



May 18, 2026

Department of Corporate Services  
**BSE Limited**  
Phiroze Jeejeeboy Towers  
Mumbai – 400001  
**Scrip Code - 509820**

The Listing Department,  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza,  
Bandra Kurla Complex  
Bandra (East),  
Mumbai 400 051  
**Symbol – HUHTAMAKI**

Sub: **Transcript of Earnings call for the 1st quarter ended March 31, 2026.**

Dear Sir/Madam,

This is further to our letter dated May 13, 2026, whereby the Company had submitted the link to the audio/video recording of the Earnings Call held post announcement of the unaudited financial results for the 1st quarter ended March 31, 2026.

Pursuant to the Regulation 30(6) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find enclosed the transcript of the said Earnings Call, for your information and records.

The same is also available on Company's website at <https://www.flexibles.huhtamaki.in/>

Kindly take the same on your records.

Thanking you,

For **Huhtamaki India Limited**

Abhijaat Sinha  
Company Secretary & Legal Counsel

Encl.: As above

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“Huhtamaki India Limited  
Q1 CY26 Earnings Conference Call”  
**May 13, 2026**



**MANAGEMENT: MR. KAMAL TANEJA – MANAGING DIRECTOR –  
HUHTAMAKI INDIA LIMITED  
MR. AMIT GUPTA – CHIEF FINANCIAL OFFICER –  
HUHTAMAKI INDIA LIMITED**

**MODERATOR: MR. MOHIT MISHRA – ICICI SECURITIES LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Huhtamaki India Limited Q1 CY26 Earnings Conference Call hosted by ICICI Securities Limited. As a reminder, all participant lines will be in the 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 touchtone phone. I now hand the conference over to Mr. Mohit Mishra from ICICI Securities Limited. Thank you, and over to you, Mohit.

**Mohit Mishra:** Thank you so much. Good afternoon, everyone. Thank you for joining on Huhtamaki India Limited Q1 CY26 Results Conference Call. We have Huhtamaki India management on this call represented by Mr. Kamal Taneja, Managing Director and Mr. Amit Gupta, CFO. I would now like to invite Kamal sir to initiate with his opening remarks, post which we will have a Q&A session. Thank you, and over to you, sir.

**Kamal Taneja:** Thank you, Mohit, and thank you, Rutuja. Welcome, everyone. Thank you for joining the call today. I hope you had time to go through the financials yesterday. So I'll, along with Amit, give you some flavour of how management is doing different things. Before actually I get into the call itself, a couple of disclaimer statements, which I think we should talk about.

Number one, we may be talking about a few things or share some information with you, which could be deemed as forward-looking. But the intention is to share with you as openly as possible our strategy and initiatives, and they should not be taken as any advice on any investment you need to do in any securities or solicit any investment from you. So once again, thank you for joining us.

Before actually I go into the main presentation, let me invite Amit Gupta because he's my new colleague, who has recently joined as CFO. Maybe he can introduce himself to you.

**Amit Gupta:** Yes. Hello, everyone, and good afternoon. I actually joined as the CFO of the company last month, so almost like completing a month in this particular role. I had joined the company relocating back from Singapore to India. My last assignment was with Procter & Gamble Health Limited in their health care vertical as the regional finance lead for Asia, Middle East and Africa.

I have started my career primarily in FMCG and health care, worked with ITC, then Colgate-Palmolive, Sanofi and Procter & Gamble Health Limited first in India as a CFO and Director on the Board of Procter & Gamble Health Limited before moving to Singapore. I look forward to the engagement. And hopefully, we'll have some good questions coming our way. Thank you.

**Kamal Taneja:** Thank you, Amit. Very happy to have you in the team. So I'm going to start with the content of the presentation. I hope you had time to go through that. But I'll give you a very high-level information on what Amit will actually go more details into the financials. So at the very top line, we actually improved slightly on our sales versus quarter last year.

When I say slightly, it's about 10 bps. However, we improved our margins significantly. Now we've been saying that for the last few quarters that our focus has been on the margin improvement because what we are doing in last few quarters is we've been selective in participation in the business that we want to operate in.

We are going after higher-value business, which is also consistent with our strategy and our strength in terms of the innovation leader in the industry. We really think that we are on a solid ground now and gives us a lot of momentum for growth in future. So just coming back to the results, we had kind of sales which were stable, but we improved our margins, which were supported by sales mix, like I mentioned earlier, and also operational efficiency.

