

Date: 03-12-2025

To
The Head – Listing Compliance
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Mumbai – 400 051

Stock Code: CGRAPHICS

Sub: Resubmission of Transcript of Analyst/Investor Call Held on November 19, 2025

Dear Sir/ Madam,

In continuation to our submission dated 21.11.2025 regarding the transcript of the analyst/investor call held on November 19, 2025, it has been observed that the transcript submitted earlier contained certain typographical/spelling errors. The corrected transcript, without any further changes, is being submitted herewith.

The updated transcript is also available on the website of the Company at:
<https://creativegraphics.net.in/home/analyst-investor-meet-or-conference-call/>

Yours sincerely,
For Creative Graphics Solutions India Limited

Puja Arora Mehrotra
Company Secretary and Compliance Officer

BRANCHES: BADDI, NOIDA, MUMBAI, CHENNAI, HYDERABAD, AHMEDABAD, PUNE

Processors of: Digital & Analogue Plates for Flexography, Letter Press, Corrugated Box Printing & U.V. Spot Coating

Analysts - Investors Meeting Recording 19 Nov 2025

C

CS: Good afternoon, everyone, and thank you for joining us today. I am Puja Arora Mehrotra, Company Secretary. I warmly welcome you all on behalf of Creative Graphic Solutions India Limited to our Investor and Analyst meet. This meeting has been organized to discuss the company's progress and future plans.

Disclaimer: Creative Graphics Solutions India Limited shall not be responsible for any action taken based on the statements made in this meeting. This may include forward-looking statements, and the company is under no obligation to update them in the future. Before we begin, I would like to share a few guidelines so that we conduct the session smoothly. In the first part of agenda, our promoter will share business updates.

We request investors to kindly type their questions in the chat box. We will take them one by one. Please keep your question in a single, clear statement so that it is easy to understand and respond to.

Now, I would like to give a short and simple introduction about our company and our journey. Creative Graphics began in 2001, and since then we have grown steadily with hard work, innovation, and education. With your support, we achieved an important milestone in 2024 when our company got listed on the NSE Emerge platform. We work in the packaging industry and are proud to be one of the leading manufacturer manufacturers of flexographic plates in India. We always aim to provide the best to our customers. Our focus is on delivering high-quality, custom made Flexo plates with accuracy and strong quality checks.

Our company also has two subsidiaries: 1. Wahren India and 2. CG Premedia.

1. **Wahren India:** Operates in a pharmaceutical packaging segment. Wahren is trusted by many pharma Companies for reliable and high-quality packaging solution.
2. **CG Premedia:** Looks after packaging design, artwork creation, mockups, and digital pre-press work. It plays a key role in helping us provide complete packaging solutions to our clients with the brief introduction.

I am pleased to introduce the speakers for the today,

- Mr. Deepanshu Goel- Managing Director and Promoter,
- Mr. Pulkit Agarwal- Chief Financial Officer.

They will now represent the unaudited financial results for half a year ended September 2025 and share the details about the company performance and future plans.

DG

Deepanshu Goel

Thank you, Puja.

Hi everyone, I'm **Deepanshu Goel**, Managing Director of Creative Graphics Solution India Limited. I welcome all of you for spending time for this meet of analysts and investors. So, we declared our results last week. I'm really happy to share that we have achieved growth of more than **50% in sales** with respect to the corresponding duration last year. As far as the PAT is concerned, we have achieved a growth of **33%** with respect to the duration in the last year.

We have also been trying to ramp up our growth. We are also in the process of installation of our new machine, which arrived last month. That was a Bobst machine to enhance the capacity of the existing plant for the old format business.

Last year, we had also taken over the company infrastructure, Radha Madhav Corporation Limited, of the PVDC line and the tandem line. I'm really happy to share that we conducted the first trial yesterday and last week, and we plan to commence the commercial run in H2.

Also, apart from that, when it comes to Creative Graphics, we have started operations in Bangalore. We are ramping up our production there, meeting clients and getting good inquiries and order book.

As far as the Oman unit is concerned, we have already installed the machines there. Now we intend to start the operation in H2 this year also.

So please feel free to call. We are ready to take up any queries, and Pulkit will take over.

Pulkit.

PA

Pulkit Agrawal

I'm **Pulkit Agarwal**. I'm the CFO for this group of companies. I believe we have been speaking every six months now. We did well on the financial standpoint. Our growth was 50%, as Deepanshu ji has mentioned.

Compared to last year, just to put things in perspective, a few years ago the group annual sales were 40 crores. Now we are doing 175 crores in six months. So, we are really very near to the run rate of 1 crore in sales per day. That has been a fantastic journey, and I think this is only the start of the journey because many of our actions that we have been taken over the last one year, such as a new manufacturing PVC - PVDC plant, a new tandem machine line, a new Alu Alu capacity expansion, all of them are yet to show their effect on the financials.

So that is that in terms of our growth. We are growing from strength to strength, but also cognizant of the risks. So, to mitigate risks, what we have done this time is that we have gone ahead and obtained a debtor

insurance. This will help us be more confident in approaching customers and starting new relationships, which I think will continue to reflect in the top line.

So that is about the financial update very shortly, and we will be happy to take any questions that you might have. We want to leave more time for question and answers so that all of your questions are taken care of. We can start question and answers now.

I request everybody to please put the questions in the chat. We will take them one by one.

Deepanshu ji, the first question is for you. What is the capacity and revenue potential of the PVC PVDC line and what is the capacity utilization of the 800 metric ton Alu Alu coil for H1?

DG

Deepanshu Goel

Yeah. So I will take it 1 by 1. When it comes to the existing cold form blister plant, which had a total annual capacity of 8,000 metric tons, I'm happy to share that we were able to achieve close to 75% utilization.

The new capacity would be adding 1.5 times more capacity. So, we are very hopeful to achieve a good growth in this also.

As far as the PVDC is concerned, if we consider the full capacities, it would be close to 1,000 tons per month. But we intend to be—we hope that we'll be—starting with 10% of the capacity utilization to start with and will be ramping up the business in coming months.

