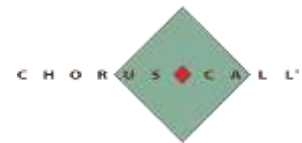




“Control Print Limited
Q1 FY '24 Conference Call”
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MODERATOR: **MR. KARAN BHATELIA – ASIAN MARKETS SECURITIES
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Moderator: Ladies and gentlemen, good day and welcome to Control Print Limited's Investors' Conference Call for Results Discussion on Q1 FY 24, hosted by Asian Market Securities Limited. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions, and expectations of the company, as on the date of this call.

The statements are not guaranteed for future performance and involve risks and uncertainties that are difficult to predict. Actual results may differ from such situation, projection, etc., wherever expressed or implied. Participants are requested to express caution while referring to such statements and remarks.

As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touch tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Karan Bhatelia from Asian Market Securities Limited. Thank you, and over to you, sir.

Karan Bhatelia: Hi all. Very good afternoon and welcome on to the Control Point Limited Q1 FY '24 earnings conference call hosted by Asian Market Securities Private Limited. From the management's side, we have with us Mr. Shiva Kabra, Joint Managing Director and Mr. Jaideep Barve, CFO. Now I would like to hand over this call to Jaideep Sir, for his opening remarks. After that, we'll open the floor for Q&A. Over to you, Jaideep, thank you.

Jaideep Barve: Yes, Hi. Good evening everybody. I am Jaideep Barve, the CFO of Control Print Limited. Welcome everybody to the earnings conference call for the first quarter of the financial year 2023-2024. We appreciate that you have taken off time from your busy schedule to attend to this call. Mr. Shiva Kabra, the Joint Managing Director of Control Print Limited, also joins me on this call. The detailed presentation has already been put up on the website as well as in the investor presentation notification on the exchanges for this call.

So I would imagine that all the people who are on the call would have gone through the presentation. So we are open for the Q&A at the moment.

Moderator: Hi, Karan sir. Your line has been unmuted.

Jaideep Barve: You can start the Q&A session.

Karan Bhatelia: Operator, please announce.

Moderator: Thank you. We will now begin the question and answer session. The first question is from the line of Naysar Parikh from Native Capital. Please go ahead.

Naysar Parikh: Hi Shiva and Jaideep. Thanks for taking the question. The first one was on the new initiatives that we have. So can you just talk about Markprint, track and trace as well as the packaging company, all three, what is the update and status as on date? That would be helpful.

Jaideep Barve: Hello, yes, let me answer this question. So the first thing is on the update for Markprint. Markprint B.V. is a company which we have acquired in the middle of 2022. And as such, we have imported the machines over here. We are studying the technology, and in the due course of time, we will be able to launch their machines, their technology in the domestic Indian market. So that's the current status of Markprint.

We have also begun work on the track and trace. So track and trace is a feature or functionality which has actually been mandated by the Board for the pharmaceutical division and about 300 bulk drug companies have been mandated to use the track-and-trace mechanism for the packing.

Currently, we are in the verge of doing the development for a large pharmaceutical company in India and hopefully, we will be able to build upon that, capitalize on the current opportunity and spread our wings in the domestic market. Regarding the packaging company, we have already entered into a JV with V Shapes SRL, way back in December. In reference to the JV, we have incorporated a private limited company in March 2023.

Currently, as of now, nothing much is happening. We are just waiting for the clearances from the overseas investors. And once we are having all the clearances from them, we'll begin the operations over here. So we intend to manufacture and sell those machines. So as of now, there is nothing much to share about the packaging division.

Naysar Parikh: Got it. And Markprint, what would be the revenue for the quarter?

Jaideep Barve: Can you just repeat the question you have rolled out?

Naysar Parikh: Sorry, I was asking what would be the revenue for the quarter for Markprint B.V.?

Jaideep Barve: You want it in rupees or you want it in Euros? I'm going to tell you, rupees. It's about INR 2.35 crores for Q1 of 2023-24.

Naysar Parikh: Yes, got it. And my second question was that you had spoken about dairy and the traction that you were getting on the dairy side. So can you just talk a bit about that? What kind of clients do you have there? Or any of the larger players are your clients? And what is the traction that you are seeing? And also any other sectors or segments that you're seeing traction in?

Shiva Kabra: I can answer that question, so definitely we have gained a good amount of, or at least increased our size of the dairy business. Our sectoral focus has helped us in that specific space. As you know, obviously we can't share specific clients, but largely we work with some of the biggest dairies in India, including few of the largest cooperative dairies. We are definitely increasing our share. And we have certain cooperatives. And we're definitely trying to also work on some more targeted applications where we can get an edge. And we actually do have a technology edge in some applications over our competitors. So that segment is also going to keep growing, because there's an increased production and consumption of packaged milk and milk products like ghee, ice cream etc. So, I won't say we are the leader in this sector as yet, but, we definitely would like to be one at stage.

Naysar Parikh:

Got it. And Shiva, which other sectors are we seeing some traction, in terms of performance, either printer sales or consumable sales?

Shiva Kabra:

Yes, overall, it's been frankly a good market in the last year and a bit. Obviously, we've always had our strength in the industrial segment. So the overall ratio between industrial and packaging has not changed. Because maybe that some of those sectors are more cyclical because essentially a lot of the industrial sectors are based around building materials and right now, housing is doing, okay.

I'm not a big macro India economy type expert, but the overall housing sector seems to be doing, okay. And obviously when someone buys a house, they're going to need cables, lights, pipes paints, wood, like plywood or MDF or whatever to make furniture or even if they buy furniture. We also print on a lot of those secondary, like cement, for example. So, that's been a good driver for us.

At the same time, our focused effort in two, three sectors, like in pharmaceuticals like I said, we have to push and get some traction, while re focusing on the track and trace. About Markprint, it's something that we are trying to use their technology to update some of our printers. Some of their printers will sell as is, in specific segments.

So that's still a work in progress for us to realize any benefits of that frankly speaking so far. It's also been a bit slow from our side. So I'm not saying anything to anyone. We've had a lot of other projects going on and we have a limited amount of resources on the development side. About the track and trace, we have some orders in hand, but we still have to execute them. . Like on the large way, of course, we've supplied some systems in the past, but now at the next level in the pharmaceutical, that's still working. So, it's still a, you can say like a negligible revenue contributor yet, but it's something we're expecting to build up over a period of time. And that's a second potential thing that can happen. And of course, the third area, which is the packaging, is something that we are working with V-Shapes. It's actually a slightly long and more difficult process.