We've been actually doing a lot of work in the last couple of years in optimization, improving efficiency in the assets we have, bringing a lot of expertise within India and overseas as well. And in this quarter, we had a few one-offs. Firstly, we had higher interest income, but they were also offset by some nonrecurring charges, which we've disclosed in the market before.

There's also a huge charge in Q1, which relates to the depreciation, which is related to prior year, and Amit will talk you through that. So if I can summarize, net sales up by 10 bps. EBITDA improved by 25%, 24.8% like year-on-year, first quarter last year versus this year quarter 1.

EBIT went up by 4%, but that's also because of the depreciation that I spoke to you about earlier. PBT similarly increased by 2.9%, and we were slightly lower on EPS. Now all these things we are doing, like I said, we've been consistent in our approach. We are also consistent in our approach on global strategy, which we are very focused on, which is namely on profitable growth, disciplined capital allocation and much stronger accountability. So with those opening notes, I'm going to hand over to Amit, who is going to take you through the financials.

**Amit Gupta:**

Yes. Thanks, Kamal. So actually, the financials for the quarter actually relay the strategy that Kamal just laid out. On the top line, when we are looking at the top line construct, we are actually improving by 10 basis points versus last year for the same quarter. And that's, again, driven by our focus with respect to growth in the selected set of customers.

And the portfolio choices that we are making with respect to the categories and the customer pool that we are going to service in future. So it's consistent with our overall strategy that is reflecting in the top line. And as Kamal mentioned, from a standpoint of EBITDA margins, we are growing by 25 percentage points.

This is, by the way, not a standalone improvement in one particular quarter, but we are seeing a sequential growth in our profitability. Those of you who would have followed our AGM, you would have seen that our profitability numbers have been consistently going up, which actually demonstrates the effective way our strategy is being played and that's flowing through our financials. From an EBIT perspective, we have a one-off.

There's about INR 88 million charge in this particular quarter, which is pertaining to the prior 2 years, we had -- although this was -- this is not material, taking into consideration the maturity thresholds that we had for the last 2 years, 2024 and 2025, but we chose to reflect it in the current

quarter itself because we don't see this particular charge to be breaching our maturity threshold for the current financial year also.

So fundamentally, we had this particular charge, which is reflective of the lower depreciation charge in the prior 2 years, primarily because of the fact that there has been an error, which led to the depreciation calculation on WDV instead of the SLM method, which has been done. With this particular charge.

We have corrected the books of accounts, both from a P&L and the balance sheet standpoint and all the reflections in the P&L are coming correct starting from January 2026. So our EBIT margins because of this has actually improved by only 4%. If I exclude the exceptional item of depreciation, it has actually gone up to 27.8%, which is consistent with the growth that we have seen in the EBITDA.

However, this particular charge is actually bringing the EBIT margins down to 4%. Our overall profit and loss for the period is actually about INR256 crores, which is almost 2% down versus the same quarter last year. But again, this has the implication with respect to the depreciation charge that I just mentioned. If I have to exclude that particular charge, the profit before the prior year postings is actually going up by almost 23.1%.

So all in all, if I have to summarize from a financial results standpoint, our strategy in play is reflecting in the numbers with a substantial growth in profitability, excluding the onetime corrections of the prior years that we have taken and the top line, which is holding good in spite of the competition that we see.

Moving on to the trends slide and we actually demonstrated an EBIT improvement, EBIT of about INR 386 million, again, after taking into consideration the INR 88 million hit. But if I look at the sequential trends of our EBIT as a percentage to sales, and I take this exceptional prior period item out of the chart.

Then we are at 8% EBIT for the quarter, which is in line with the EBIT that we have demonstrated in the quarter 4 last year and almost 1.7% or 170 basis points higher versus the quarter 1 of last year. I'll stop at this and maybe you guys had the chance to look through our annual reports and the financial release. And if you have any questions, happy to address in the later part. Back to you, Kamal.

**Kamal Taneja:**

Thank you, Amit. I think just to add on what Amit said. So you see in terms of our ways of working, we are always declaring results based on ethical solutions and make sure the integrity is intact and the transparency to the market as well. So I think the other thing I want to note is with Amit alluded to is in terms of the return on sales or EBIT percent, which was at 8%, which is where we were in good old days.

So that's coming back to the comment I made earlier, where we said that we think that we are in a pretty solid situation at the moment, and this gives us a lot of positive momentum for growth in future. Actually, there's one more thing which I'm very excited about, which is on sustainability.