PA

Pulkit Agrawal

Thank you. The second question is from Kojito. Could you explain the margin outlook? We have not seen margins grow despite very strong sales.

So, I will answer this question. Our margins have been relatively stable in the flexographic business. In the Wahren business, we have been expanding aggressively. A lot of our sales are happening to very large customers, and the order book is now shifting towards large customers. This is something that we had mentioned to you as a strategy over our last calls. Basically, when we started the business, we started with smaller customers, and we have been growing into and approaching larger and larger customers.

To gain market share in these areas, we have initially had to lower our prices. The second impact is from the very high increase in raw material prices. At any point in time, our orders are always overflowing, so there have been instances where we have, had to absorb the very significant growth in aluminium prices. There is also an impact of the USD that has played out this time, because of which margins have been impacted.

We have the third question from Agastya. Again, it is regarding margins. We have already answered that question, Agastya.

Agastya asks if the decline in margins is due to any sort of reclassification. No, there is no reclassification.

What kind of Capex do you see for the next two years? What kind of additional debt would you be comfortable taking on to fund the expansion? What will be the peak revenue after the entire round of Capex is fully commercialized?

Deepanshu ji.

DG

Deepanshu Goel

That's where the Capex is concerned. We are not doing any Capex expansion as of now. We are just consolidating what we have done in recent months and last year. So, we would like to take some debt, I suppose, to fund our working capital whenever it is required.

So as far as capacity utilization is concerned, I will not like to give you the forward numbers. We are getting very, very good inquiries and orders, so we are hopeful to utilize.

As far as the PVDC is concerned, we are being very conservative to give you the figure of 10% to start with. The other is tandem extrusion, which is also one of the game winners. We have a good order in pipeline which is to be converted.

So, the number I will not be able to give you as of now because that would be a forward number. I am not allowed to give it to you.

PA

Pulkit Agrawal

Agastya also has raised his hand. Agastya, I'm going to unmute you.

AD

Agastya Dave

Thank you. Thank you very much. Good afternoon, and the revenue numbers are really, really good. Margins you have addressed. So, my question was not about forward numbers. My question was when you said that the new plant would increase the capacity by 1.5X, so what would that translate to? So, assume that you can reach 100% capacity utilization somewhere down the line, right. What would that be? The product mix will change; your customer mix will change. So, what kind of numbers are we looking at based on current prices if the entire capacity is utilized? I'm just trying to figure out the asset turnover ratios and Broadly the ROC'S that you are working on.

DG

Deepanshu Goel

A good question, Agastya. The current capacity and the additional capacity would give 100% utilization. If we utilize 100%, that would be 20,000 tons. But, if I take the nominal utilization close to 75 to 80%, so you can say It would be close to 15,000 tons to 16,000 tons per annum and per KG cost is amount to be right now is close to 370 rupees a KG to keep on rotating. As far as the margin is concerned, we are trying to add a lot many value added product. So that is because we're going to take it takes some time to build the business and in pharmaceutical packaging there's a lot of lot of entry barrier so.

AD

Agastya Dave

Right, right, right. Understood.

I understand.

Understood, understood. And Sir, the clarification for the second question that I had asked for the Capex. So, for FY26 and FY27, Pulkit ji this question is more to you. Will we see any capitalization? So, the gross block number, whatever you have on the balance sheet as of now, whatever you have published...

in H1 will that get added to during H2 maintenance Capex? I'm just talking about like any new Capex which happens over the next two years. Will there be any additional capital capitalization as of now? Again, Sir, plans may change.

DG Deepanshu Goel

Yes.

PA Pulkit Agrawal

Yes, there will be some, some, there is some capex on the cards. As I said, we are setting up two factories. One of the factories is halfway through, the other is going to be set up because the machine was delivered only in October, so you can expect some capital expenditure to happen.

AD Agastya Dave

Great.

Would it be like 50 crores for two years?

PA Pulkit Agrawal

I will not like to give a number, but I think it will be lower.

AD Agastya Dave

It will be lower, right? It will be low, OK.

DG Deepanshu Goel

So Agastya, we are not adding any more capacity as of now. So, to maintain the current kind of a capacity to you to have a good utilization and to make it runnable, there could be small Capex which needs to be incurred. But as of now, we are not even saying that we are totally no to this if we get some good opportunity we will definitely grab it, but right now there's nothing on cards to add new capacity. As if now, there's nothing. It's not required as of now.

AD Agastya Dave

But it won't be like, it won't be like 50 crores, right? 25 -25 crores. Not required. Not required. OK. Thank you very much for giving me the opportunity. All the best and thank you for doing the conference call. Thank you.

PA Pulkit Agrawal

The next question is from Manhar Rao. Could the management kindly explain a 10% reduction in Wahren margins? Is it because of import duty or the rise in aluminium price, which we have not been able to pass to the client?

Manhar, we have already answered this question. Yes, you are correct. Partly because of the very steep rise in aluminium prices, we have to continue delivering the orders that we have already taken, because of which we have to absorb some of the impact. So, our margins have been impacted. The other impact is the forex impact because of the rise in USD, that has impacted.

The second question from Manhar is: our working capital has deteriorated in H1FY26 compared to FY25. In the past, we have communicated anticipation of improvement, having a 100-plus, 100-day-plus cycle, and if we plan to reach 800 crores kind of scale next FY, that would need 200 to 250 crores of working capital against 100 crores in our books now. So, what is the clear strategy here? Realistic growth which we are targeting with our balance sheet can sustain.

Manhar, on the working capital front, as I mentioned, a large part of our sales has started to come from the top 20 customer base that we have out of the 300-plus customers that we have. This was the strategy that we mentioned in past calls also.

As we continue to grow, we will continue to nurture these relationships. These are some of the larger names in the pharma space, and here, because the size of the order is larger, you will continue to see a larger increase in working capital.

The debtor days in most of the pharma space is 90 days. So, we are seeing an increase in our debtors, specifically on the working capital front. We are yet to utilize the benefits of this larger customer base.

So, options are open to us in terms of bill discounting, which we will continue to pursue and take benefit of in the future. The good thing is that this bill discounting facility becomes easier as your customers become AAA rated and plus

So, we have to be confident that we will be able to manage our working capital.