Especially the materials that we supply are a bit of an issue because to import them from Italy was frankly too expensive for the domestic market. So we've been working on a couple of guys out here to help develop a local source for the materials which would be significantly cheaper than importing it from Italy and that should hopefully not only get the cost down, but decrease the turnaround time. as it'll be printed with some material and then to get something from there, it's a cumbersome process because it's months and then in the meantime, many information changes on the pack then it's not possible to coordinate.

So because of all those things for it to be honestly contributing to the top line and the bottom line meaningfully. We are like about 12 months away from that, it is what I'll say. Like that's a very minimum for it to be meaningful. We'll see some something coming in but for it to be meaningful. But for it to be meaningful, let's take it as 12 months at least.

Now, and getting back, like I said, our coding and marking sector, we've got a good growth overall. In personal care, we're very strong and have actually increased our market share there further. But in food, still, we are the smallest of the big four, and of course, that's the biggest market in India, so that's been a problematic place for us. But we've picked up a bit of share in a bakery as well.

And in pharmaceuticals, we are getting some traction, but we still have to put it into real sales. So that's the overall picture but so like in the packaging side, we're increasing the types of projects we're doing.

Naysar Parikh: Got it, well that's very helpful, thanks a lot. Just one last question, this quarter how many printers did we sell and last year, it was 3,200 or something which we sold in the full year, so it seems like on a quarterly run rate basis, we are kind of lower than what we did last year?

Jaideep Barve: We sold about 650 printers this quarter.

Naysar Parikh: And what's the last year Q1?

Jaideep Barve: It was a higher number, close to about 775.

Naysar Parikh: So what would be the reason for the decline?

Shiva Kabra: So, yes, I'll just, so first there are two issues. We're having some technical problems right now with one of our printer. It is slightly lower in production because we switch model from the previous model to the current model. Now we don't have certain electronics for the previous model. It's taking some time for the delivery. And we have some orders, which we're not able to execute as a result.

And we have sufficient stock of the newer printer. Obviously a lot of customers, they go slower because some things are only qualified on the previous printer. We have to test each and everything. It takes months like for it to be checked for stability. We're still trying to resolve and we're working on it very actively and so there's some stuff like that.

The other big factor is that we have a limited amount of resources and manpower. We want to focus on the C and D accounts especially, only with our inside sales team. And we don't want to assign more than one sales call to close a printer sale to our sales team.

And obviously, because of this, we're getting better quality of sales and more in the A plus category of customers which is our main target market. But definitely, we are slightly struggling in the C and D because it's still not so easy to sell over the phone and VC and set up 80% of the work before the guy goes to finalize the thing. So that's where the issue is.

Naysar Parikh: So, because the decline is like, you know, volume terms greater than 15%, so I just want to understand, is that because of technical issues, we'll be losing market share there or because the market is definitely growing, we are declining, so is that problem still continuing in your view

or in the last one and a half months in July, August, we are over that and we are still growing year-on-year?

Shiva Kabra: I think that we are not losing any market share meaningfully, if that's what your concern is. As of right now, I can only say for the first three months and the little part of July that went by, we've not lost any market share or we're losing any customers. In fact, we're getting some good new customers. Like I said, there has been a change in sales strategy first. It's not possible for us to keep recruiting so many sales and service engineers and service a lot of small customers who have marginal revenues.

Although that is very important for the numbers and that's been a major change of our strategy since the last six months to eight months. So that has led to like I said, a decline of lower value or lower value sales of printers. Second is a mix, which we have not disclosed exactly between different types of printers. The sales cycle, if someone asks me, is reasonably good overall.

Naysar Parikh: Got it. Thank you, thanks a lot, Shiva. All the best, thank you.

Shiva Kabra: Thank you.

Moderator: Thank you. The next question is from the line of Tanika Agarwal from Green Portfolio. Please go ahead.

Tanika Agarwal: Sir, I have a couple of questions. Like I was going through the presentation earlier this morning and the company has mentioned about moving forward by way of new product launches and also through the organic and inorganic routes. So if you can brief a bit on this?

Shiva Kabra: I couldn't actually hear that question clearly. Could it be repeated, please?

Tanika Agarwal: I was saying that, the company has mentioned in the presentation about moving forward by way of new product launches and also following the organic or inorganic rules. So if you can talk about it in brief?

Shiva Kabra: Okay, so the organic is quite simple. We've said it in some past calls that we believe the market is going to grow about one and a half times GDP. So, if India is doing a 6%, 7%, the market is going to grow like 9%, 11% approximately. Beyond that, what we do in our core coding and marketing business is going to depend on our performance relative to our competitors.

And obviously that's down to what sort of products we are focusing on, our sales strategy, our service, our technical satisfaction and reliability of our customers. But the core market is going to grow approximately 1.5x GDP but of course it depends on how India's GDP is going to grow. So, just assuming that, India is going at 6%- 7%, someone can multiply up to 9%-11% is the core market growth.

That's the organic growth, which we said that we can grow at without requiring any capital investments or any other type of fundamental change in our business. Then the second part, obviously, is that we've taken some new initiatives. The previous question was about the

packaging that we try to, it's an allied business. We've taken a first call with V-Shapes to get into. Another one was the Markprint. We also have acquired a subsidiary called ICIPL, which is targeted more at the C and D grade customers. We've seen in India is that the smaller customers are less sensitive to reliability and breakdowns. So they're more cost sensitive, rather than focused on, purely on reliability and productivity So, it works better for someone like ICIPL to target them

The track and trace is something that we've developed organically in-house through our development. So we're taking some initiatives to see if we can grow beyond our core market growth rate..

And we've taken some other initiatives like, I just discussed right now, which would hopefully help us go faster than the market rate. If something comes up in packaging or a digital print coding in Markprint space, which could fit well with us, obviously, we would be interested in taking a look at it. In terms of innovation, nobody can predict because nobody knows what's going to come out. But if something comes up, we would definitely be open to it.

Tanika Agarwal: Got it. So basically we could say that we do not have any proposals on hand for acquisition or going for some inorganic growth right now. But we currently can eye them in future, as you mentioned, especially for the packaging and for the digital material, right?

Shiva Kabra: I can't say what we're doing right now or not, at this conjecture. What I'm trying to say is that, we are open to it, but yes we are open, like I said, to inorganic opportunities for sure. Obviously, what we are focused on is what is under our control right now. But we have, some amount of capital available to deploy if that situation arises. And if the right opportunity comes, we'll take it otherwise.. If anything ever happens, which is significant, we will announce it in the due course.

