth in paint. As the volumes increase, obviously, the margins will improve. We launched paint in the first and second quarters in Gujarat, in many cities. Now Astral Paint has started selling, moving well, growing, and similarly, we have now launched paint in Rajasthan. We've also started doing well in Rajasthan, and phase-wise, we will be opening one state at a time for Astral Paints. The South will continue to sell Gem Paints. If you have any questions, we will surely answer them.

Regarding OPVC, many questions came up about OPVC what is your technology? Nobody questions us about it when we went from our own silent pipe to our technology. It is proven. We have so many products where Astral has made the best products with proven technology. We brought this technology from India, working closely with a machine manufacturer in India. It is a proven technology, and we have made our product, which ISI has approved. The basic thing is approval by ISI. There are companies from Spain and abroad advocating that there are technology issues, but there are no issues with technology, no issues with machines, and everything is ISI-approved. We have actually received a first order of 18 crore for OPVC, which we have started supplying, and we are getting approvals state by state for this product.

We just acquired Al Aziz. The rationale behind acquiring Al Aziz was, first, it was at the right value. Second, PEPP, which was not in our product line, and we needed to enter this product line. They had a complete range of fittings. If we were to set up our own plant to make these fittings, it would take us five to six years to manufacture and get approvals. They also have gas

fittings approved by German authorities for gas application lines. They also have fittings that can be used for water lines, Jal Sena projects, various projects, and industrial piping systems. Now we are getting four machines—three are coming, and one more will come later—for making PE and PP pipes in our plants. The reason behind Al Aziz was to enter this product line with a complete range of products, including pipes and fittings.

PTMT has also started getting a good response, and you can see the range here. So, I think we are covering all the products, all the ranges, and we would be happier to answer a lot of queries you have in mind. Because of this challenging year that passed, the businesses we have extended—especially the paint, bathware business, and the new polymer businesses we have entered into thank you, everyone, for coming here. Thank you for attending one more this analyst meets after the fiscal year. If you have more questions, we will be available. Kairav is here, my elder son; Hiranand Bhai, our Director and CFO; and Saumya is here, the younger son. Thank you very much to all of you, and our team is here to answer your questions. Thank you, everyone.

Mr. Hiranand Savlani Speaks

Good afternoon, everyone. Welcome to Astral's analyst meet. The results are in front of you, so I won't discuss individual numbers much. We have a few slides to present, and then we will give maximum time to the question-and-answer session. This is the consolidated full-year performance. You can see the last five-year revenue growth CAGR is 16.5%, and similarly, EBITDA growth is 10.48%. PBT is 7.15%. PBT is mainly low because we have taken a lot of hits on the amortization of the new businesses which we acquired. To take the tax advantage, we amortized a lot of things, so because of that, the PBT numbers are low. Otherwise, cash profit, you will see, is more or less similar to the EBITDA level.

This is the working capital cycle. In the month of March, the rupee appreciated, so we paid off a lot of creditors early to take advantage of the currency. Because of that, the creditor levels have gone down. Otherwise, you can see that the debtor days and inventory days are more or less in the similar line, with two to three days here and there. But that has come down in the month of April.

This is the cash position. Right now, we are sitting on a net cash of ₹464 crore. This is the revenue breakup of our pipe plumbing—it's still the pipe business contributing 72%, and paint and adhesive contributing 28%. In the coming time, you will see this ratio will be a little toward the paint and adhesive side because the base is very low.

This is the capacity chart. You can see that the capacity has been continuously growing. Though We might not require that much capacity, but we are still continuously pumping money into capex. The reason is simple that we want to decentralize our units, and we want to be a pan-India operation, considering our vision for the next 10 to 15 years. Because if we don't decentralize our units, with polymer prices coming down day by day, the element of freight cost is increasing in terms of percentage. In that case, the more and more decentralized you are, the more you will get the advantage of logistics costs. Considering that, we are continuously adding capacity. You might see our average utilization in the 55 to 65 range, but once our decentralization is over, you will see a sizable improvement. In the last two years alone, we have pumped in close to ₹1000 crore into this expansion activity, particularly capex. But that benefit you will get in the next five years. So, capacity building is taking place at a 10.3% CAGR, while sales are happening at a 13.5% CAGR. Capacity utilization is continuously improving, but it's still not up to the mark because we are decentralizing that thing.

This is the plumbing business working capital cycle. A similar graph, mainly because the creditor payoff taken place in the plumbing business only. Because of that, you're seeing an increase in net working capital days. But that has come down again in the month of May. Nothing to worry about on that side it was about taking advantage of the currency.

This is the graph to understand the PVC price trend. You can see that PVC is continuously falling in a one-way journey. Except last year in April-May, there was a spike in PVC, and that's why you see in the last year's first quarter, the volume growth across industries was very good. We were also close to 16% volume growth, and then it started a southward journey. This is a continuous falling graph, and last year alone, the polymer price was down by 18%. Despite a 18% fall, you can see that in this environment, Astral is the only company in the country that has improved its gross profit margin. We have improved the GP by 1%, and we have maintained our EBITDA.

So this is the power of the brand. I can say that we have established ourselves in the market, where people respect the brand, and people are ready to pay us for the quality. Many players have tried a lot of things by undercutting the value and throwing the material in the market with material, but even after that, they were not able to grow their volumes. So, customers understand that quality players will always command a premium, and that's what we are always communicating that we believe in consistency. We don't want zigzag growth. We want to maintain consistency in terms of growth and margins as well. And that's what we are doing right now. There were a lot of pressures on us too, with competitors selling at lower prices, and now they are all suffering. Many of their projects are getting blacklisted as well. We don't want to name anyone, but everyone has started facing this problem in the market.