I think Manhar has also raised his hand. Manhar, I'm unmuting you, if you have any follow-up questions.

MR

Manhar Rao

Am I audible?

PA

Pulkit Agrawal

Yes, you are.

DG

Deepanshu Goel

Yeah.

MR

Manhar Rao

Hello. Yeah. So Sir, my question is on the basically margin reduction is you have said that we have not been able to pass because of the earlier contract. So, are we able to pass it now because Deepanshu Sir just mentioned that the price is 370 and in our earlier calls also we are mentioning 370, so I'm not understanding. So, it is basically a raw material impact and is it that we are able to pass right now and are this one margin 16% or there is a scope of improvement in these gross margins going forward?

DG**Deepanshu Goel**

When I say 360-370, I give you the lowest possible price they are in different terms. So I don't want to when calculated the forward numbers of the turnover, I don't want to give a very high number just because if I calculate on a sum price. So, 370 is a cash price, right? So, there has been a significant increase. We were able to get the price transferred from the customers. So definitely, you will see the increase in the profit margins over a period of time.

And there has been another issue, which is that we had procured some—we were buying constantly from China, and there was an anti-dumping duty imposed. So, during that, we had to pay some anti-dumping or some container charges, which actually impacted the margin for a shorter period.

MR**Manhar Rao**

Just one more follow up on this, Sir, not asking any guidance, but in the first half we have operated at peak utilization, I think one of the highest whatever capacities we already have existing. So, can the management give some understanding that inherently as a business model?

What kind of PAT margins can we make? Not what we will make, but what we can make because based on the competitors they are doing 8 or 9%. So just for understanding that inherently what the business model is if that management can give some understanding.

DG**Deepanshu Goel**

So as far as the PAT margin is concerned or you know initial days or when we are we are building the business whereas definitely our PAT margins are lower than the competition, but I don't see any challenge that why can't we supersede the competition even though equal to that?

MR**Manhar Rao**

This one last question from my side Sir, just need some detailed clarity on the working capital. Reason being is it looks to be we are a 30-35% ROE or ROC business, but we have explained our aspiration in other calls that we would like to grow at 100%.

So how are we planning to clearly fund this gap? Because the numbers which I have stated is right now we have about 100 crores of net working capital input and we require 200-250. So, there is a significant gap of 100 and 150 crores if we want to achieve those numbers so.

Can the management like clearly try to share their business strategy here, like how exactly we are planning and how we can achieve those growth, especially now all these capacities coming live, that's it from my side.

PA**Pulkit Agrawal**

So Manhar, in terms of the growth, what you're looking at is the peak state. This will not happen in a day. There will be a growth curve to it. What we are planning, we have limits available in our current lines, that we already have new lines are also available from our existing lenders and we are yet to use bill discounting facilities. Our plan is to use bill discounting aggressively as we move into the

top tier customer base, those facilities are available to us and we think we will be able to manage with that. Also, the business is generating profits. So, we have internal accruals as well which we will hopefully be able to cover the scale.

MR Manhar Rao

Just one last thing, Sir, really sorry. Can we just share our mix of top 20 clients as a percentage of sales from let's say last year and what is it right now, just to understand how the mix is changing?

PA Pulkit Agrawal

I don't have the numbers up front in front of me, but I can tell you that of the increase in debtors, almost 75% is to the top 20 customers.

DG Deepanshu Goel

So Manhar, we were able to add clients like Aurobindo, Torrent and now we're to start with to so many other companies. So, you will see there has been definitely a shift from grade 2 customers to grade 1 and A plus customers.

MR Manhar Rao

Thank you so much, Sir, and congratulations for a good set of numbers. Thank you.

PA Pulkit Agrawal

Thank you, Manhar.

The next question is from Kojito. Deepanshu ji, maybe you can take it up. Could you talk about the clients you have acquired in Wahren? You have not shared the list of new clients acquired.

DG Deepanshu Goel

So, we have been acquiring customers on a daily basis, quarterly basis, and monthly basis. There has been a huge number of customers we are approaching to. We were also able to crack some export deals. We are also in the process of getting some big export orders to converted in our name and when it's come to gray day, I just mentioned we start working with Orbindo, we are in process of. We have been with Torrent, I just mentioned and there are so many other companies which we are working with and we are also participating in a lot of exhibitions for export. So, the target has already been 20% of the export, and we are very, very hopeful that we'll be getting very soon continuous orders from the export source.

PA Pulkit Agrawal

Thank you, Deepanshu ji. The next question is from Jamin Shaha.

Jamin seeks a clarification on observation numbers 5, 6, and 7 of the limited review report.

Jamin, the observations you are referring to are three. The first one is regarding gratuity. The second one is regarding MSME, and the third one is regarding a machine that is yet to be capitalized.

So, all of these are things that we are working on. The gratuity provision requires us to make some changes and get an actuarial audit done, which we will do in due course. MSME, we are still working on, and we hope that this will be clarified in the March numbers.

The third point is regarding a machine that we had purchased and is not yet capitalized. This was done with the consultation of our internal auditor. However, our statutory auditor has taken a different view. We will now work and reconcile both views, and hopefully, this will be cleared in the March set of numbers.

Your second question is: what is the company's two-year and five-year vision, including any other business expansion, if any? Deepanshu ji, would you like to take this up?

DG Deepanshu Goel

Yeah. So, we have been very clear when it comes to the vision of company. We have a very aggressive growth plan. So, we would like to be the leader in the pharmaceutical packaging center. So, when it comes to the different diversification together there is nothing on cards as it now, we're totally focusing. Right now on to the packaging and our Creative Graphics flexographic business.

PA Pulkit Agrawal

Jamin's next question. Jamin has four questions. We've answered two out of them. The third question is- Can you please list key competitors of Wahren?

DG Deepanshu Goel

So, now Wahren was in the space of cold form blisters and the biggest competition was Svam Toyal when it comes to Indian competition and there's were also Alu tech and ACG and some part of Pac time also. So, when it comes to the different product line now to our main competitor would be ACG Bill care and Pac time.