Tanika Agarwal: All right. And sir my another question is, if you can tell us a little bit about what would be the addressable market size for a product in India as well as for the overseas market?

Shiva Kabra: As we have mentioned in the previous con calls, us along with the other three major competitors in India are about, the four of us will be about INR1,400 crores to INR1,500 crores and the market will be about 20%- 25% bigger than that. So maybe somewhere between INR800- INR2,000 crores will be the market out of which the four one are between INR1,400 crores to INR1,500 crores. We get the figures for our competitors later on once they do the ROC filing. The worldwide market is about USD7 billion when I last checked, one years or two years ago.

Tanika Agarwal: All right, sir, and the last question from my side, would be like, if you could give me what would be the average realization for consumables like for printer per annum will be?

Shiva Kabra: Yes, I think Jaideep would have shared those figures.

Jaideep Barve: Yes, Can you just repeat your question?

Tanika Agarwal: So what is the average realization for consumables on a per annum basis for printers?

- Jaideep Barve:** See, we cannot give you the figures of the average realization, but all what I can say is that, once we sell a printer, it lasts for at least about five years to eight years, depending on the operating conditions in any company. So the consumer business is for that period of time.
- Tanika Agarwal:** Okay. But like a ballpark number, I know the average realization would differ from model to model like for different printers it would be slightly different...
- Jaideep Barve:** Yes, we will not be able to discuss this through, a confidential matter then.
- Tanika Agarwal:** All right, sir. No issue. That's all from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Rupen P from RN Associate. Please go ahead.
- Rupen P:** Yes, thanks for the opportunity. My question is to Mr. Shiva Kabra. Basically, as you did many times in your past calls and even today, that if one were to establish a correlation between GDP growth in real terms vis-a-vis the growth of industry, according to the marketing industry, is approximately 1.5x. But considering the regulatory tailwinds, like the compulsory marking on top 300 pharma drugs and other regulatory tailwinds, plus you are coding into adjacent categories of tracking and tracing inorganic growth initiatives, be it in the form of Markprint acquisitions so forging a tie-up with U-TAP. So, going forward, I mean, not immediately, but say over the next couple of years, maybe three years to five years' timeframe, would it be fair to presume that Control Print can outperform the industry growth by a wide margin? So, your perspective Mr. Shiva?
- Shiva Kabra:** No, I think we've given an idea what the industry growth is. We can underperform, we can outperform. I mean everyone thinks that they're going to outperform, but I will just be very honest, Domino, Videojet and Markem-Image are all great competitors. Plus there are smaller guys who want to try to maybe break into the big league. It's still not, that's far away from happening. But, so nobody can predict obviously how things are going to go down the line, whoever is there is optimistic.
- One day if we feel we have some issues, we are down and one day when you're doing well like you have some big sale, you feel very optimistic. So, really like my view is the most people view to take. I think really it's for each person to do their own little bit of research. Like I said all these other ideas that are there and what we're doing with transparent about what we're doing whether these things are going to be successful, whether they'll bring scale, whether how profitable they'll be we don't know.
- We're just trying to do our best given the situation that is there. So, that's what the thing is. I can't give any assurance to anyone as to where we're going to be five years down the line because I don't know where we'll be five months down the line. So, five years is like a long time over here. But yes, approximately this is what the historical core coding business and GDP growth has been. Second thing you would ask some - moves are definitely when the government or the regulatory standards change, it can be positive or negative.

So, for example, right now I don't know some of you have noticed like you have to print the price per gram or per 100 ml or something on a lot of packs. So, that's increased amount of ink that's being used suddenly. So, that type of thing is positive for us. There was the track and trace regulation for pharmaceuticals and that was actually negative because we're not ready with our own track and trace that drove some business to competitors and then now we're ready with it, but the overall size of the market has increased as a result.

So, now we're getting back into it we are gaining some traction there. So, yes, of course, definitely the regulatory reasons will obviously be a driver. So, if the regulation increases that will increase the market at a fast rate. If the regulation decreases, the market could also get affected.

Rupen P: Okay and second question is regarding Sri Lankan business, so any update on Sri Lanka's operations?

Shiva Kabra: Which operations?

Rupen P: I think we have some operations in Sri Lanka, so any update on that?

Shiva Kabra: Yes, Jaideep can give an update on that I think it will be better?

Jaideep Barve: Yes. About the Sri Lanka operations, as you are aware that the country was in a turmoil. Slowly and steadily, things are improving in the country, not much of economic development happening, but the stability is happening. We already have installed base of few printers over there and they would require a regular servicing as well as consumables. So, what we are doing is that we are just trying to revive the operations over there. It would take about two years to three years for the operations to be in full swing. But we are hopeful that with the economic turn, our Sri Lankan branch also will do good business. Right now it is too early to say, we've just started reviving the operations over there. So, we are hopeful of doing a U-turn, which is complemented by the economic upturn in the country.

Rupen P: Okay and would you be interested in foraying in say other countries in South East Asia, say for example, Bangladesh so I mean your perspective on that?

Shiva Kabra: We are already working in Bangladesh through our distributor.

Rupen P: Okay and how is the business progressing over there and what is the potency of that market?

Shiva Kabra: So, definitely the market has potential. We are not there directly. So, it could be a bit faster growth, but we have like I said we only have a limited amount of that we can handle ourselves so because right now we've got so many new initiatives we've taken and even some of our existing products where we have to increase the sales like I mentioned earlier that we even because of the amount of effort it takes to hire sales and service people and train them, we felt that we can't service C&D customers at that same level or rather we are servicing them, but we can't afford to do it at that same level.

So, I think right now, our focus is still a lot more on India is what I'll say and, at least, for the next year or two, I think the idea would be to focus more on India and develop some of the other initiatives hopefully so that, yes, the theoretical initiatives, but they're actually like revenue generating and to some extent obviously for the next two years to three years the coding and marking business will be the main business the only the primary driver of the revenue and profitability especially on the profitability side.

So, that's the sort of where the situation is, but like other country it's a lot of effort because you said in our business you have to develop a sales and service network. And it takes time to be in the market before you develop customers gain that trust to go for you. Like the large customers who have a lot of business go for you because for large customers, productivity and reliability are the key aspects and that comes with time. It doesn't come just by going there and selling something bit cheaper.

Rupen P: Okay thanks that's it from my side and best wishes for future.

Shiva Kabra: Thank you sir, thank you.

Moderator: Thank you. The next question is from the line of Alisha Mahawla from Envision Capital. Please go ahead.