So I want to share a few good stories that we had going, similar to what I mentioned in the last quarter as well. So when we look at our climate ambition and sustainability, we look at it from a 4-pillar point of view. So first pillar for us is people, right? Now when we talk about people, we invariably talk about safety and well-being, right?

So actually, I'm happy to report that we had substantial significant improvement in safety incidents. Actually, our total recordable incidents year-on-year improved by 67% which is a great achievement. And not just in terms of numbers, but behaviorally, I see a lot of improvement in our plants, in our offices where people are taking time thinking and following the processes.

The behaviour patterns and the initiatives we have to make sure that we reduce risk to our people. The second pillar is on what we call as climate pillar. So this is about what we do for the environment. So I'm also happy to report that we actually engaged in a formal agreement for developing a solar captive electricity project in our Khopoli plant.

So that's been signed. It's being executed now, and we expect to go live in the next few months. In second half, we will start reaping benefits of that as well. The third pillar we call as nature pillar, which is focused on water. Again, Khopoli, Rudrapur, Silvassa, they continue to develop a zero liquid discharge status, and we are looking at eliminating waste and liquid waste in other plants as well.

The last pillar, which is what we call as product pillar, again, huge progress there. And our focus there is improving the solvent consumption. And I'm happy to report also that we have done a lot of work on that. We've installed a lot of equipment. We spent some capital in solvent cooling, for example.

And all our plants right now are reducing solvent as we speak and very excited about that. The other thing we're also doing on the product pillar is that actually we are adopting increasingly more PCR or post-consumer recycled content in our products, which is also in line with our objective to meet long-term sustainability goals.

And also being ahead of the regulation, which we see coming up in India in future. I think in terms of reporting, I think you've seen our calendar, our next reporting is going to be end of July, and we'll talk to you a bit more on our results in second quarter. That's all I wanted to share. Mohit, if you want to maybe ask people for questions.

**Moderator:** Shall we begin with the question-and-answer session?

**Kamal Taneja:** Yes, please.

**Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Aaryan Vadaria from Aequitas Investments.

**Aaryan Vadaria:** Actually, I just wanted to understand -- I have 2 questions. Number one, I just wanted to understand a bit more on the raw material situation post war. What are -- what has been the effect on the cost of the raw material? Are we getting any availability? So what is the situation on ground?

**Kamal Taneja:** Yes. And you had a second question also.

**Aaryan Vadaria:** Sure, I can ask that. Second, I just wanted to get a better understanding on the demand. And actually post war, which segments are we seeing demand from? And how is the cost increase or the cost situation affecting the demand?

**Kamal Taneja:** Sure. So I'll -- this is Kamal. Thank you for the question, Aaryan. I'm going to start and Amit, feel free to jump in. Your first question was on the raw material situation. So firstly, the situation is changing every day, as you can imagine, due to the political situation there. What we have seen in last -- I think it started like end of March, we see prices going up significantly.

And then we see kind of a bit of, let's say, tapering, and we are even seeing sometimes the prices are changing again negatively and positively. I think overall, we have probably low to medium double-digit raw material impact on our products overall. The good news there is, firstly, there's no issue with availability.

So being a large multinational company, we have resources. We have the procurement power, I guess, to source these materials from different parts of the world. So availability is not an issue. Sometimes there's a delay in shipments because -- especially if they are coming from overseas. And I'm also happy to report that we've been very successful.

Actually, our team did an excellent job, procurement, supply chain, sales team. We did an excellent job where we passed on most of these costs to our customers. So in terms of impact to us, probably we don't feel much impact in terms of margins, etcetera. But I think we would know more as we close second quarter because that's where we will see the most impact.

I think your second question was on demand. How is the demand growing or reducing because of this. So firstly, as you can imagine, a lot of our customers were in kind of a panic situation. So they came to us and asked for more volume, and then they realized that the volume was not there. So it's kind of stabilizing at the moment.

So we don't see any significant change because of this situation, but we do see a demand growing as usual, like we see in every quarter in the industry. Like I think you must be following up with other FMCG customers we have when they declare their results. usually 6%, 5% to 7% is the increase every year. Some customers increase more.

Some customers do less. For example, the large customers that we play in, usually, they are less, maybe 2% to 3% to 5%. And then you see regional customers, smaller customers who are growing much faster because they are coming from a much smaller base. Anything to add, Amit, on that?