PA Pulkit Agrawal

The last question from Jamin is how much of the raw material cost increases actually passed on to customers?

DG Deepanshu Goel

So we were able to pass on almost 100% of the cost which was which got increased because of the change in the LME prices. So, because there is a change in let's say 100 rupees of the prices the impact is on.

The actual product is close to 50% of the cost. We could able to transfer that cost to the customer now.

PA Pulkit Agrawal

The next question is from Pratham Agrawal. Based on our existing clientele and market demand, what kind of capacity utilization we can do for PVDC and tandem machine in FY? We definitely must have open orders.

So based on those estimates, can you help us understand under base case, what kind of capacity utilization are we targeting this financial year and next financial year?

DG Deepanshu Goel

So Pratham, there has actually not been an open order, only open inquiries. The customers have been waiting for us to start. There has been a continuous demand for submitting the samples. So, we as Wahren are very clear that we would go to the market when we are confident in the quality. We have done the fair trial, and we are very, very close to commercializing it.

So as far as capacity utilization of Wahren is concerned, or sorry, PVDC is concerned, as we see the pipeline, we are hopeful to have more than, just to start with, more than our 10% capacity utilization. But that is coming from the existing customers. We are not going very aggressively as of now. We are not going to the market until we start commercialization.

As far as the tandem is concerned, the same story repeats here. There are also open inquiries that have been awaiting the submission of samples, and we intend to do it. So, we are taking a very conservative approach. We just look at the number of 10–15% at max to start with.

PA Pulkit Agrawal

Pratham has also raised his hand. Pratham, I'm unmuting you.

PA Pratham Agarwal

First of all, Sir, congratulations on a great set of numbers. So just following on the question we just now answered. So according to my understanding, PVDC and tandem products goes to our existing clients and we'll be targeting new clients as well.

PA Pulkit Agrawal

Yeah.

PA Pratham Agarwal

So accordingly, this year, as you said, we can be doing 10 to 15% utilization. What can be utilization next year, next FY?

DG DeepanshuGoel

No, we are actually looking at 70 to 80% of the utilization by the next year ending by the March ending before because yeah.

PA Pratham Agarwal

OK, OK.

Yeah. Thank you. Thank you. So, my second question is, can you help us understand what would be the gross margin, EBITDA margin and PAT margin for the PVDC line and similarly corresponding for the tandem line?

DG

Deepanshu Goel

Oh, Pulkit, can you share that?

PA

Pulkit Agrawal

We are not giving any guidance for the PVDC and tandem lines, but I can tell you that they are definitely higher valued products, higher in terms of gross margins compared to our existing alu-alu product.

PA

Pratham Agarwal

Sir, I actually don't want any future guidance. It's more to understand our business potential and what we can do in PVDC in tandem. So, if you could just help me understand what kind of gross margin or EBITDA that will also work for me.

PA

Pulkit Agrawal

Gross margin should be in higher teens.

PA

Pratham Agarwal

So when you say gross margin in high teens, that seems to be similar to ALU-ALU. So, and we are saying that our EBITDA margin will be higher than ALU-ALU. So, could you a little bit quantify on that?

PA

Pulkit Agrawal

Slightly higher. I said slightly higher, a few percentage points higher.

DG

Deepanshu Goel

Pratham, the mix in tandem is very interesting. There have been some structures which give you very, very high profitability, but we are being very conservative where we really don't want to raise expectation beyond this until and unless as we have a good utilization of the resources, you will see higher numbers, definitely higher numbers when it comes to RMC costing. The difference between a gross profit is definitely going to be something back onto this, but slowly steadily you will see increase in this.

PA

Pratham Agarwal

Oh, got it. So, just to follow up on my first question, when we say 10 to 15% utilization or PVDC capacity, do we mean on our full capacity of 12,000 metric ton or only the half year 6000 metric ton if you could clarify on that?

DG

Deepanshu Goel

Oh, sorry, would you come again, Pratham? I couldn't.

PA

Pratham Agarwal

So 10 to 15% utilization of our PVDC line on the full 12,000 metric ton. Is that so?

DG

Deepanshu Goel

No.

No, no, that is, yeah, yeah, for no, not for I'm talking about the initial months. I'm talking about this

financial year for the H2, not for the next year, next year definitely the utilization we have to ramp it to 70 or 80% of the utilization overall. So, that is only for the current year.

PA

Pratham Agarwal

OK.

So, OK, so my understanding is 10 to 15% utilization on 6000 metric ton.

DG

Deepanshu Goel

No, no, you have to. We are going to start in H2. If you see that you know current capacity is 1000 metric tons. So, we try to convert. We start with intend to start with 100 metric ton of the states to start with in few early months then we'll be ramping up the sales.

PA

Pratham Agarwal

OK. Thank you so much, Sir, for the clarity. And once again, congratulations on a fantastic set of numbers.

PA

Pulkit Agrawal

Thank you. The next question is from Sameera Mitha regarding gross margins, but we've discussed it already, so I'll just move ahead. Sameera, if you have, if you feel your question is unanswered, please raise your hand.

The next question is from Sanchita Sood. What kind of experience do we have in the Allu Allu business? Can you explain if we have hired an experienced team from the market?

DG

Deepanshu Goel

Definitely. I mean you have to build the team. The company cannot work solely. There's a definitely team which is very experienced when it comes to production, when it comes to sales. In every organization, a team is team must and we have a very, very experienced team for sure.

PA

Pulkit Agrawal

Also, we are now one of the few large players in this segment, so I think we have, we have developed enough experience in this segment now.

DG

Deepanshu Goel

And also you know if you know some pharma Companies and as an outsider because you guys are analysts, you would have some context try to find out what is the reputation of Wahren, we have a lot of respect over a shorter period. Owing to our commitment to the quality and service, so we will try to improve and on to that also in coming years.

PA

Pulkit Agrawal

The next few questions come from Tahir Hyderabad Wala. The first question is what is our capacity at the Noida plant for PVDC as it was expected to be 12,000 tons per annum by FY-2025.