Alisha Mahawla: Hi, good afternoon. Thank you for the opportunity. Sir my first question- earlier in the call, you mentioned that there was some technical difficulty we were facing some new printer and the older version, there was some electrical component shortage. What is the update on that? Has it eased are we expecting this to continue maybe for the next couple of months?

Shiva Kabra: So I think, I mean obviously nobody knows how long it's going to take to resolve these issues. So, there are some technical issues that have popped up recently when we upgraded the software, but it's causing some bugs and some other things. So, obviously we're working on debugging some things. So, it's a pretty technical thing, I can't answer it. It could be solved tomorrow, it could take like up to 15 days to a month to happen that much. But yes, we should be able to manage in the meantime. We should have enough stocks to and enough leeway to not lose sales because we can't send it out, we can't build immediately.

As far as the older printers go, there's definitely a time lag. I think Jaideep knows, but at least it's a few months before we'll have those components available. Jaideep, if you want to just give a slight update on that.

Jaideep Barve: We do have an order pipeline, which we can definitely execute in the Q2. So, the shortages of sales will be definitely complemented by the increased sales in this quarter.

Alisha Mahawla: Sorry, I didn't get that. The new product is not the technical issue is not.

Jaideep Barve: Yes, we are on the line. We can hear you.

- Alisha Mahawla:** Okay, yes. I am saying the issues with the new product is not resolved and for the earlier product we still have component shortage. So, how are we expecting a pickup from Q2?
- Jaideep Barve:** So, in fact we do have robust procurement strategies. So, like the shortages in stock is an issue which is not a material anymore plus we've got an order pipeline which we can definitely execute and make up for the shortages in sales as well.
- Alisha Mahawla:** Okay. So, on the printer side of our business, and I know it's a smaller part of our business, but nonetheless, will we be able to do any volume growth on a full-year basis?
- Jaideep Barve:** I didn't get the last line, Alisha.
- Alisha Mahawla:** I just wanted to know on the printers, like there is about a 15% volume de-growth in this quarter and you have mentioned the reasons. Just wanted to know on a full-year basis, will we be able to do volume growth on the printer business?
- Jaideep Barve:** See, as of now, it's too early to say. There are three more quarters to go. So, it's too early to say as of now. It always depends upon the product mix and conditions during that period of time. So, we cannot say anything as of Q2, Q3, Q4, how it will be. But, yes, we are quite hopeful of achieving up the numbers that's not an issue.
- Alisha Mahawla:** Okay. And on the factory tracing pharma, I believe that the bar coding has to be applicable from 1st August. So, whatever inroads we have to do with clients will have to be in the next one month?
- Shiva Kabra:** Yes, it is applicable from 1st August. I think there is an extension requested denied. So, I don't know where the final result is. Although, lot of companies are not ready to go live on all the 300 main products. But maybe they will supply right now from some of the stocks that they've already made prior to August 1. But yes, definitely it's something that's there and obviously, we are working to execute those things at the earliest.
- But in these types of system sales you get some advance and some stuff, but you need to -- it needs to run for some time before the customer accepts that everything is running because each line is a bit different there's a lot of lot more integration work rather than just setting up a printer and getting out of the factory door, doing some training.
- So yes, so the pipeline is there, but I think right now, like I said, it's a longer term game. These are the implementers for compliance as of right now. But in the longer term, because our infrastructure is there, we believe that people will start using that infrastructure to actually improve their business.
- Alisha Mahawla:** So on the pharma side, have we made any inroads, we have the technology, right?
- Shiva Kabra:** Yes, we do.
- Alisha Mahawla:** We have the technology.

- Shiva Kabra:** That's right, now so, yes.
- Alisha Mahawla:** Okay. And on Markprint, you mentioned that we have done some INR 2 crores-odd revenue for the quarter. What is our outlook? How big do we think this market can be in India? When will we see this probably contributing slightly more significantly or what is the kind of outlook that we have?
- Shiva Kabra:** Okay, so I think that Markprint does about EUR 1 odd million of revenue a year or something approximately. And looking at the Indian market, like I said it was something more for future strategic growth sometimes we might or might not see the results depending on what we are purchasing from Markprint because we might use some of that technology to upgrade our own product rather than buy it completely from there. But some of the markets they are targeting, we don't target in India. That's something we still have to explore because some of their sales are on the print and some specialty type applications whereas we are more focused on the packaging side. So, we still have to develop some specific solutions in conjunction with them or are we working on that?
- So, I think the types of products that we believe which will be most suitable for India, yes and I know we said that it will be available sometime at the end of this financial year like the last year, but frankly we're still like six months away from things coming probably towards the end of this calendar year is what I'd say in fact. Yes so yes about six months before those things actually completed and tested from a customer's side and we're ready to actually start generating revenue of those. In the meantime of course we're looking at selling some of their products as is from the order. But the thing that we feel should be more like a bigger revenue generator in the long term, which is like some software we used to operate it together to get some products which we believe right for certain market segments in India. That's still at least six months or so.
- Alisha Mahawla:** Okay, so it will be part of the future strategy and just one last question, any outlook you'd like to give for this year revenue growth or margins?
- Shiva Kabra:** No, we don't know what's going to happen. One was okay, so we'll hope for everything keeps going okay.
- Alisha Mahawla:** Okay, great. All the best. Thank you.
- Moderator:** Thank you. The next question is from the line of Himanshu Dasani, an Individual Investor. Please go ahead.
- Himanshu Dasani:** Yes, thanks for the opportunity. So my question is, what could be our max revenue potential at current capacity?
- Shiva Kabra:** Yes, I think Jaideep you want to take this?
- Jaideep Barve:** Yes, I'll take this call.. See, for Q1, for the standalone, we've already done about INR79 crores. And so going by this, as Shiva has explained, we follow the industry trend. So, like, this is about 1.5x the GDP growth. So, by and large, you can calculate it to yourself, the kind of revenue,

what you would expect. Q1 is very good, as of now, we've outperformed. But Q2, Q3, Q4, definitely we'll try to do better and we'll try to cross the turnover what we did for '22-'23.

Himanshu Dasani: Sorry, sorry, if I wasn't clear, I wanted to revenue potential and current capacity?

Jaideep Barve: Yes. Q1 we did about INR79 crores

Shiva Kabra: Jaideep I think he is asking about factory capacity. I think. So, I think like Himanshu, we covered that before in some earlier calls. I think we said that in Guwahati, we can do about INR300 crores worth of like INR300 crores plus of -- like maybe another -- maybe we're operating at like 60% there right now and In Himachal Pradesh, we already did some expansion of capacity. We might have to add a few people if the sales of printers increases at a faster rate than expected. We obviously plan to optimize the supply chain.