This is a graph of paint and adhesive. You can see the last five years' growth; you can see 21.23% but that's not the correct graph because paint was added at a later stage. So, it may not be the right graph. The EBITDA growth is 8.55%, and the profit before tax (PBT) is low because we have taken a lot of amortizations that's why it is showing very low. Over the last three years, if you see, we have made a lot of corrections. New additions are taking place for dealers, and because of that, EBITDA is under pressure, particularly in the paint business. But now, I think, once our volumes start picking up from this year itself, you will see a lot of improvement in this as well.

As far as the adhesive business is concerned, I think we are consistently growing at a 17 to 18 % for the last 11 years from where we have started our journey in 2014 and when we started that time our EBITDA percentage was just 6% now from 6% journey to this year full year number we are close to 17% I am not talking about the last quarter where we had a closed to about 19% EBITDA but that was was the peak quarter so because of that it was high but otherwise on a full year there wages also we were close to about 17%. So adhesive business of India is continuously doing well. Even UK was also doing great for us because we are having access to the new technology from the UK and we are getting lot of inputs from our UK unit. It is unfortunate that the last year was the abnormal year for the UK company. Otherwise last 10 year we have seen a good number. We started journey from almost ₹70-80 crore top line in UK. And from 80 crore top line to this year we close with 346 so almost you can say 3X more than 3X in the span of just an year. So UK has also deliver a good number. This was the only exceptional year and we are confident that we will be delivering the good number from the UK also from the current year itself.

So, this is a very small letter. So we are going to share this presentation to you. So you can go through that also. So what is the industry outlook? What we are saying? So we we are of the view that the

pricing is going to remain volatile. Ah just now we were coming to here in between we got the message that the supreme court has given the verdict. That whatever the high court has given the verdict in favor of epigral to stop the few grades in PVC against the anti dumping duty that also they have scraped and they have said that you can put the anti dumping duty on the entire PVC basket. So sooner or later see we are very difficult to predict that date. But I think judiciary is seriously looking into that because lot of injury has taken place to our local manufacturer PVC they are bleeding right now. So soon or later anti dumping duty will be there. How much will be there? Everything is already there in the system. So you can see all this number. And we are of the view that once that will take place and there are high probability that whatever the destocking has taken place in the system. That will be again the normalized thing. And if the price rise will be steep, then in that case dealer and distributor will be overbought. I can give you an example that normally distributor is sitting between three to four week inventory. And similarly dealer is also somewhere between three to four week inventory. Now in this scenario current situation many of them are even less than one week inventory. That kind of the scenario in the ground. Now if the price rise take place steep 15% 10% something like that heavily price rise will be there. Then they will not be coming to the normal inventory of three four week. They may extra mode and they will be on six seven week inventory also. Because ultimately is nothing but its a arbitrage. Because they know that we are going to spend 9% per annum interest and here we are getting 10% or 8% kind of price rise. So there will be going to be a big gain. So because of that they normally keep the higher inventory. So one one spike can come by way of you can say the pent up-up demand kind of things because of the restocking in the newer future. Secondly, ah serious stock is going on in the country for the BIS implementation also. We all know that BIS is good for the industry because with that lot of standardized norms will be there. Today what we are facing the biggest problem is the anti dumping duty on PVC on the ah sorry dumping of the PVC in our country and mainly because of the carbide based PVC. Which is not a good polymer. But because it is the cheap most of the manufacturers are moving that direction because of the competition and particularly agri kind of pipe and all this thing. Quality doesn't play that that important a role. Quality has importance in the plumbing side of the category. In plumbing, you genuinely need good quality; you can't use carbide-based PVC there. So, many manufacturers are moving in that direction, and that's creating a problem. Once BIS is implemented, all this carbide-based PVC will go away from the system, and then polymer prices will go up as well. A lot of unorganized players using this cheaper PVC will also stop. So, that is going to shift the business from the unorganized to the organized side. Time is the only answer to all these things, but there is a high probability that this will happen once BIS standards are implemented. It will take some time; it's not necessary that it will happen in the near term. But sooner or later, it will happen because talks are going on very seriously at the government level. We all know that post-election, government spending came down substantially. That has also created a lot of problems in the industry. That's the reason you see that a lot of infrastructure-related demand came down substantially and created liquidity issues as well. Many contractors had dues with the government, maybe state or central government. Because of that, a lot of liquidity-related challenges came into the building material industry, and the industry is still passing through that phase. Sooner or later, we are expecting that payments have already started. Hopefully, in the near term, that will be sorted out, and then the due demand will come from the government side, which will drive growth in the infrastructure side also as well. We already discussed anti-dumping; it has been announced on CPVC, and it has been extended up to FY29. So, until FY29, the anti-dumping duty will be there on CPVC. We already discussed restocking Okay, I think we covered all these points. So, what will be the revenue driver for Astral from here? We discussed the industry outlook. The biggest growth driver we are seeing is that recently we have opened three new plants: one in Guwahati, the second in Bhubaneswar, and the third in Hyderabad. All these three plants are operational now. They are going to give us sizable revenue in the coming time. We are of the view that in the initial stage, there will

always be low-capacity utilization. We have to create a dealer and distributor network. Now that is happening. Once that is in place, these plants' utilization will improve substantially, and that is going to drive the business to the next level because there are a lot of savings in logistics costs. That is going to help us in a big way in the coming time.

Secondly, our focus is continuously on increasing value-added products. Value-added products mean products that have higher-than-normal EBITDA margins. Our focus is continuously to add these kinds of products. I think a few of the products have already been discussed by Sandeep Bhai, so I don't want to discuss much on that side. But our focus is continuously going in that direction because we know some products may not give high volume, but they will give high value addition, which will help maintain margins in these difficult times. When the polymer price was down by a 18%, we were still able to maintain our EBITDA margin, mainly because of this value addition.