Tahir, we have already mentioned, yeah, Tahir, we have already mentioned the capacity. We are setting up the plant right now. So, this capacity that you mentioned should come online in H2.

The next question is on gross margins. I'm skipping it and the same on Wahren. I'm skipping it as well.

Sir, other financial assets show a sudden increase of around rupees 20 crores. This includes security deposits. Can you tell what these deposits are for?

So, when we purchase material, Tahir, we have to open LCs and we have to make some security deposits for each LC and there are some other security deposits as well. So, there can be electricity department security deposits, there can be so many others. All of those are combined in this number.

I think Tahir has also raised his hand. Yes, Tahir, I'm unmuting you, in case you have any follow up questions.

TH

Tahir Hyderabad Wala

Sir, on the other financial asset like this number was around one CR in FY-2025, so it got increased by to 20 CR in H1. So that's why I asked the question. So, what are these I need to understand if you can provide some brief on that again?

PA

Pulkit Agrawal

So this is mainly, you're talking about the other assets, right?

TH

Tahir Hyderabad Wala

Other financial assets, yes, Sir.

PA

Pulkit Agrawal

Other financial assets, yes. So, these are security deposits and there are also some provisions for expenses.

TH

Tahir Hyderabad Wala

OK. OK. Thank you. And Sir, what are our expected growth rate for said on the H2 business because when we see our Wahren business is growing faster rate compared to flexographic business? can we expect the same in the H2 also?

PA

Pulkit Agrawal

Yes, definitely, Wahren will continue to grow faster than the Flexographic business, primarily because we are stepping up the pedal. We are pressing the pedal hard on Wahren and a lot of new capacity is going to come online in H2.

Part of that, a large part of that benefit is going to come in the next financial year. Depending on how quickly we can bring the facilities online, you will see some impact in H2 also. But that will depend on variety of factors.

TH

Tahir Hyderabad Wala

OK.

Sir. Thank you.

PA

Pulkit Agrawal

Thank you. The next question is from Sanchita Sood. Any margin outlook for FY-2026 and 2027? Sanchita,

we are not giving any outlooks.

Sameera Mitha, how are we going to benefit from PVDC and tandem machine line? How will they add to revenue and markets, Deepanshu Ji?

DG

Deepanshu Goel

Can you come again? I could not understand the first part of the question.

PA

Pulkit Agrawal

What is the benefit of the PVDC and tandem line and how do you expect them to add to revenue and margins?

DG

Deepanshu Goel

Yeah, so.

So you know this is this is a synergetic business to our existing world from business. It is making a full basket and is given access to a lot many companies which were earlier a little bit resistant when it comes to pharmaceutical Companies. The anti-barrier is big and this product mix has given us access. There have been a huge number of inquiries and we think that with the right basket of the product, we will be able to lower the cost of marketing with the same kind of marketing person we are able to sell to the same companies and more of volume.

So with the same set of customers, we will be having much more revenue. Secondly, it will also no, it will start the new branches of the revenues for us. So, we are very, very enthusiastic when it comes to the different lines of business

PA

Pulkit Agrawal

Thank you, Deepanshu Ji The next question is from Raj Shah. So, I heard from industry people Hindalco created some supply destructions for aluminum as it is major RM for Wahren, did we face any problems and how we are safeguarding ourselves as we will require it in big quantities going forward. Raj, we are not going to comment on other companies. All I can tell you is that the aluminum prices went up very sharply for us and we are taking all possible initiatives.

To mitigate that in the future. Deepanshu ji, do you have anything to say?

DG

Deepanshu Goel

So, when it comes to supply chain disturbance, we have not faced anything as of now. We are one of the preferred suppliers in the preferred supplier list of Hindalco now for the product of 80210 which is specially for Alu-Alu foil with the kind of increasing growth. We they look forward to us to buy much more material, but we are definitely taking other measures to mitigate our risk to get our cost of material in check. So, we are taking all that kind of measures not to be dependent on supply for sure.

PA

Pulkit Agrawal

The next question is again from Tahir Hyderabad Wala. What is the expected growth rate for the next half for both Wahren business and printing plate business? I think we've answered it. We will move ahead.

The next question is from Gaurav Kothari. Entire increase in revenue over last H2 has gone to receivables. Any comment on that? Gaurav, you're right in asking this question. As I have mentioned, a large part of our sales has happened towards the later half of the H1 and most of these sales have happened to the largest of our customers. So, a lot of these receivables will start to bring results now. Also, we have taken a debtor insurance, so we are taking all prudent steps to cover our risks, but we expect that the receivables will continue to increase as we continue to ramp up sales to these customers.

The second question is cash flow from operations remain negative. Any comments on it and by when can we expect the Company to generate positive CFO? So, Gaurav, we are continuing in Pressing the pedal on growth and each month our sales are higher compared to the previous month, which means that the database continues to grow as I answered as part of your previous question. So, we expect the cash flows from operations to be negative for a while as we continue to increase the sales momentum, this will start plateauing once all our facilities are on.

DG

Deepanshu Goel

Mr. Raj Shah wants to say something. Can you allow him to speak Pulkit?

PA

Pulkit Agrawal

Raj ji, you are unmuted.

Raj Shah, please ask your question.

Mr. Raj Shah.

RS

Raj Shah

Hello, am I audible?

DG

Deepanshu Goel

Yeah.

RS

Raj Shah

Yeah, Sir. So, I am from Ahmedabad and I got to know that a player got bankrupt in pharma packaging business because of excess capacity and other reasons. So, here customers are waiting for us to set up the line. So, what are we doing different?

DG

Deepanshu Goel

Can you name the customer.

RS

Raj Shah

I don't know the name of the Company.

DG

Deepanshu Goel

Raj ji, this is a very different question because in every field people are getting bankrupt. A bank, you know the series of banks, lot of banks got bankrupt and a lot of bank like HDFC, they have been minting money. In every field you will find a bad player and you will find a good player. You cannot generalize. I really don't know who was the player, what was the strategy, what was the price gross margin they were

operating. It cannot be question of supply and demand curve for sure. If somebody has been investing in the Capex and there has been a continuous increase in the sales, then definitely there is a demand.