**Amit Gupta:** No, Kamal. I think you covered it well.

**Kamal Taneja:** Thank you. I hope that answers your question, Aaryan.

**Aaryan Vadaria:** Sure. If I can just squeeze in one more question, please. So just on specifically our materials in terms of packaging films and paper, et cetera. So the cost increase, how much percentage cost increase are you seeing in these products, paper and packaging films?

**Kamal Taneja:** Yes. I wish I could tell you, Aaryan, but it's kind of confidential because it's competitive in nature. So I would not let you disclose that. But I think we do a pretty good job being a global company on getting the best material and availability in the market.

**Moderator:** The next question is from the line of Vishnu from ICICI Prudential Mutual Fund.

**Vishnu:** So in your annual report, it mentioned the Indian flexible packaging industry growing at 10% to 12%. And if your volumes are declining or is staying stable, do you mean that you're shredding market share, other players or unorganized players?

**Kamal Taneja:** Look, thank you for asking the question, Vishnu. I think, again, this is consistent with what we have been saying. The market, I don't know, it's 10%, 12%. I think it depends on which segment you look at, etcetera. Like I mentioned, there are kind of 2 different segments that we see in the market. So there are large multinationals, for example, Unilever or Mondelez or Nestle.

And then there are smaller -- not so small Indian players, but also smaller Indian players who are operating more into regional markets, smaller markets. So they may increase or grow faster than the others, right? Because like I said, they're coming from a smaller base. And probably if you accumulate all this volume, it looks much bigger than the growth that the multinational customers see.

Now what we've been saying all these -- at least for the last couple of years that our focus has been very selective. We are -- our, let's say, sweet spot or our strength is innovation, premiumization, sustainability, where, unfortunately, we only have select customers who are interested in those value propositions.

With them, I think we are growing pretty okay. Now selectively, if we do not participate in other segments, which are not aligned with our value proposition, so sometimes it may seem that we are not growing with them. So I think -- like I said earlier, I'm pretty happy with where we are today. I feel we are much more stronger now than we were before, which gives us actually a good ticket to go from. And we're doing a lot of good work with our customers. especially on the sustainability front, and we hope to grow in future in line with market expectation.

**Amit Gupta:** Yes. Maybe just to add on to this. When you're looking at the market per se, the definition of the packaging market where you actually included paper also, you refer to paper also, it's not comparable to the segment that we play in. So there is no lateral equation that you can draw from the overall market growth to what is being reflected on our side. And hence, that correlation is a bit inconsistent. But I think Kamal covered well the strategy that we are playing on. And the results of that strategy are clearly visible and consistently visible not only in this quarter, but even in the last year.

**Vishnu:** Okay. And the other income has also doubled versus last year. Can you provide any split for that? What is driving that growth?

- Amit Gupta:** Yes. So our other income in this particular quarter actually includes an interest on the income tax refund, which we have received in this particular quarter, plus there's an increase in the FD interest. So these are the 2 big components, which is leading to a higher other income, plus we have FX gain, which is actually from the exports that we are having with the rupee actually getting weaker, we are having these gains which are flowing in and reflected in our other income. So these are the broad three components, which is driving our other income, pool.
- Kamal Taneja:** And Amit, however, we also have several one-offs, which actually netted off that. So it's not that we are improving our margin just because of that.
- Vishnu:** Okay. Understood. Thank you.
- Moderator:** Thank you. The next question is from the line of Rajkumar Vaidyanathan from RK Invest.
- Rajkumar Vaidyanathan:** Kamal, the question is, I think you guys have fixed the margins, which is good to know. But I just want to know when do we see this dynamic growth being corrected? How long do you think that will appear?
- Amit Gupta:** Thank you, Rajkumar. We get asked this question. So this is my second quarterly call. And I believe you know that I'm only on the job for the last 3 months or so, not even 3 months yet. It is 3 months, actually, sorry. Yes, it feels like a long time ago. But I think it's a very valid question. We get asked that a few times in the past as well.
- Like I said, I can't disclose the exact numbers. And hopefully, you would see that in future. But I can tell you, our -- we are laser-focused on profitable growth, which is also our corporate strategy. And that is the reason we are here. And we are forming a very strong team. We are getting closer to customers. We are trying to understand their needs. We are innovating, etcetera, etcetera. And hopefully, we will be in the near future.
- Rajkumar Vaidyanathan:** Okay. But with this inflation on this raw material happening, so do you think that will at least help us in terms of the top line because you said the margins will be protected?
- Kamal Taneja:** Because they'll be passed through to the customers. Like I said, there will be no impact or virtually no impact on our margin because of that. So top line, definitely, you would see just virtue of that, barring any market changes, et cetera, at least that one we would see, but we are trying to grow on top of that as well.
- Rajkumar Vaidyanathan:** Okay. And any upside on the rupee depreciation going forward?
- Amit Gupta:** So fundamentally, the way we are constructed, we have a good representation of the exports in our overall business. So the rupee fluctuations actually works both ways. And when you look at month-to-month and quarter-to-quarter, while from a last year standpoint, the rupee is devaluating. But from a quarter-on-quarter basis, there are a lot of swings happening.
- So we continue to expect both helps and hurts from the FX movements because we have a good chunk of our imports from raw materials, although our net position is still positive on the FX.