Himanshu Dasani: So, my second question would be, sir, on that Markprint that we are kind of understanding about the technology and trying to bring a similar product into the Indian market. So, what kind of product would you -- throw some light on that? Will it be a premium product and is there enough price sensitivity in the industry?

Shiva Kabra: I can't tell you exactly what we're going to do, but it's we are expecting to target some segments or do some stuff obviously that we are doing I was not able to do our current cost, operating cost. so, yes, that's the idea, it's more to so obviously if we were already doing it with our current that of printers then we wouldn't need to upgrade our technology with Markprint and stuff.

So, it's a more niche market that we're talking about. It's more about helping customers who need to, who have more variation in their SKUs. So, it could be someone, like I said, making like a dosa , batter dosa or something like that and then in making an idli batter, and a dosa batter, and a rava dosa batter, and like something like that. So he's making a similar type of packaging like 12 different variants, or 15 different variants and it could help him print the ingredients online or some other stuff.

So, the idea is more to work on those customers who have a high number of SKUs.. So, it's for certain customers who so that's with our target segment is. But again, like so the first risk is the development risk. Are we actually going to develop this product? It's still, that's the first thing that's there. Are we be able to develop at a certain price and efficiency and reliability?

So, I think obviously those are like all big factors and risks themselves. The second part is it cost efficient enough for the customer. And the third thing is there really a market there. So, I think you can only cross this bridge once the product is there and then we know how expensive it is to run, if we have some ideas. And so it's like there's no like formal market survey because everyone everything seemed interesting till you go out and or should you develop the product like I said and sometimes these things work, sometimes these things don't and then whether there's actually a mark for it we'd only find out that we actually have a product base in out of seven.

- Himanshu Dasani:** Okay got it so do we have like a target in our mind that by the third quarter or the end of this year we want to develop something, we will look for something for Markprint?
- Shiva Kabra:** Yes I think so maybe someone asked this in the beginning, but I said like according to me everyone should take like I think for this year and even the next year, I think the core coding and marking business will be the main revenue, definitely the driver. I think we delve once before we see it starting some significant or not significant, some semi reasonable revenue contributions like that actually are somewhat meaningful from other initiatives.
- And obviously in the Markprint, I think I've been quite honest that we are still in the development phase. It's taken longer than we expected. And whatever I see another six months, because we have too many other things going on right now. So we're not able to focus the limited resource we have on that project.
- Himanshu Dasani:** Okay thank you and good luck.
- Shiva Kabra:** Thank you.
- Moderator:** Thank you. The next question is from the line of Devanshu Sampat from Avendus Wealth. Please go ahead.
- Devanshu Sampat:** Yes, good afternoon, sir. Three questions from my side. So as you scale up, should your inventory days come down because I would assume that the requirement for storing consumables and parts will be less and as a result will free up capital as we go along. So, where do you see this inventory number going once you touch your INR400 crores kind of a top line?
- Shiva Kabra:** I didn't hear that question clearly at all. Can you just repeat that please?
- Devanshu Sampat:** Sorry, I will repeat this again. So I'm asking, as you scale up, should your inventory days come down as a requirement for storing consumables and parts would be less, and as a result you will free up capital as we go along. So, can you give a sense, once we reach a INR400 crores top line what can the inventory number possibly be?
- Shiva Kabra:** Yes, so there are two parts of that equation. You know one is that obviously in our core business, marking business, as we increase turnover you'll see that inventory is not increasing at anything like the same rate. So, obviously out there you know we don't see that the overall need of inventory of course there might be some increases, but at a significantly slower rate than the rate of revenue growth. Now what happens is, if we go to INR400 crores, which is doing an existing business, maybe I don't know, if we're doing the revenue inventory might go from 100 to 110 to 115, so that's not a big concern. It might just increase 10%, 15% even if the revenue increases 33% from INR300 crores to INR400 crores.
- But if we add more products, like we were talking of Markprint, we were talking of the track and trace, obviously all these things are huge inventory increase type of situations because all the way we are not investing in factories and capital there is a working capital because you need to have the systems ready when you sell something in case you have like four different types of

vision systems and things and conveyors and rejection mechanisms and obviously in Control Print, we have to keep everything in stock because if there's a blowout of any one part anything happens, it has to be replaced immediately and all those sorts of good and bad things happen.

So it's a mix in the core growth, in the core business, we are reducing inventory as a percentage of sales. As we add other things like V Shapes and there are things like track and trace, some Markprint and certain mode are the products, and which would hopefully add to a longer term revenue potential, but at the same time in the short run, they're definitely going to increase the inventory. So, I can't predict where things are going to happen because it's a balance of how fast each business scales up and obviously the complexity, which we still understand, still in that process. Yes, if you look at it from the core business, it's decreasing.

Devanshu Sampat:

Sure, sure. The second question I have is, can you give your comment on the business that we're getting from the packaging space? So, I mean, I would expect the business to have been quite good in this packaging segment given the increased usage because of regulatory angle which you mentioned earlier and now possible in an inflationary environment the small pack consumption goes upsize suppose there will be a lot more usage I mean the amount of print on each packet would be the same, but I am guessing smaller packets being used so you are using more ink. So, can you give your comment on that and will the packaging segment as a result continue to grow faster and have higher saliency in your overall mix going ahead?

Shiva Kabra:

I mean it's difficult to say, obviously we are focused on increasing our packaging space practice, but of course our competitors are more entrenched in some of these spaces, so I don't want to lie about it, in some cases we've got traction, in some cases we've not got that same type of traction, we have to -- in our type of business we have to like wait for spaces to open up .

So, that's the situation that's there and yes, but, of course, packaging is growing and industrial is growing. And I would actually say right now, industrial is growing faster. But as I discussed earlier, it's a slightly more structurally cyclical business. So, because it depends, a large part of it is developed around building materials, construction materials and, of course, right now, housing can also go up and down. So, I don't like I said I'm not a macro expert in all of that, but some of those things go up and down a little bit faster is what I feel where the packaging business is relatively more stable.

They're still going to buy milk every day whether the market is up or down, whether the market is up you might say okay I want to invest in a new house or I want to redo my entire house in buying new furniture or do something like that. So, those are the types of situations you can imagine. So the second thing, yes there is some growth in volumes probably in packaging. At the same time there's a lot of growth has been driven by like the A-plus customers in premiumization so that doesn't help us.