Raj Shah

OK, OK, got it. So, Sir, I read that tandem is for backward integration. Tandem is like integration line. It will not add revenue. So, am I right or am I missing something?

DG

Deepanshu Goel

Where did you read this, Sir? And where did you read this?

RS

Raj Shah

Sir, I read it online when I was researching about Creative Graphics.

DG

Deepanshu Goel

So there are so many plans, but nothing has been concrete as of now. If there is something then we will definitely come up with all the updates.

RS

Raj Shah

So, does tandem line adds to the revenue or it is a backward integration like it is a assembly line?

DG

Deepanshu Goel

Well, I definitely I it is not a but it is a different product line altogether in the same pharmaceutical setup. So, if you see there's a part form, this is a sachet. If you see a different sachet and different product mix, this is the same buyer, the different product.

RS

Raj Shah

OK Got it. And sir, you have mentioned that in the coming times you are very bullish on the flexographic business due to EPR norms becoming stronger as the years pass. So, can you brief on that — like what is the industry structure, and is flexographic plate manufacturing a crowded area or a niche area? What are the entry barriers? What is our right to win? Basically, reasons that makes you very bullish one on this business.

DG

Deepanshu Goel

You're right, when it comes to flexography, you know I've already described so many times, but once more there are different types of packaging printing. The flexography is the worldwide the most eco-friendly, the most economical and the fastest growing segment.

Largely in India, it is still at a very, very low level of penetration when it comes to closely 9,10-12% of the penetration with a with a different technology which is Gravure and Gravure is a very toxic kind of a technology which uses lot of plastics, lot of toxic ink. So, with not many countries apart, there has been a lot of bans. The technology itself has been banned and even though it has been restricted to very few numbers. So, India is bound to grow, when it comes to flexography. As we have into flexographic printing plates, we have built our largest infrastructure base across all over the India.

We are very, very bullish that with the growth coming with the EPR norms are going to be stringent, there will be definitely steep growth, it will be seen into the flexographic sector.

RS

Raj Shah

OK. And my last question is, what is PVDC realization per KG?

DG

Deepanshu Goel

So that amount should be rupees 240 to 350 rupees KG depending on the specifications and different structures.

RS

Raj Shah

OK. Thank you.

DG

Deepanshu Goel

Should I unmute Krimesh?

Any further question Puja, can you see?

C

CS

Yes, Krimesh want to ask what are the key reason for deferring the Alu-Alu segments ramp up to H2?

DG

Deepanshu Goel

Krimesh, we had ordered the machine last year from Bob. They have taken some time. There was some technical change. We have received the machine last month. That is the only reason for getting it delayed.

Now we have started the installation process. we are looking forward to integrate into the production line very soon.

K

KRIMESH

Hello, can you hear me, Sir?

C

CS

Yes, Krimesh, yes.

K

KRIMESH

Yeah. So, what would be our realization and alu-alu and so is the trend of this realization going up or is it going down?

DG

Deepanshu Goel

The realization is dependent on so many things like if you see if a profit margin wise, you're seeing then it the kind of customers we are getting is going to be higher than the previous one and when it's going to the total cost of realization, it depends on the cost of the raw material also.

And, I'll not be able to forecast the poster with as of now.

K

KRIMESH

Yeah, but Sir, what would be our current real average realization for the alu-alu?

DG

Deepanshu Goel

So that is, you know, different period and different procedure we generally the lowest is right now is 370

to 430 rupees a KG depending on the volume depending on some value-added product, depending on the credit and all these kinds of parameters.

K KRIMESH

OK. And Sir, how quickly can we ramp up this PVDC and PVC and tandem lines?

DG Deepanshu Goel

Well, I just answered this question — that we have so many inquiries, there are open inquiries, and we have to submit many samples. We are keen, and we just want to wrap it up as soon as possible, to be honest, because it adds directly to our revenue system. And as an entrepreneur, this is one of the most important tasks I have in mind — to get it working as soon as possible. So, with this, as I said, we have taken a conservative number of 10 to 15%. But next year, we have to take it to 70 to 75% of the utilization in FY 2026.

K KRIMESH

And Sir, what would be the capex for the Oman facility?

DG Deepanshu Goel

The CAPEX has already been done. There is no new CAPEX is intended as of now. The whole of the CAPEX has been done. It is with the different source. We have shifted some machines from here itself and we have procured new machine from there so, it would be in a gross lock of four to five crores max.

K KRIMESH

And what would be the capacity and when, when will the production start from that plant?

DG Deepanshu Goel

So production, we have done the installation, but after the installation there are some calibrations and everything processes to be done. So, we intend to start this capacity as early as the middle of the next month and as far as the capacity is concerned, we have a capacity of close to 10 million square centimeter per month.

K KRIMESH

OK and so what is our name plate capacity?

DG Deepanshu Goel

Which capacity, Sir?

K KRIMESH

Name plate capacity?

DG Deepanshu Goel

What is that? I'm sorry, I don't understand.

PA

Pulkit Agrawal

Total capacity of Flexography business.

DG

Deepanshu Goel

OK. That would be, I'll have to see the number, but still, we are at a 65-70% of the capacity utilization. The flexographic business is not about the 100% utilization. It's also about match of service and the product. So still, we have a speed capacity of 30% with the existing capacity and with the new capacity build up we are going to add more capacity for sure. So capacity is not a blockade here.

K

KRIMESH

OK Sir, in terms of revenue, which will be more lucrative to us like PVDC or Alu Alu business?

DG

Deepanshu Goel

Sir, to be honest, as an entrepreneur, you know this is a product list. Every business which gives a good stream of revenue and continuous profit is good. There would be always a mix of mix and match of the product. As if now PVDC has a higher profit. For sure the lowest working capital as a product itself is cheaper than because it doesn't have any metal into it. So, if you see the percentage by the profit is much higher in this, but we as a as a Company looking forward to have a mixed match of the different products to have a better marketing profile. And find the total basket of the products.

K

KRIMESH

Okay, sir. Thank you. That's it.