But we cannot comment with respect to the future implications of the FX. But yes, it will be in line with how the market and the rupee behaves versus the global currencies.

**Rajkumar Vaidyanathan:** Okay. And just a couple of questions, housekeeping questions for the CFO. First one is, can you quantify what is the amount of interest on the income tax refund that you mentioned?

**Amit Gupta:** Yes. So it's about INR 6.5 crores that we have received.

**Rajkumar Vaidyanathan:** Okay. And the next question is there is an other expense, there is a jump quarter-on-quarter from INR95 crores to INR106 crores. So what is causing this movement?

**Amit Gupta:** Yes. So fundamentally, I don't think so the jump is substantial from the baseline of 95 crores to this is not a major jump. Looking at it from a short-term perspective of a quarter may not be relevant. And we are not looking at a substantial increase in our operating costs. We are actually on a percentage to sales, we are actually coming -- our expenses are coming down.

So I would not like to comment on the individual elements contributing to it. But what I can tell you is that our expense ratios are in line with what has been in the past and in fact, decreasing going forward. And our profitability numbers are actually showing the way that we have been able to drive profitability with a flat amount of sales, which is again a reflection of the efficiencies that we have in the operations.

**Rajkumar Vaidyanathan:** Okay. No, the reason why I asked is, Kamal mentioned that there are some one-off nonrecurring expenses also in the quarter. So that is the reason where is that item sit?

**Amit Gupta:** Yes. So the one-off nonrecurring expenses as we were talking about are basically with respect to some of the provision reversals in the base that we have as well as the interest income that was there. We have depreciation of about IN R88 million for the prior 2 years that we have actually charged on the P&L. So some of these -- the biggest item on all of these is the INR 88 million depreciation that has been charged. There's also a property charge.

**Rajkumar Vaidyanathan:** Yes. Thank you so much. All the best.

**Moderator:** Thank you. The next question is from the line of Vipul Shah from RippleWave Equity.

**Vipul Shah:** So Kamal, I had a couple of questions for you. You alluded earlier in the call that post the war end of March and now you've seen tend to sort of -- or I would say, double-digit inflation in the raw material cost. Just wanted to understand how fast is the transmission of these RM costs to our customers because I believe there will be a pass-through arrangement and a lot of companies, a lot of products there have been force majeure declared.

I believe that you said that there is ample availability. So I assume there will not be any force majeure at least on the raw material basket, which we have. But is the transmission of these costs pretty swift or is there a lag, which means that at least for the next quarter or short term, we will be facing to absorb these margins?

Second question I had was that the annual report mentioned that the INR 100 crores, which we were supposed to pay back our parents in February '26 has been amended to June '27. Just wanted

to understand the reason for this because it inflates the -- I understand there is no liquidity risk, but it just inflates the balance sheet. And from an ROCE perspective, also, there is -- it brings down that ratio?

**Kamal Taneja:**

Yes. So I think we'll let Amit answer you on the INR 100 crores first, then I'll come back to the raw material.

**Amit Gupta:**

Yes. So thanks for the question. From a standpoint of the loan that -- specific loan that you talked about, this is an ECB loan from the parent, which is covered by the RBI guidelines on the tenure for the repayment part. So we have paid a part of it. A part of it still remains, which has to be paid over a period of time as prescribed, by June '27.

This is subject to the limitation that we have based on the RBI guidelines. So I think that's the reason why this is still reflecting. But as I mentioned in the AGM also, from a standpoint of our service cost, with respect to the debt, it is benchmarked to the returns that we are earning from the fixed deposits, which are being maintained. So there is no kind of negative impact with respect to this part.