But I don't know specifically if I'm seeing any smaller size packs increase or not, to be honest, not really. If anything, whenever I go to most customers, I feel that they're focused more and more on increasing their premium products, and that's where they seem to be investing a lot of their packaging money in terms of development and other marketing resources so that's what I

foresee from my own visits to most of these customers. So, yes I mean like I said you've got an idea what the overall market growth is it's like about 1.5 times and that sort of remain reasonably consistent.

Of course, it can dip slightly, it can increase slightly, but that's what we've seen. And so, yes, it's, that's a situation that's there and how we grow like someone asked me and I said in the end, we have ambitions, but even our competitors have ambitions and it's all going to come down to everyone's execution. It's not going to come down to anything else. I think that I don't have that feeling to say that we are smarter than Domino and Markem-other guys, and we will do much better than them. We will obviously try, but let's see. It depends on what we made three years ago, five years ago, which will give us this benefit now. It is not just what we do today.

Devanshu Sampat: Sure sir, but in relation to this response you just gave, if you look at the entire industry, if I talk about Videojet, Markem or even Control Print, up till FY18, all of you players are looking at about 16%, 17% kind of a CAGR growth. I am talking about five-year growth?

Shiva Kabra: I couldn't hear that clearly actually so what happened out there. Let's continue.

Moderator: Thank you. The next question is from the line of Richa from Equitymaster. Please go ahead.

Richa: Thank you for the opportunity. My question is related to the consumables business. In the last few years. Hello, am I audible?

Shiva Kabra No, I mean, we cannot hear you much. Richa, can you be a little bit louder?

Richa: Yes, is it better now?

Shiva Kabra: Yes.

Richa: Sir, my question is related to the consumable side of business. So I've seen the margins varying from 30% to 29%, 24%. I just wanted to understand what is our ability to pass on the prices whenever they go up, are consumers receptive to a price increase and if it also depends upon the sectors that we are exposed to as compared to competitors?

Shiva Kabra: So, just to answer that question, I think our consumables' margins have been quite steady over the years. Definitely, I mean, when there's a raw material cost increase or something justifiable, we increase our cost to the customers. So, yes, it can happen with slight lag or something, but the consumer margin does not stay different. But what happens is certain types of consumables like, ribbons or thermal Inkjet cartridge might have a different margin then see some of our different inks or something else.

So, we don't give that exact breakup, but the mix can change the margins overall of those products. But overall gross margins as a company, I think have been reasonably consistent, right, offhand I don't have the numbers right in front of me. But I mean, overall, on a standalone basis, when we talk of the coding and marking part, again, I don't know which numbers you all are seeing versus what we see. It's quite consistent, if anything, we're quite comfortable where it is.

And obviously, depending on where we need to, we can try to increase that or decrease that. But we're still in a phase where we are trying to make sure that everything runs as smoothly as possible for all our customers, not really on the market expansion, but more on sales expansions.

Richa: Okay. And sir, this tax rate, effective tax rate whatever exemption we are getting from the Guwahati plant, over three years to five years do you expect the tax rate to remain the same or are they going to changing?

Jaideep Barve: Yes, over the next two years, our taxation rate will be around 17%.

Richa: Okay. And sir if you could also talk about any new clients that you have added during the quarter and if not the names, what sectors they are from?

Shiva Kabra: I can't hear you. I can't hear you very clearly unfortunately.

Richa: The new key clients that you might have added during the quarter and if not the names, but maybe the sectors, key sectors that you have added new clients from?

Shiva Kabra: No, I think whatever product lines we've put it up, it's all available on our website, actually. So I don't think any, like, it will keep changing models and we keep upgrading stuff, but we don't fundamentally change the product line up.

Richa: No, no, my question is on clients, the new clients that you have added during the quarter and what sectors you would be from?

Jaideep Barve: We can't give the names of the clients what we have taken, but we've done considerable growth in food, dairy food, FMCG, but on confidential grounds, we would not be able to give you the names of the new acquisitions of clients.

Richa: Okay, all right. Thank you so much.

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

Saket Kapoor: And permit me to put forward two questions, three questions. One question is that, if time permits, sir firstly sir you did mentioned about we growing at 1.5 times than what the GDP growth would be. So, this is factoring into the consumable segment growth. Is that understanding correct that growth in the consumable segment?

Shiva Kabra: Yes, definitely. If the overall revenue increases, then the consumables revenue would also increase Saket Ji. But in that proportion, I cannot tell you between the printer and the consumers. It depends on the mix of printers and the exact area where the new lines are being added. But in general, the consumables business is growing slightly faster than the printer business because obviously the stock of active printers increases and our printers have an 8 year to 10 year life in that.

- Saket Kapoor:** And sir if we take this quarter numbers, I think the Q1 generally we start with a slightly lower revenue, but I think in the presentation also it was mentioned that this is the highest revenue ever posted. So, definitely the factors that are contributing towards the growth are having strong tailwinds. So, we can look forward to these as the base number going ahead, at least that this should be the parameters on the basis of which we can work out the current year numbers?
- Shiva Kabra:** No, Saketji, we won't know what's going to happen. So, obviously we are happy with what happened in Q1, but in the end it depends on the there are a secondary business. So, we depend on someone like Unilever making Surf Excel or Marico making {Parachute and then we are just printing on that. So, it depends on how much they are selling and so on so many factors so we cannot say anything. So, it is going to depend on the market overall market growth if someone is selling pipes then only we can print on it even if the printer is there. So, we don't know because what I'm trying to say is overall it's going to depend on the overall market growth. Secondary it depends on our performance within that market.
- Saket Kapoor:** But we do generally get the fillers from the people as the stock of consumables getting exhausted. We know the timeline or the return time by which they get refilled. So, that gives us a sense how the utilization levels for them are shaping up?
- Shiva Kabra:** Definitely, I think so far that the printers we have sold last year are giving us revenue. And further, it seemed that the utilization rates of some printers, at least in some industries like you know these are all construction and building materials has increased it seems, but we'll see how it continues.
- Saket Kapoor:** Sir, two small points firstly on the consumables what is the utilization levels for the consumable segment or what kind of growth can we expect up till what kind of growth can we factor in for the next capacity expansion in the consumable segment?
- Shiva Kabra:** Saket Ji, we are probably operating about 60% of our capacity in Guwahati. So, we could grow substantially. We might have to do some debottlenecking here and there. The main issue is not in the production capacity, it's in the storage of the raw materials because we have everything comes under chemicals and explosives licenses. So, we have some very specific storage so the depending on how many days of material we need to store we have some limitations. So, if we need to do it, we have to do it a bit early, but it's not a huge cost like I said you know even if we have to have a an expansion ,don't think it should cost more than INR10 crores, INR12 crores.
- Saket Kapoor:** Correct sir. And lastly sir, I congratulate the board on the buyback part and I think so 18th August has been kept the record date for and also adopting the tender route. So, it would give us equal opportunity to participate. So, in conjunction to that, sir, if you could answer, sir, the point. So, when we have looked at the number of say 800, how did we arrived at INR800 and how did we put forward that we would be putting it at INR27 crores and if you could give us some more understanding. How did we came to this conclusion because for the buyback part it was you did spoke that keeping aside INR50 crores as a buffer for expansion. And also for inorganic activity you would be setting as less than that you would be giving returning back to your shareholders

and a small point also here is that it is a buyback happens in companies for two reasons I think so.