PA

Pulkit Agrawal

Thank you, Krimesh

C

CS

Next question from Raunak, what kind of capacity utilization can we do in Alu-Alu for FY-2027 and what kind of exports are we targeting on the entire 20 KMT capacity?

PA

Pulkit Agrawal

Raunak has also raised his hand, so I'm unmuting you, Raunak, in case you have any questions. Some of your questions have already been answered, but anyway, I'm unmuting you.

R

Raunak

Thank you for the opportunity, sir. So, my question is this for me the what kind of capacity utilization can we do in ALU-ALU for FY 2027 and what kind of exports are we targeting on the entire 20,000 metric in capacity? And could you also shed some light on the working capital cycle and the margins of the export side of business compared to the domestic side?

DG Deepanshu Goel

So, when it comes to capacity utilization of the extended capacity, we are hopeful despite in addition to the current capacity utilization of the 70 by 80% of the current capacity. We will be able to add 30 to 40% of the capacity utilization of the new capacity to start with, in the financial year by 2027 and working capital cycle. Pulkit, please you explain. I suppose you have explained, but explain once again.

PA Pulkit Agrawal

Yes, So, in terms of exports, the working capital cycle and both the margins will be better compared to the domestic business. The margins are expected to be better by at least 4 or 5%.

The working capital is better because all our exports are against LCS which can be discounted or against an advance. So, we expect a very healthy contribution in terms of working capital as well as profitability from our exports.

DG Deepanshu Goel

Also as far as the export numbers are concerned, we have look at a minimum of 20% of the share of exports to a total revenue in FY 2027.

R Raunak

And this 20%, Sir, is on the 20,000 metrics in capacity.

DG Deepanshu Goel

No, no, the total capacity, I will say that we will try, we will take some time to fill the full capacity of the second machine. But I'm talking about that we are looking to at least if you say by the numbers 150 to 200 tons a month of the exports by 2027.

R Raunak

OK Sir, and my second question is we have done good growth on the flexo side in H1 given that we were already at good capacity utilization and we have communicated that it is a 10% kind of growth business. So now we have two new facilities. So, what is the maximum revenue we can do from here?

DG Deepanshu Goel

From Oman and Bangalore.

Ask for the Oman or Bangalore. Pulkit, I could not understand that question.

PA Pulkit Agrawal

Yes, his question is: *How much revenue or what is the maximum revenue we can generate from Oman and Bangalore?*

DG Deepanshu Goel

So as I said, there is a 10-million capacity per month So, depending on the size, because the selling price are much higher than what we sell it in India, in numbers I can say we can have an outlay in Indian rupees

— I'm not talking about the Rial — which should be 20–24 crore rupees per annum and that's 60% to 70% in Oman and 60% of that in Bangalore.

R

Raunak

OK Yeah.

And Sir, what can we do for the entire flexo business?

DG

Deepanshu Goel

What can be?

R

Raunak

What can be achieved from the entire Flexo business as a whole?

DG

Deepanshu Goel

Well, I will not be able to give you the against forward guidance as we have already explained that the new capacity, the utilization, what is going to be utilization in coming months. So, will not be possible to give you the exact numbers.

R

Raunak

Sir, I'm talking about the capacity in numbers, total capacity in numbers

DG

Deepanshu Goel

Total capacity.

R

Raunak

Yes, total capacity in numbers

DG

Deepanshu Goel

the voice is still not clear.

R

Raunak

I'm talking about your capacity. What is the revenue potential from the entire capacity? Not the guidance for future.

DG

Deepanshu Goel

But I tell you, I reiterate again that when it comes to flexography, it is not about capacity utilization. It will always be very difficult to utilize 100% or 90% or 80% of the capacity utilization because this is more of a service-based Company. There is a kind of CAPEX that we have started, not based on increasing the capacity, but to provide the service and the product from that site. It is not about capacity utilization, Raunak. So as far as the growth is concerned, we don't need to add any capacity to take care of the future growth for the same kind of branches we have, to increase the capacity, it's not required.

R

Raunak

Ok Sir. And Sir, how does Flexo compare to Gravure in terms of cost advantage for short run or the longer?

DG

Deepanshu Goel

So this is a long question. I suppose we are left only with 2-3 minutes because we if you can write us a mail, we will definitely reply with the full detail with the cost-to-cost analysis of the different processes.

PA

Pulkit Agrawal

Yeah. So, Raunak, maybe we can take your other questions only.

R

Raunak

Ok Sir, thank you for taking up my questions. Congratulations on a great set.

PA

Pulkit Agrawal

Thank you. We have a couple of hands. I'll unmute Maitri, Maitri has been waiting for a while. Maitri, you are unmuted.

M

Maitri

Yeah, hello.

DG

Deepanshu Goel

Hi Matri.

M

Maitri

Yeah, hello. Most of my questions are answered. Just a few clarifications. Firstly, on the tandem, what capacity are we adding?

DG

Deepanshu Goel

So the tandem capacity is different. Actually, I will not be able to give you, to be honest, the exact capacity as far as square meter or tonnage is concerned, but as far as the numbers are concerned, I can tell you that.

Because it's a mix of different products — for example, if you see the different structures, maybe it's not like full film. Instead of PDVC-PVC, the same product we can manufacture right from foil to paper to pad to many others, depending on whether it's three-layer or four-layer. To, describe the capacity would be difficult. It will totally depend on what kind of client we are going to get in the coming months.

But I can say there is huge demand for this kind of product, given that there is very limited competition. As far as competition is concerned, only one — Pack Time — is having this. So, there is huge curiosity and inquiries based on this product of us.

So, it would not be appropriate for me to give you the exact number or the amount of tonnage we can do out of it, because this is a totally different product mix.

M

Maitri

OK, OK, got it. Also, from the cold form we are adding, the total cold form capacity is going to be 20,000

metric tons, and the capacity from PVDC is going to be close to 12,000 metric tons. We are planning to scale both of those capacities up to 75–80% by next year. That's the expectation.

So, I won't ask you for guidance, but just a sort of forward-looking statement. Are you expecting to add more capacity going forward? Because this is going to sustain our growth for next year, but then the year after, we would need more capacity. So, is there capex planned on both the cold form and the PVDC side?