On the value addition side, we are looking at fire-pro pipes because recently we got the fitting approval. We already had the pipe approval from UL, and now we got the fittings, so that will open up the door for the export market as well as the local market. We were too dependent on the import of fittings and other things, so that will stop, and now we will indigenously start manufacturing everything. That is going to help us with margins as well as growth. Similarly, OPVC is another product that also has high margins. We are expecting that volume to improve as well.

Thirdly, we have recently opened our first overseas office in Dubai. We are targeting that all these value-added products' contribution should increase from those geographies as well may be the Middle East, Saudi Arabia, or select African markets. We are exporting some products to Europe as well. We are expecting that in the coming time, our focus team will be focusing on these value-added products. Even Dubai alone has very high-tech projects coming up. They may also like Astral products because they are world-class products. They are not only approved in India because we all know ISI approval is not that stringent compared to UL approval. UL approval involves keeping a single pipe at a certain temperature for 18 months. If nothing happens to the pipe for up to 18 months, only then do they give approval. So, it's a very stringent approval. That's why you see none of the Indian companies ever trying to go for UL approval. Our products are world-class. We have high expectations that now we have just entered the export market, which is also going to drive the next level of growth.

The shift from unorganized to organized, we already discussed, and BIS is going to help us. Another recent addition is Al Aziz products, as Sandeep Bhai already discussed it's an electrofusion fitting. That was a range that was not in our basket. We have already placed the order for the machine for pipes, and now they will support us in fittings. So, we will be able to complete the range. That is also going to help us grow that product in the Indian territory, and there is a lot of scope for the export market for these electrofusion fittings as well. There is high demand in the international market too. We are just exploring. We are shortly going to meet a few export clients, and we will get a sense of their expectations. They were trying to export, but due to liquidity concerns, they were not able to complete those orders. Now we are going to sit with them, and we will see how best we can quickly revive that relationship and target the export market for these Al Aziz products also.

Another new thing is that we are continuously spending money on the R&D side. That will help us develop a lot of new things in the coming time. You can see that from the day Astral started its journey until today, almost every year we are bringing something new to the table, and that continues today. We are targeting that in the coming time, we will bring a few new products, and you will see that Astral is the company that is bringing many products to the country for the first time. So far, we have brought seven to eight products that we introduced for the first time in the country.

So, that's what the journey is, and it continues. We are expecting that once a few products are finalized and developed, we are working on the adhesive side as well for the development of new products. A lot of this, I think, Saumya will answer in the question-and-answer session. We are working on that side as well, developing some new chemistries. Regarding silicones, Sandeep Bhai already discussed that we will be the first company to bring that kind of silicone with 100 colour options. No company in India has tried to do that. These developments are happening in consultation with the UK company as well as our R&D department in Ahmedabad. This will keep continuing in the coming time, and it will continuously drive our growth. The rest of the things are in the presentation, which we are going to share with you anyway, so I'm not going to discuss much because we've already taken a lot of time.

Similarly, in adhesives, you will see that the India operations are continuously growing. I already told you that our growth rate is close to about 16 to 17% CAGR for last year because we acquired in 2014, and now we are in 2025. That will continue to drive that segment. Our focus is now also going into rural areas. That's why we have entered into this New Bharat concept, where we are going to target smaller villages as well. We will sell them a basket of products. In metros, selected products and distributors will be there, but in rural India, they need everything in one place. In any small village, there are only one or two shops, so they need the basket of products. This new concept is moving very fast, and we are expecting that it will drive our business to the rural market.

Last year UK was having the challenge which we already discuss but this year we are expecting that few new things we have develop. So that is going to drive our margins also. At the same time we have introduce few products in you US market. So that is also going to drive our top line. So this year we are not expecting any kind of negative numbers from the UK. So when the progress will happen, will keep sharing you every quarterly. But definitely we are having ah lot of hope this year that revival will be there. So you you can see that lot of consolidations are happening in the market. Small players day by days are facing problem. So that is going to help us in the adhesive business. Also you will be surprised to know Astral is the second largest company today into the adhesive industry and market. And we are the first company who have cross the 1000 crore mark in India. So these are the achievement of last 10 years. So when we were entering that time everyone was laughing that how you are going to do when the so big joints are there in the country what are going to you do but today we are the second largest company in the country. So product innovation is continuously going on and we will keep introducing the new products. Export again same Dubai office is going to not only push the pipe business but we have appointed the few people for the adhesive business also and we already started exporting our products into the gulf. We have already appointed our distributor in Dubai. They are already selling our products. So that business is also started selling reasonably good number I can say. Don't don go to share the exact number. But I can say the the lot of potential is there for adhesive business also into the gulf market. So Adhesives also more or less the drivers will be same because we are continuously going to expand our geographical reach. We are going to expand our new product categories also. So Dahej is going to be the another growth driver. We are still utilize Dahej capacity hardly 25 to 30%. So lot of scope is there for Dahej to bring the new products into that plant. And its not only ah new product but the cost efficient product. Which I think we have discuss in last two years that with this the head lot of backward integration related things are going to help us to improve our costing. And that is what you can see into the numbers also that our adhesive numbers are margin wise it is improving. UK and all we discuss similarly in India also adhesive side we are still not presence across the pan India few pockets are there we are presence but at the same time our reach is not that strong. So this year and in the coming time we are going to target that also. Particularly southern market and there our reach is still low. So we are going to focus in to that side also so that we can