**Kamal Taneja:**

Thank you, Amit. Vipul, on your question on the RM cost pass-through, how swift we are, etcetera. So firstly, I think your question was what's the impact because it cannot be -- it has to be -- it cannot be instant, right? So once you get the RM increase, we increase our price as well because we looked at our inventory, current inventory, old inventory, new inventory, what we need to order, etcetera.

And we take a pragmatic like an average -- almost like an average cost view on what we have, and we went with the price increase accordingly to our customers, yes, because there will always be a mix, right, of inventory which we bought at a lower price and the one which we got at the higher price.

Now we have the fortune of actually seeing how our parent company is doing with the other regions as well. So actually, India was one of the first ones compared to the other regions to implement this price pass-through. And we were very quick. I think it's also because we are so focused on our bottom line.

And as you know, we've been growing that for the last few quarters. We took a very, very swift action on that. In fact, by end of March, we had almost all our future orders locked in with the new pricing. Now this pricing is not just onetime also because a lot of our customers actually have access to the availability and the pricing situation themselves.

So we are -- we have been very transparent with them. And whenever there's an adjustment, we are also very quick in adjusting our price up or down depending on how they are moving. So actually, I would say, in my experience, what I've seen over the years, I think this is one of the best practices we have in India in terms of the price realization because of the raw material cost increase.

**Vipul Shah:**

Yes. So I mean, it's really fantastic to hear that at least from what I understand that at least we've been able to protect our per kg realization, if I may. So that's heartening. Amit, the other thing

request I had is that -- and I also mentioned it, I believe, in the earlier calls also, when the company makes the presentation, you guys also plug in the other financial income as part of your operational EBITDA, whereas most companies are quite disowning and at least as investors like us also, we review them, we review the other non-operational financial income separate. So I would request if you guys can consider this aspect when you make the new presentation in the future?

**Amit Gupta:** Thanks again for the input. But I'm actually looking at the unaudited or the audited results that we have released yesterday. Other income is actually separately called out. So is there a specific kind of a disclosure that you have.

**Vipul Shah:** No, no. In your presentation today, when you make and you show your operational EBIT and operational EBITDA. So that actual number is not -- most analyst would remove the other income part, which is nonoperational or financial in nature, which is reflected in the notes -- your audited results. So that is where I was coming to, yes.

**Moderator:** The next question is from the line of Aaryan Vadaria from Aequitas Investments.

**Aaryan Vadaria:** So actually, just thinking from it in this perspective, would you say that the war -- the inflation cost due to the war rather has been kind of blessing for you because you guys would have seen higher prices and it would -- so margin, you are saying it would not hamper. But obviously, you would see higher income, right? So in terms of versus the regular packaging players, which we have. What would be your high-level opinion there?

**Kamal Taneja:** I think what you are saying is comparatively being a bigger organization, do we have advantage, right? That's what your question is, right?

**Aaryan Vadaria:** Kind of, yes. That too, plus the overall inflation being good for you because it leads to higher revenue.

**Kamal Taneja:** Yes. I think -- yes. So maybe there are probably 2 questions there. So first of all, let me address the higher revenue because of inflation, right? That is true. When we are passing on higher cost to our customers, obviously, our revenue would increase. But again, like we are a company, we are very transparent with our customers. We value their partnership.

They value our partnership. And most of the time, actually, all the time, we are very transparent with them when we incur increased cost. actually, it's also in our contracts to tell you the truth. So they understand that we are passing on the exact cost or very similar to that. So actually, the revenue goes up, but actually it doesn't make much difference to the margin. right, because it's just passed through.

So I think revenue, yes, but I guess as investors on the call here, you're looking much more on margin itself. So I think that has minimal impact, if anything. Your second comment was where does it put us compared to other competitors who are smaller, who do not have the reach, for example, in terms of buying power or having the availability, etcetera. Definitely, I would think so.

That's the case with us because we have the global resources and the reach where we can source many of these raw materials from alternative sources. So pretty happy about that, actually, the way we handled the overall situation. Well, more to go, who knows where it's going to end up. But right now, I think we are sitting in a good position.

**Amit Gupta:** Yes. And I would also like to confirm that war is not good for anybody. And from a standpoint of the business, we are not profiteering from the war. So we are finally operating a business where we are transparent with respect to the cost increases and the pass-throughs that we do to the customers.