Firstly, if the valuation which the market is giving is lower than what the management or the board feels and secondly if they don't have sufficient visibility for growth, because they are unable to deploy the additional cash generated from the business to grow more of the business. So, which criteria have fulfilled that has resulted in this buyback part. So, if you could speak something more on the buyback, that would suffice it?

Shiva Kabra:

So Saket Ji I'll try to answer best as I can. So, the first point is that the reason for the buyback, actually we've communicated from sometime ago that we had a certain cash balance available with us. And I think obviously, right now we had a we have a lot of money lying around some RD, FD or something like that so obviously we were giving out the money as dividend and the problem with increasing the dividends was that A) it was not tax efficient and B), the problem with increasing the dividends was that sometimes people take it that you have to always keep that same dividend going..

So the purpose of the buyback is frankly, it was just to return cash beyond what was necessary for, obviously we also have a facility with ICICI and HDFC for our bankers to borrow, but since we've taken two, three initiatives right now, and obviously we still need more, but we also don't want to take something that's beyond our capability in terms of execution. So between the amount of money we have and the amount of banking facilities we have, we felt that, we don't want to invest more than this in the acquisition because it can also be risky.

So, beyond that, like I said, it was about returning money to the shareholders. And so for that should be viewed, frankly, as a dividend replacement or a supplementary dividend. That's our view. And I don't know if we have communicated that clearly to the shareholders or not, but that's the experience they should go with.

Secondly, we have always communicated what the market growth is approximately. And obviously, it depends, like I said, on how good we are at our execution capabilities. And everyone has to do their own research as to where the company is heading. But at the same time, you said that there's no major capital expansions on the horizon. Obviously we admire a lot of companies like Cosmo, Polyplex, and even guys like SRF, Supreme and stuff in the packaging films and those types of Parksons and all in the bulk of packaging.

But that's not where we feel that we'll be successful. Our type of thing is more around the technology angle rather than in high levels of production and high levels of capacity, utilization, and inventory terms. So we also admire these companies a lot, but we don't have the belief that we can compete with them in those types of spaces. So obviously, that large area of packaging is not open to us.

We don't have large capital needs in our business. And so the cash is available. And like I said, so for us, the view as a, which the Board communicated maybe not very clearly, is that this is

purely a supplementary dividend of sorts, which could be considered as more tax efficient for some shareholders, than just giving out a straight up dividend. So that's the situation.

As far as the pricing and the rest of it goes, I can tell you, I know Jaideep will give you the thing, because Mr. Kabra and me and Ritu are interested shareholders, and we were not apart of that meeting. That was decided by the Independent Directors and Jaideep might be able to give you some update.

Jaideep Barve: See Mr. Saket, as you would be aware, we are taking the tender route and we are bound by the relevant sections of the Companies Act. So whatever was available, up to 10% of the capital and free reserves, we have tried to use that balance and announce the buyback. And of course, we have made sure that it is well within our budget and available cash flow. So that was the main thing. So we have complied with all the legal requirements as well.

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

Harsh: My question is regarding consumables business. So I just wanted to understand, like, what is the mode around this consumable business? Like are we the lowest cost producers compared to our peers and even unorganized things players and I know we have some RFID solutions for our products does that give us a confirmed consumable business just wanted your views on that.

Shiva Kabra: Yes Harsh, all our consumables are only for our printers and all our printers are proprietary smart card or RFID so they are locked into our consumables only. So our consumables that we manufacture and sell are exclusively for our printers only and all our printers are locked at least since 2016 end of '17 sometime and they only run with our own consumables and nobody else's consumables would work. So that's the situation. Yes,

I will say that on a separate note, of course the consumables are very complex to manufacture. They're very specific to the reliability and the compatibility of the printer. But yes, irrespective of that, it's not possible for anyone else to sell consumables in our printers because of the product protection mechanism.

Harsh: Makes sense. Okay. And also, one more question around this. So does that even apply vice versa to our competitors? Do they also use the same policy for their printers? Or we have the opportunity to trap, like to share the, like, do more business and consumables for their printer from their client?

Shiva Kabra: So we don't sell consumables on our competitors printers.. Domino and Imaje have also split the rules sometime since 2019-2020 and Videojet did have a consumer protection system which was earlier than all of us but I believe that, that's more of a mechanical type of protection with some basic electronic which was cracked but then they come out with something new, I believe in the last year or two years. So at the present moment, everyone is protected.

Harsh: Yes, okay, thanks Shiva. I just have one more question related to Track and Trace product which we are working on. So I wanted to know, by when this product would be ready on a high level, like some time duration. And also wanted to know, like, are there any existing solutions for

similar product which we are building on? And what is our right to win for product, we are working on? Thank you.

Shiva Kabra: Yes, are these all questions only related to Track and Trace because...

Harsh: Yes, those are related to Track and Trace.

Shiva Kabra: Yes, so our solution is ready, and we are already deploying it in certain cases. But obviously, so technologically, on a second note, we think we're superior than some of the other solutions in the market. Although they've been around longer, and therefore, because of the reference established part they have, obviously, the majority of sales, even these 300 brands the vast majority has gone to other competitors and we've got a relatively less share and of course these competitors are not Domino Mach or Videojet, they are other people who specialize more on the software side. So we believe that our software stack right now is better than what theirs is, even though they are more software based companies.

And the second part is that, we have an integration, the most difficult part of this whole business is setting up the printer. The printing part is the most difficult. And because, so we, because we have that single point of contact for the customer, that it's our software, our printer, our mechanical arrangements around the conveyors and the interlocks with their line systems and the rejection paths and the vision systems.