grow that market also. So efforts are going on into that direction and you will see in the coming time lot of revenues are going to come from the new geographies. Also, So what is the option value in the coming time for Astral. The one thing is that AL- Aziz which we discuss because this is the completely we are starting from zero in Astral I can say. So we are expecting a sizeable business into that gas is going to be a big opportunity in the coming time. Today may not be that high. But in the coming time gas is the future for India. So gas business is going to contribute because we are preparing our self. It may happen three year down the line, four year down the line but ultimately it is going to be a very big opportunity. Because still India is connected very-very thinly with the gas application. So, that is going to be the driver for the growth in the coming time. Secondly bathware our base is very low. Sandeep bhai rightly said that last year we have grown 51%. So that clearly show that that side of the business is getting attraction because any product journey it take time to understood by the market. Because people want to test that pipe is very simple because you are putting behind the wall. You are not seeing the product also. But bathware is the aesthetic look product. So everyone want to see live that product and everyone want to use that product faucet everyday. So the trust building always take time and that is the reason we are not giving you unnecessary high expectation from the bathware. Because everyone is asking why not you quickly go to the 500 crore bath. That is never going to happen. Secondly I think many time I have explain everyone that in a project when you are taking the entry its a three year journey. First project guy will take you conceal product only then the finishing portion plaster and everything will be taking place then the outer portion will be used and when the final painting and color and everything will be completed then you need the front portion so this entire journey of any project going to take three years time so now I cant force any developer that you buy everything one go it is never going to happen because he will buy our product at the stage level only he is not going to put money money into that. So because of that this journey is always taking time and it is going to take time. So but yes we are definitely growing. Peoples are appreciating our product. So we are very happy with that. Dubai office we already discuss that we are exporting export to contribute reasonably good in the coming time. Plus valve we have already introduce and few more valve we are recently we have completed. So that is also going to be a very very high value added product for Astral. Channel train is picking up very well. We are the first company to introduce in house develop Indian manufacture make in India product in the country. So far everybody was importing but now this is very well you can say put in comparison with the imported product and much cheaper then the imported product. So thats why it is getting good attraction in the market. Then the silence drain pro and all this products are continuously contributing and now the new products will also start contributing in a big way like OPVC we discuss fire we discuss PTMT we discuss packs we are targeting to launch somewhere in November December so that is also going to help in the high end plumbing particularly villas bungalows hotels and may be the high end apartments also so I can only say that last two three year we have spend a lot money into the capex side but the benefit of that capex has still not come to the company. So thats why you may feel that the we have spend lot of money but always capex take place first and the benefit always come to three year down the line only. So you will see in the coming time lot of new things will come and growth will come in the coming time and all this spending which we have done in last two year is going to give the lot of fruits in the coming time. Thank you so much. And now we can run a very small clip for this our CSR. Thank you. Thank you everyone.

Mr. Hiranand Savlani Speaks

So we we supported this project through our Astral foundation and we have got this result and jay this film was like by how many million how many million people watch this 10 million 10 million 10 million

So we can go for the Q & A Session

Attendee:

Sandeep bhai thanks for that compliment you you at the start mentioned about the anti-dumping duty event that that is now likely to unfold soon then later. Whatever are your projection have you factor that in and that could be a pleasant surprise completely?

Mr. Sandeep Engineer Speaks:

Basically the projections after the anti -dumping beauty have not been factor but we are seeing in this year because PVC has bottom down and the complete channel is try and slowly the PVC will go up a little bit anti-dumping will be addition to that it has not been still implemented by government. the positive thing is the order has been state by the supreme court. So with all the priorities global priorities government has we cannot say when this anti-dumping duty will be in place. But overall if you see the PVC and the polymer will have a positive impact of growth in this fiscal.

Attendee:

Thanks for that. Second and final question. When we started our adhesive business, I remember you had said that we have entered to out of eight or two out of nine segments if I remember correctly five six seven years ago. What is your view now? Are we ready to enter something more of the remaining areas in the paint in the adhesive industry and what?

Mr. Sandeep Engineer Speaks:

I think let Saumya answer and he takes care of adhesive and paints. So let him answer.

Mr. Saumya Engineer Speaks:

I think for the retail space in terms of adhesives and the chemistries we have finished the complete range weather it is wood working adhesives our maintenance and repair adhesives and sealants and sealants and tapes. I think we have completed range but of course we are looking at newer applications and category expansion wherever we feel is required we look into it.

Attendee:

if we talk of the entire adhesive market, would it be fair to say that we are present in every spare or we still have some untapped spares?

Mr. Saumya Engineer Speaks:

I think in construction chemical space we would still be untap in terms of completing the product range but we would be able to do it in next year max I would say but apart from those adhesives and sealant as of now the range we hold can compete with ah the top players in the Indian market no doubt.

Attendee:

and last question ah its always nice to hear from you what next anything you would like to say to that ?

Mr. Sandeep Engineer Speaks:

I think we have lot in our hands to do a perform and give more growth results expectations to build and to fulfil so at present nothing there in future your own predicts.

Attendee:

Thank you sir

Attendee:

Hi I have five question. Ya so first would you like to give any guidance on volume and value for next fiscal? Thats the first question sub part to it is if we just roll back FY22 we had given a number of 1500 crore for new growth inj. Ah so, we have some idea on bathware and paints. Ah but if we had to put this number 1500 crore whos sighted for FY27, ah where are we ah on that road mark?

Mr. Hiranand Savlani Speaks:

So, we are not giving the individual number earlier we used to give but because of the competitiveness in the market and lot of players are playing strong practises. So because of that we have stop giving the number. But I can say what we have predicted 1500 we almost we are closer crore today. So we have completed I think three years when we given the guidance three and another two year we are going to target the 1500 what we have said. So it cover its not only restricted to this product which you discuss but it cover silency also drain pro also fire also, Valve also and then another couple of products are there I think I have given the list three years before so all put together I think we are more or less moving into that direction only.