And this particular piece has no implications from an EPS standpoint. We didn't have war last year. We didn't have the war impact in the quarter 1 of this year, but we have expanded our margins consistently. So fundamentally, from a standpoint of the operating discipline and our strategy of expanding the margin, that's reflected irrespective of the war. And top line inflation because of the price correction is not impacting us.

**Aaryan Vadaria:** No. Obviously, what I meant as in like, let's say, your revenue is INR100 and you have a 20% margin, then your profit is INR 20. But if the revenue only becomes INR200, then at 20% margin, you earn INR 40. So that is -- I'm not saying because of the war, but in some way inflation is beneficial for you is what I mean. I think I got my answer the operations have been very well managed?

**Moderator:** The next question is from the line of N Modi, an Individual Investor.

**N. Modi:** First I wanted to know what capacity we are in our plan?

**Kamal Taneja:** Mr. Modi, I think what you meant is the capacity utilization.

**N. Modi:** Yes, sir.

**Kamal Taneja:** Okay. Yes. I think, again, competitive in nature. I can't give you exact number. But I think we have a lot of room to grow, if I can say that, yes. So capacity is not a constraint at the moment.

**Moderator:** The next question is from the line of Rajkumar Vaidyanathan from RK Invest.

**Rajkumar Vaidyanathan:** Yes. So Kamal, the question is, are you looking at any inorganic opportunities?

**Kamal Taneja:** So thank you for the question, Rajkumar. I think it's like somebody is asking you to run before walking. I think we are trying to strengthen our organization. We are trying to strengthen our operations. I think we are very happy with what we have done so far. Again, the results will show in future. But I think at the moment, we think there is enough demand in the market.

There's enough opportunity that we can grab in the market, which is aligned to our value proposition. So I think the short answer is not at the moment. But if something comes up, we would definitely look at that. But right now, it's not in our radar at the moment. So organically, there's a lot of room to grow.

**Rajkumar Vaidyanathan:** Yes. Okay. And the second question is just looking at the shareholding pattern. So I don't see much of institutional participation in our company. So just wanted to know any plans on that? Do you engage with the institutional investors? Because given Huhtamaki is a multinational company, I mean, it's very bad to see MNC having no institutional participation. So just wanted to get your comments?

**Amit Gupta:** Yes. So thanks for the question again. The choices with respect to the investors in a particular company is not kind of determined by the company, and it depends upon the individual choices that the institutions would like to make. It's not that we don't have any institution investors and the shareholdings of the institutions across the scripts keep moving. But we don't kind of engage with respect to solicit any kind of participation from a specific set of investors. So I think I would rest it at this, but it is entirely market driven.

**Rajkumar Vaidyanathan:** Okay. No, the reason for asking this question is because your stock is poorly valued. I mean it's almost trading at 1x book. That is unheard of for a multinational company. So I mean, if you have institutional interest, then the liquidity in the stock will be more and you will enjoy a better valuation. And the question is coming more from that standpoint?

**Amit Gupta:** Yes. So looking at the way our EPS and the return on capital ratios are improving, we believe that the valued investors will look at it differently, but we don't solicit any kind of engagement on that piece.

**Moderator:** Thank you. The next question is from the line of Anil Sharma, an Individual Investor.

**Anil Sharma:** Sir, my question is regarding you have assets for sale. What are those assets? And any guidance for -- guidance you have already told what are those assets and where are?

**Kamal Taneja:** Sorry, Anil, we didn't get your question. Assets, did you say assets.

**Anil Sharma:** You have put assets for sale?

**Kamal Taneja:** Assets for sale.

**Anil Sharma:** Current assets, other current assets?

**Amit Gupta:** Yes.

**Anil Sharma:** Land and buildings?

**Management:** Yes. So we have a property in Daman, which we have actually put up on sale. So we have curtailed our operations there and it's related to that.

**Anil Sharma:** Okay. Thank you, sir. Best wishes.

**Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to management for closing comments.

**Kamal Taneja:** Thank you, Rutuja. Well, first of all, thank you all of you for joining the call today. Appreciate your support. And there were some very good questions asked in this call and I look forward to engaging with you along with Amit next time. We hope we answered all your questions satisfactorily. And like I said, thank you very much once again and we look forward to talking to you again in future after the second quarter. Thank you very much.

**Amit Gupta:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.