DG Deepanshu Goel

So Maitri, to be honest, we have not taken that kind of decision as of now. We will see — we will cross the bridge when it comes. As of now, we are just trying to convert that capacity into revenue. When we see that there is sustainable demand, depending on various market conditions and the next kind of revenue stream, then we will decide at that time.

We have not decided as of now what will be the next step after the utilization of the cold-form crystal. But there are so many things in mind — we may have a different product line because we see lot many advantages, and it also helps us mitigate risk. We see a lot of traction when we have multiple products in our portfolio. So instead of depending on one product alone or forcing sales through a single product, we would like to have a mix of products for the same kind of client.

M Maitri

OK. Secondly, on the flexography.

PA

Pulkit Agrawal

Madam, we have two more hands raised and we are already overshooting the time. I will request you to please.

M

Maitri

Just two questions. Is it okK if I just ask two questions?

DG

Deepanshu Goel

ok, go ahead

PA

Pulkit Agrawal

Ma'am, we are OK.

M

Maitri

Yes, so sorry. Secondly, on the flexography side, you said that we have a ₹24 crore optimum revenue potential from Oman and close to ₹60 crore from Bangalore. Is that correct?

DG

Deepanshu Goel

No, no, 60% of this, 60% of that capacity may be, I would say 14-15 crores from Bangalore.

M

Maitri

OK, 14 to 15 Crore, and secondly, now that we are entering with these large clients, do you still expect to

provide them at a lower cost and impacting our margins or are we seeing some increase in realizations going forward with these large clients as well?

DG

Deepanshu Goel

So, Maitri, this was an intended strategy to start with. When you go to a larger house, the ultimate expectation is high, and then we have to offer a price that is a little lower than the competition to enter. When they start growing the volumes, the product margin and profile definitely improve.

And when you enter a large company, you get the advantage of supplying different product means — the different value-added products that we are going to do right now. So, it is actually the intense strategy to enter a big client initially by lowering the price range in the pharma sector and thereafter capitalize on that relationship with many good products and higher revenue.

So, I hope that we will be improving the revenue, although...

M

Maitri

OK,

So we do expect these 12% margins to sustain for next half as well because we're also ramping up new facilities. So that pressure will also be there.

DG

Deepanshu Goel

Margin.

Yeah, definitely.

M

Maitri

So this 12% is sustainable. We won't go below these, is that correct?

DG

Deepanshu Goel

It should be, yes, it should be. We should.

M

Maitri

OK. OK. Yeah, that is it from my side. Thank you.

PA

Pulkit Agrawal

Thank you. We have two more hands raised. I'll just unmute you. Amit Ji Amit Mahendali.

Please ask your question.

Amit ji we are unable to hear you.

PA

Pulkit Agrawal

Yeah, we have. We have. Reena Gattani also has raised her hand. Rinaji, please ask your question.

RG

ReenaGattani

Yeah. Hello, Sir. Am I audible, Sir?

DG

Deepanshu Goel

Yeah, you are, you are.

PA

Pulkit Agrawal

Yes.

RG

Reena Gattani

So Sir, one thing I wanted to ask Sir, your other expenses as I can see in H1 it was only around 8% and in the earlier it was around 11 means it was higher, it was much higher than the H1 so.

You know, will you be able to mention the reasons for it and in H2 how much of the other expenses are we expecting?

PA

Pulkit Agrawal

Our other expenses are mostly fixed costs, and we expect that as the revenue increases, the fixed costs as a percentage of revenue will continue to go down. I cannot give you what percentage this will be in H2 because then it would effectively mean that I have given you a guidance for H2. But you can expect that, percentage-wise, it will continue to go down as we increase our top line.

RG

Reena Gattani

Yes, but our additional facilities will also be there in H2. So, I mean the other expenses might increase from here.

PA

Pulkit Agrawal

In absolute basis, yes, but there is still increase expected in terms of top line. So, you will continue to see a reduction in absolute numbers. Obviously, the other expenses will increase as the size of the business increases.

RG

Reena Gattani

OK, Sir. And one more I wanted to ask. Sir, as you have earlier said, your aspiration is to grow 100%, and in H1 we have grown at the rate of 55%. So, for the full financial year, how much are we expecting, Sir? Will we be able to grow 100%?

DG

Deepanshu Goel

Our aspiration remains same Reena ji, but we intend to definitely keep on improving at a higher pace and with our capacities coming over, we hope, to supersede what we achieved in the first time, but I let's be very positive, so, oh, that is, that is our outlook as of now.

PA

Pulkit Agrawal

Aspiration is the same madam, but that does not mean that it will be a straight line from 1/4 one quarter to another. Over the next 2-3 years, we continue to hold ourselves to the same aspiration that we have already.

RG **Reena Gattani** OK, Sir. Thank you very much, Sir, and all the best.

PA **Pulkit Agrawal**

Thank you, ma'am. Thank you. We have two more questions. Both are related. The first question is do we plan to raise any capital in the next two years? And the 2nd is how do we see our debt levels in the next two years?

DG **Deepanshu Goel**

So capital, as if not, there has been no plan, but if it is required, we'll definitely won't shy to take any decision. And as far as the debtors are concerned, they're going to rise because the business is going to increase its remaining, so definitely the debtors will go higher.

PA **Pulkit Agrawal**

Yeah, I think we have answered most, if not all questions. I hope we have answered all questions. In case any of your questions are unanswered, please feel free to write to us at cs@creativegraphics.net.in We will be happy to take up your queries. With that, I think we would like to thank all of you for your continued interest and support in the business and for taking out your valuable time to hear about the progress of your business as well as our plans for the future. With that, I think we can conclude this meeting. Puja

C **CS**

Yes, Sir. Thank you everyone for your trust. Thank you so much.

DG **Deepanshu Goel**

Thanks everyone for your continuous support. As a company, we will always look forward to achieving positive growth while keeping the shareholders' interests in mind. We can assure you that at Creative Graphics, we will continue to take very positive decisions in the coming years. Thank you once again.