Mr. Kairav Engineer Speaks:

So with regards to I think volume you ask volume guidance see volume guidance largely depends on two things ah when the ATD comes and how much the ATD comes and when the BIS norms are finalized because that will play a very vital role in the channel restocking. Right now the channel is working on very slim inventory levels. So if this both announcements if they come in the end of first quarter or beginning of second quarter then the subsequent quarters the numbers might be in the high double digit also mid double digit also. Ok? But then we are optimally aiming for a lower double digit type of a volume this year if we get aided by this market buncy and market sentiment we can over deliver on what our projections are but again largely depends on PVC price movement because it will enable the channel to restock and once the channel restocking starts at the dealer and distributor level automatically the volume numbers will move in a much faster manner.

Mr. Hiranand Savlani Speaks:

Secondly I can head what Kairav said that if you see the number of Q2, Q3 and Q4 last year it was more or less flat may be two three kind of growth was there. So base is also getting very low. So on a lower base growing higher percentage very high probability. But again these two decisions are very critical. If these two decisions are coming in Favour of industry then definitely double digit is not a problem.

Attendee:

Sure just a related question I appreciate we don't disclose each of the growth lever separately but when we look at valve stanks draino drain pro is it wear to conclude all this three segments will be uppers of 150 crore ?

Mr. Kairav Engineer Speaks:

so drain pro drain pro is a very fast growing product category for us both done pro and silencio there are many inherent benefits of the PP piping system in drainage and it is fast getting acceptance from the dealer and from the project side also because it has a higher impact strength it is has a technology attach to it very few players are in it and PP is a product which is very contractors and developers really like this product not only because of the physical attributes of the product. But also because that they are able to get one year annual rate contract or even a long rate contract for the duration of the project that they have taken. So that side they are secure because PVC being so Lot of people are opting for PP products not only because of performance but also because of stability. So, drain pro is a fast growing product for us. Valves is also a fast-growing category for us. We are continuing to add the range. This year we will be adding butterfly valves also. So every year we are adding SKUs in the valve side and with the starting of operations in the middle east without Dubai office we are also looking to increase our valves export to the GCC countries and to the African nations also.

Mr. Hiranand Savlani Speaks:

So ritesh all this three put together we will be close to 500 crore. 450 to 500 crore.

Attendee:

second question I want Sandeep ji to specifically answer this sir if you just look at the annual report ah the attrition what it says its 25% ah it says turnover rate I don't understand how to infer it but I would assume its 25% is attrition for permanent employees ah and we keep on tracking LinkedIn on who is going who is coming. Ah definitely trend is on ah ups. What is that we are doing to retain the employees and if you can reflect on the Esop policy I think we had one long back so as we grow bigger what's a thought process on retaining employees.

Mr. Sandeep Engineer Speaks:

so basically the accretion people have nothing to do with this these are on the lower land and there are so many seniors that we will be revising our policies on seniors so basically we have now nine of vice president presidents and many of the have join and also we have four divisions to address we don't have one division to eight so there is no question and discussion on that side but the lower end people we did to accretions we there was a hue and cry we said chicken and egg we need people you need sell we increase the value of the man power everyone shouted your man power cost went high now you say man power has been lower the accretion has gone high so what we have to do I don't understand what your questions come up to run my business but we did do some corrections on the man power at the lower end but certain businesses I am telling you again understand if somebody wants to launch a selfone we are sing the same has I launched a network when you launch something you need man power so we needed add more man power in our faucet ceramic ware business we needed more man power for our paint business. I cannot open Gujarat without a man power. I cannot open Rajasthan without in man power. So the cost for initial stages of scaling of the business will take a hit on the man power. So that's the cost which were gone up we get some corrections. They reflect in the actuation. But especially the lower end. Lower end if you go the there is a big pull-on actuations

in various segments. And this is happening for most of the building industry company at present because people are coming in the all the segments of business but if you see the senior management which we have in the people are constant and people are with us so the main accretion is on the lower hand.

Attendee:

I will just take two more question. Third one is also for you Sandeep bhai. If we compare us verses say the larger peers ah and the peers at I think there one comparable peer. Ah if you look at employed cost and other expenses as percentage of sales, ah we are like a way off the charts. So when we decide probably kairav can also answer this on ANP spends and when we are deploying giving money to on the employee side and distribution what are the levers that we have to ensure that we are getting more efficient every year and if you can give specific numbers for FY26 something light ANP or other expenses that will reduce by a percent or 150 webs I think that would be great.

Mr. Kairav Engineer Speaks:

So two things first of all ANP spends ANP spends we have not increased ok other expenses include lot of line items its not only ANP since last two years the ANP spends have been what they have been you know they have been stagnant even this year the ANP spend budgeting is not increased. Problem is that your polymer prices have collapsed 18% in a financial year. Last two years the polymer prices have been weak. So it has eroded the top line. If the top line erodes then your other expenses is and employee cost as a percentage is going to balloon. Now if you are comparing to a larger peer what peer you want to compare to because I operate in four segments. Ok you you can not compare only a piping peers employee cost verses my employee cost because I am working in adhesive also. Adhesive requires more pain man power. You can look at Pidilites man power cost. You you have to look at segment wear we operating if you talking about adhesive I think 12% 13% how much man power cost they have

Mr. Saumya Engineer Speaks:

Pidilite Q4 was 14.5% see

Mr. Kairav Engineer Speaks:

Pipes and adhesive require a certain type of a man power cost pipe requires a certain type of man power cost you can not you know compare apple to banana it is you have to compare apple to apple if you are looking at the piping side of the business. I dont think my employee cost is more then 5% higher then the other player in the market. Ok? If you want that Hiranand bhai can give that to you for the piping side. So you can get an idea that I am not I am not hiring anyone in the piping side right now. I am very happy with the type of man power I have. But any new plant that you open, any new office that you open, any new depo you open, you have to add the man power. How can I function without man power? So there are multiple attributes to your question. I think I would want Hiranand bhai to add to it.