So for the advantage of these customers, there's only one person. We can't go around saying that, oh, this didn't work, or I got from that company and that didn't work, which is a big problem for the companies. But the most important thing is that for us, this is an entry point strategy into the segment.

Our main focus is more to see how we can use the track and trace and the software to be connected much more to our printers so that we can give, right now what I see is the track and trace is basically used for compliance reasons. Because the government has said so. Company is not really getting a benefit from it. Our focus is on a different level because we focus more on the software part and how does a company get a benefit from implementing these solutions. So I think that's where the long-term differentiation will come in. Obviously we have to prove it in some of the companies where we are doing it.

Harsh: Okay, so what I understand is maybe our top three peers which we have, they won't have such similar solution and that would give an edge to Control Print, right?

Shiva Kabra: To be precise, all four of us were providing our printers to other software companies and the support to put our printer in someone else's, in the software person was proposing a full line and he was already using our printers or in some cases Videojet's printers or in some cases Domino's printers or in some cases Markem Imaje printers to integrate into the production line so that's the thing.

That's there so those three people are participating in this but indirectly the same way that, we are our through other software providers now we have taken a stand that, we also want to give

the entire stack to the customer because we believe that, we can give a superior solution to the customer and that can give the customer some longer-term benefits.

So it was already being done and we were participating in it indirectly and now we are participating also in a direct manner with the customer has the option of buying the entire thing from us rather than buying after indirectly from someone who purchases after and then gives the entire solution.

Harsh: Understood, that clarifies. And if I can just slip in one more question, just I was wondering in a long-term perspective, as a market, like only Indian market if we think of, it's like a bit small market. Don't we have good plans to increase our export business? Because that could like considerably increase market opportunity.

Shiva Kabra: Yes, so that's what was asked earlier and I said that, it's a lot of effort because we have to make sure that, we set up a full sales and service infrastructure, then only will the top customers be interested and to our reliability and productivity in those situations because that's what the A&A plus customers are looking for but more than that we don't have the bandwidth and resources right now to frankly target too many things. We already like hands-full with our current amount of manpower or capability.

Harsh: Okay understood. Thanks for clarifying on all the questions and wish you good luck.

Shiva Kabra: Thanks.

Moderator: Thank you. The next question is from the line of Deepan Shankar from Trustline PMS. Please go ahead.

Deepan Shankar: Good evening, everyone, and thanks a lot for the opportunity. Sir, just wanted to understand now that the recent government announcement of this QR code implementation for top 300 molecules. So what is the kind of market opportunity size for the industry and what kind of market share, we can gather on this pharma regulatory thing?

Shiva Kabra: So Deepan, this question has been asked extensively earlier and definitely the government has, there was some view that, the government will give a deadline, but they have not extended the deadline, which means everyone is now rushing to implement this. We have got some small part of the business, like I said, not what a Control Print market share should look like, but we have got an inroad in 300 top brands of India apart.

And we're busy implementing that solution and in fact, taking a huge amount of resources of us because in the beginning, it's always much more difficult. And obviously the opportunity size is larger. In these 300, someone will implement something or the other, and we'll have to then look at how we can provide them a superior solution over the long term.

And obviously, that's interesting. It has a lot more revenue than just selling the printer and the conversion bills but in the long term, as a company like us, what we want to do is provide something that's technologically better for the customer not just technologically, but for their

business and that's what we aspire to. So, these things can only be answered coming years down, because in hindsight, we'll understand, whether we were actually better than, or if we were able to provide a better solution or not.

Moderator: Thank you. The next question is from the line of Alisha from Envision Capital. Please go ahead.

Alisha: Hi sir, thank you for the opportunity again. Did we do any supplies for Track and Trace in the current quarter?

Jaideep Barve: Supplies? Could you repeat the question Alisha?

Alisha: Just wanted to know, if we did any supplies for Track and Trace in the current quarter?

Shiva Kabra: So Alisha, we can't give you the exact break up because like I told you of our revenue by product line, What I can say is like, if you mentioned before that, right now Track and Trace is a negligible part of our business. We have some stuff underway and maybe we supplied some stuff in the past, so I can't tell you exactly what we've done. But right now, it's not a significant contributor to our top line. Forget about our bottom line. It's probably negative right now.

Moderator: Thank you. The next question is from the line of Ashok Shah from LFC Securities. Please go ahead.

Ashok Shah: Thanks for taking my questions and thanks for giving a buyback offer also to shareholders. Sir, does the promoter will be participating at full extent?

Shiva Kabra: Yes, I believe it is declared? Jaideep will answer this.

Jaideep Barve: Yes, the promoters have participated in, too full extent.

Ashok Shah: Second question is, does any development on the real estate side or the plot which we have?

Jaideep Barve: Yes, Mr. Ashok. The status quo remains the same and the matter is actually sub judicial. So I would not be able to divulge any details.

Ashok Shah: Okay. Thank you. That's all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Karan from Asia Market Securities. Please go ahead.

Karan Bhatelia: Hi, Jaideep. If you can share the revenue break-up in terms of percentage?

Jaideep Barve: Percentage of, in terms of the overall numbers, right?

Karan Bhatelia: Yes.

- Jaideep Barve:** So, as you would be aware, Karan, we have printer business, the consumer business, the spare parts, and the service income. So for Q1, printers contributed about 17%, consumables about 63%, spare parts about 7% and service income about 13%.
- Karan Bhatelia:** And masks business?
- Jaideep Barve:** It was very minimal.
- Karan Bhatelia:** Okay. Got it. That's it from end. Sir any closing remarks you want to make?
- Jaideep Barve:** Yes. We are thankful to everybody who participated in the call and keep up the continued support to our company.
- Shiva Kabra:** Absolutely and thank you everyone. I think special thanks to Mr. Saket Kapoor for participating in the AGM also. Mr. Kabra was very happy that he was acknowledged and so I think the Board was very happy with all the people who attended the AGM. Also thanks for all the people for taking this time out. I hope we've answered all the questions to the best of our ability. Again, I just want to point out that, obviously we give some feedback. It has to understand this to the best of our extent.
- It's only to the best of our own idea of where the market is and where we feel things are. And like I said, a lot of new initiatives, but it's too early to really predict how those things will work out. So yes, that's the situation. And I'm quite happy to have done our first buyback to return to all our shareholders. And I also want to thank you, Karan and Asian Market Securities, for opening this call. And of course, to all the investors for taking part. Thank you.
- Moderator:** Thank you.
- Moderator:** Thank you. On behalf of Asian Market Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.
- Jaideep Barve:** Thank you.
- Shiva Kabra:** Thank you.

X-X-X-X-X