Mr. Sandeep Engineer Speaks:

I will simple thing hier. You see how a company is and how is building. There are company you are comparing the owner seats in a room and 50 gaadi. Ok uthao. 100 gaadi uthao yeh discount we are not running this company as discount and this way our pipe business we have today active 6 thousandplus dealers who work with us on monthly basis we have 2 lakh plus plumber associated in

our program which company has 2 lakh plumbers who are ready data how much they purchase so we are building a company a solid foundation which will last for years to come now I went into faucet ceramicware some of the tile companies went I will overtake them in no time have you ever seen why I am doing it because I have strong footage with the plumbers buy connect with the plumber today is growing at a tremendous space and this is where we are getting and building our now to do all this programs the Alp program the dealer program going to that I don't tell my distributor to buy one truck more than he needs. I never phone my distributor ki mujhe sell chahiye. Aap maal bhar do. March end bhi aaya ya December end bhi aaya. Because that will bounce back at some time. The real sell is real sell. The real business is real business and reaching to the customer and selling the product in the hands of the customer is what we have believed in all our segments. And that is how our functional work works and what you see is a real real number of the tertiary sell no company in pipe monitors tertiary sell we have data of tertiary sell how much is the sell going to the customer so the depth of the data and the work which we have done in last five six years in the piping segment none of the piping segments have done this work which now is a work which is parallel parallel to the big paint company of India and parallel to the big adhesive company of India that's what we have done in pipe business and that's how we are working in this geographical of faucet ceramicware vi plumbers the construction chemicals involving even plumbers and other segments carpenters painters all the data are helping us to grow.

Mr. Hiranand Savlani Speaks:

I think kairav bhai and sandeep bhai say I can just add first we have to decide whether want to work like a brand and we want to work like a commodity. That is the first question to be answer. If you want to sell a Oppo phone I don't think you need a beautiful girl and beautiful boy to stand on the showroom like what Apple is doing because Apple is charging the premium. Then he has to explain the features of the phone. He has to tell about the products quality and everything. Cost wise if you consider OPPO and Apple will not be a big difference. The kind of difference between the selling price between two phone. The margins of two company can not be same. So here we have to decide that if we want to sell our product as a brand then we have to have appoint a quality people with us and we have to pay for that. No quality is going to work for the organization without a right salary. So we have to spend. Now look at other way after spending so much of salary still we are having the highest margin in the industry so we have to see that point of view also it's not only cost aspect so we have to work both side we have to see but spending so much of amount still we are having the highest margin because customers are ready to pay us the premium which other brands are not getting the premium somebody can say pipe is pipe pani to nikal raha hai aur kya ho raha hai pipe mein se par fir wahi pipe ko koi aapko 100 mein bech raha hai wahi pipe koi company aapko 110 mein de rahi hai to what is the difference that is where this things are needed that is where branding is needed that is where elpi is needed that is where the good quality employee is needed otherwise sandeep bhai ne bola ki ghar mein baithe-baithe sabko nikal bhi sakte hain sales wale ko baithe-baithe phone pe bolenge bhaiya 10 gaadi likhao 2% discount 25 gaadi likhao 3% discount ho gaya kaam fir usmein kabhi brand nahi banegi usmein kabhi premium nahi milega so we have to decide ki whether humko ek promoter driven company chalani hai ki ek professional way se chalani hai. Aaj Hiranand bhai ke Sandeep bhai teen mahina chale jayenge na office chhod ke to bhi Astal ka sell band nahi hone wala hai. Because that team is there. So we have to also look at that way also that how you are bringing the company how you are portraying your products in the market

Mr. Sandeep Engineer Speaks:

Lets take questions from others. You have got enough questions. No no you can ask me individually

Attendee:

Hi good evening. This is Rahul from Ikigai. Sir one most of the question got answered in the presentation. So thanks for that. Ah one question was on CPVC industry. Ah you know we hear that PVC industry now is almost like 4 and half ah million tons of fiscal 25. Just wanted to get some views on CPVC industry size. In terms of volume value whatever you can share because I think we have some dated numbers hier.

Mr. Sandeep Engineer Speaks:

It is around 2.5 million lakh it is ya

Mr. Kairav Engineer Speaks:

It is about 2 and half lakh tons now.

Attendee:

Its about 5% of PVC industry is a small.

Mr. Kairav Engineer Speaks:

See it is a very nish product now if you look at CPC, it is it the application of CPVC currently is for the hot and cold water internal plumbing and the external some loop lines and some plumbing if you want to do. CPVC real value unlocking will happen when the fire products pick up. Fire has shown a steady pickup over the last couple of years. So every year we are doing slightly more slightly more then the previous year and the type of approvals that we have especially UL approval and the local body approvals across India ah I think if the fire pipes market expands you know the overall CPVC market may expand much faster because fire application the number of pipes that are used in a building are more then the plumbing pipes.

Attendee:

So getting that fire order thats going to be more project business going to be more retail

Mr. Sandeep Engineer Speaks:

there are certain changes which are needed in the standards which are taking time till then

Mr. Kairav Engineer Speaks:

fire or fire is more project business fire will not fire will be done through the fire contractors fire contractors do the fire sprinkler works in the buildings.

Attendee:

Got it a and secondly in just to remind me of the project and retail billing for the company overall on the plumbing side you know how is our sales mix essentially like .

Mr. Sandeep Engineer Speaks:

Generally, it is 50-50

Attendee:

so we are billing 50% directly to developers

Mr. Kairav Engineer Speaks:

no we don't bill directly anything to developers

Mr. Sandeep Engineer Speaks:

now we feel we do everything to distributor 100% through distributor 100% government se leke koi bhi dhandha distributor ke bina nahi karte

Attendee:

ok and and consumption wise how much would that split be for projects and retail separately like

Mr. Sandeep Engineer Speaks:

50-50 bola na ok perfect and

Attendee:

two question for Hiranand ji if you could help me with valve sales for India and international separately absolute numbers for sales and EBITA and the capex budget for fiscal 26 thats all from myself thank you

Mr. Kairav Engineer Speaks:

I think we can give it to you after the after the event.

Mr. Hiranand Savlani Speaks:

I will give it to you.

Attendee:

Good evening sir. Can I just go in with my question?

Mr. Sandeep Engineer & Mr. Kairav Engineer Speaks:

Yah, yes, please.

Attendee:

Sir, just wanted to understand like you said that you know, 2.5 lakh ton is the CPVC industry size. You would have seen you years of journey you have been the pioneer. What has been the historical growth rate and whats the forecasted growth rate in CPVC industry?

Mr. Sandeep Engineer Speaks:

10 to 15% value pe badhta rahega. Ye ekdam 30 40 50% except fire ka pura systems aa gaye to ekdam jump dikhega. Iska agar fire mein agar aaya bhi if it is being approved bay fire with of this hurdles we are we are getting through with things. People ask UL and UL is again a big process. So it will take its time to still keep on evolving.

Attendee:

And same way what would be the growth in the PVC pipe industry sector? Leaving apart the restocking and the stocking and you know how actually you know

Mr. Sandeep Engineer Speaks:

10 to 15% CBC?

Mr. Hiranand Savlani Speaks:

No no PVC cant do at that. Even you less growing 6 to 7% max

Attendee:

secondly on the P CPVC rej in front we are going to see huge supply additions coming up in India now which has not been the case so far with that kind of a supply coming in how do you See the prices of CPVC panning out

Mr. Sandeep Engineer Speaks:

Jisno ne bola h chaar chaar sala lgega

Mr. Kairav Engineer Speaks:

So I can I can add to this you know CPVC has an active anti-dumping duty in place till 2029 so most of of this players who will incur the capexi. CPV putting up a CPVC plant is a very expensive process. CPVC ka jo process hota hai the chlorination process it require a special type of reactors and because chlorine is a corrosive material these reactors are worn out very quickly. So they have to incur frequent capex to install new this reactors every time every few years. So CPVC is a business where they will all the players whoever comes in CPVC it will not be like a PVC market they will need some margin to sustain the business. So it will it will it will sell at whatever this current CPVC pricing is there prevalent in the market it will be around that level only because anti-dumping is also there. So they will they will ensure that they are making inuf margin. It will not become that overnight the prices are going to fall.

Mr. Sandeep Engineer Speaks:

But capacity aane mein bahut time lagega. Announce hui hai aur aa rahi hai. Usmein kafi time hai. It is not so easy to and not going to come so fast.

Mr. Hiranand Savlani Speaks:

India ka largest player char paanch saal se baat kar rahe hain. Abhi tak zero capacity la sakti hai. To itna easy nahi hai. Bolna bahut easy hai. But capacity genuinely CPVC mein time lagega. Dubrizol kitne time se baat kar raha hai? Sabko pata hai abhi tak nahi aa payi hai capacity. Time bahut lagega iske andar.

Attendee:

Understood sir? Sir lastly just last one question on the other you know grow drivers like you said you know you have mentioned about drain pro pipes silencio fire pro pipes you of course mentioned on your numbers being 450 to 500 auto crores. What is the industry number hier and whats the growth rate in these kind of categories like? Also in case you can give the number for OPVC?

Mr. Kairav Engineer Speaks:

In the drain pro silens hier.

Attendee:

Yes

Mr. Kairav Engineer Speaks:

There is no other player in the industry for these pipes at the moment.

Attendee:

Understood

Mr. Kairav Engineer Speaks:

we are we are currently the only local player manufacturing and selling there are few players who are importing and selling but that volumes are very miniscule so its not comparable I think if the market mature in going ahead and if there are more entrances in the particular segment then we can see how the markets is shaping up

Attendee:

understood and anything on the OPVC side any number hier whats the

Mr. Sandeep Engineer Speaks:

PVC to abhi itna you people jo understand OPVC wait time lagega. Iska government usage hai. Bahut sare aa gaye hain. Chinese machine aa gaye hain. Bahut sara over capacity hua hai. OPVC pe please kisi ko mat bandhiye because OPVC is a segment of the product hai. Usse koi magical wand nahi hai. OPVC jisko logon ne ek magical want bana diya. Wo ek normal product hai. Normal machine hai. Main bhi banaunga. Log bhi banayenge.

Mr. Kairav Engineer Speaks:

So, if you, if you say, if you say OPVC if you are thinking that OPVC can become the new CPVC, that is not the case.

Mr. Sandeep Engineer Speaks:

Aur uska limited application hai water distribution replacing ductile ion. It is the usage is by government only. Isko koi builder ke koi water distribution mein nahi chalega. Na wah drainage mein chalta hai na koi yeh uska use hai

Attendee:

sir thank you

Mr. Sandeep Engineer Speaks:

thank you

Mr. Hiranand Savlani Speaks:

ok right down the number this adhesive sales number you wanted you wanted adhesive sales number this India operation full year number is 1098 last year was 9960 so net growth of 14.5% this quarter adhesive number is 350 last year it was 262 so growth of 20% this quarter anything else you want capex projection for the company so I think will be somewhere around 250 to 300 crore max because Kanpur is still yet to be completed because machine are yet to be installed so thats why you can consider 300 crore max .

Attendee:

Hello hi good evening this is Keshav from HDFC securities sir we are anticipating 10 to 15% volume growth for next year at the same time we feel UK operation will improve paint operation margin can improve but while we have seen Hiranand bhai interview he have mentioned the margin will remain stable in FY26 why are we not expecting some kind of improvement.

Mr. Hiranand Savlani Speaks:

I have never ever said margin is going to stable. I said the margin of India operation is going to remain stable. This world whatever the new businesses are there that will be top up to that. So paint we have said that it will be small improvement will be there this year also. UK has not given a single penny this year zero EBITA. So how can be same next year? Historically you see they were delivering 8 to 9% minimum EBITA. So margin on consol basis it is going to improve and secondly never ever see the last quarter number only we have to consider the full year number and we have to account the inventory losses also now next year suppose now more or less PVC is getting bottom out ok that is what our view we may be wrong also so dont dont go with my view only but we are of the view that the PVC is slowly and visually going to bottom out upward journey may take some time also or make take quickly also. It depend on this two outcome of anti dumping NBI. In that case next year you may see inventory gain also. We have deliver in 24 EBITA also in particular quarter. So very very difficult to say thats why we are giving you a long term range that we will be working between 16 to 18% in the pipe category and adhesives 14 to 16 we have communicated. And last 3 year number forget about current last 3 year number if you see adhesive India business have given close to about 15.5% EBITA margin so we can give you only range which may not be holding good depend on the Circumstances and now volatility is very high which was not the case earlier earlier the PVC price range was between 5 or 7 plus minus now it is 20 or 27 % plus minus also so any company de cant give the exact guidance also very difficult to predict the number

Attendee:

understood got it one last question what is the inventory loss for this quarter and for the full year I think we dont have a exit number but definitely it should be a good number this year because continuously from 92 to osglo is 68 at are and something so should be a sizeable number but any any ball all park percentage of sales and some broader range

Mr. Hiranand Savlani Speaks:

may be it should be close to about minimum 60 to 70 crore minimum should be there

Attendee:

ok got it that is helpful thank you

Attendee:

this is Het Chauhi from Deven Chauhi thank you for the presentation and best wishes for the coming year just two questions the first question is on the adhesive business we have seen lot of regional companys like MYK Laticut from Hyderabad and Sera Camp from Tamilnadu having significantly large presence in your core markets which is Gujarat ah they the product profile is also very unique in the grouting business as far as the color applications are concerned what is your sense on this this regional competition because as you rightly said that in silens you may have may be 100 different color applications may be something in the grouting also might be something you might want to look at and how do want to tackle it because we have seen that may be pipes are pipes is so strong in all your core markets. That adhesives will probably take time and lot of your come like distributors. A lot of your the plumbing community still very very focused on the piping business from Astral. And very-very keen to have MYK and something like that in the crowding space. I would just want to get a feel on these this kind of regional companys which are so dominant and strong in terms of brands.

Mr. Saumya Engineer Speaks:

Ya I understood the question. MYK firstly is not a regional company. Its a big company and very good products. One thing I will say is we have not even entered MYKs domain and this year is when we enter the MYK domain with the construction chemical range. So for us it will be expansion in portfolio and expansion in product range. So they are all doing their business and I think we will we will definitely go into the grouting space as I was tell talking to Mitten bhai also we are planning for grouting space this year so definitely we are working on that product range and we are it ready ah with the colors and everything and we are going into the cementitious range this year we were kind of in two minds weather to go or not to go because supply chain is something will we needed to understand that you know its little bit different then how you would sell the AMAT range and white clue so you have to understand the but we understood and its not an issue we always have that in mind when we are benchmarking products and understanding competition. So we go into each range and each product category and then understand who all are operating with in that category and kind of make our strategies accordingly so ya I hope that clears your question.

Attendee:

Ya. I will probably come and just have ar with you later. But the second question is on in the last analyst meet actually you mentioned something on the Mumbai like center having a like you were plying to set up a new marketing and digital team in Mumbai. Can you from some line that initiative and how you plan to scale that up if at all if thats in the work?

Mr. Sandeep Engineer Speaks:

We already have a full fledged office in Mumbai. Our all seniors for adhesives business now in paint business work out of Mumbai and that office and the setup is well in place growing and we are going to have another big setup shifting this setup to a new setup with an more seniors coming and working out of Mumbai

Attendee:

so one question on this front something what Asian paint in the paints that they can they can actually exactly predict what a dealer wants at that particular time at that particular hour that particular paint do you have a system of in that place as far as a digital is concerned as far as how your distributors will probably have that particular product and SKU of that particular line of activity in future.

Mr. Saumya Engineer Speaks:

I think what you are referring to is automatic refillment of the distribution channel wear it kind of flows out and then there is an automatic supply chain which triggers the order and supply the material to the dealer?

Attendee:

So does your distribution channel have that capability to predict that kind of what the dealer

Mr. Saumya Engineer Speaks:

so prediction is basically forecasting. So understanding what will happen so right. So not to the maturity of Asian Asian definitely is master in that and it will take us time to actually get to that level and understand how the supply chain works in terms of the paint business but we definitely have a good systems in place when it comes to supply chain we have a good warehouse management software with we are working on auto refilling of our distributors and dealers wear auto order orders will be generated. So less manpower will be required in terms of taking primary orders. So lot of things we are working on in terms of our digital initiatives and it will definitely improve our efficiencies and how we operate.

Attendee:

Thank you. All the best.

Mr. Sandeep Engineer Speaks:

So I think we can take any other questions. And thank you everyone. For joining us for this end of this fiscal understanding from us. And discussing how the future is going to shape up for the years to for this next fiscal. And everything is great Bright. And we are keeping on the hard work. And looking forward again to meet you at the end of the next fiscal. Thank you very much everyone. Thank you. Thank you.

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