MTPL/SECT/54/2026-27 **Date: November 06, 2026**

To The Secretary, Listing Department, **BSE Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001. **Scrip Code: 533080**	To The Manager, Listing Department, **National Stock Exchange of India Limited,** Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051. **Symbol: MOLDTKPAC**

Dear Sir/Madam,

Sub: Transcript of Earnings Conference Call for Investors held on November 02, 2026.

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, please find enclosed herewith the transcript of the Earnings Conference Call for Investors held on November 02, 2026 to discuss the Q2 FY27 results of the Company.

This is for your kind information and records.

Thanking you,

Yours faithfully,
For Mold-Tek Packaging Limited
Harshita Suresh Chandnani
Digitally signed by Harshita Suresh Chandnani
Date: 2026.11.06 13:19:40 +05'30'
Harshita Suresh Chandnani
Company Secretary and Compliance Officer

Encl: As above

"Mold-Tek Packaging Limited
Q2 FY27 Earnings Conference Call"
November 02, 2026

MANAGEMENT: **MR. J. LAKSHMANA RAO – CHAIRMAN AND MANAGING DIRECTOR – MOLD-TEK PACKAGING LIMITED**

MODERATOR: **MR. RAJESH KUMAR – EMKAY GLOBAL FINANCIAL SERVICES**

Moderator: Ladies and gentlemen, good day, and welcome to the Mold-Tek Packaging Limited Q2 FY27 Earnings Conference Call hosted by Emkay Global Financial Services 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 touch-tone phone. Please note that this call is being recorded. I now hand the conference over to Mr. Rajesh Kumar from Emkay Global Financial Services Limited. Thank you, and over to you, sir.

Rajesh Kumar: Good evening, everyone. I would like to welcome Mr. J. Lakshmana Rao, Chairman and Managing Director of Mold-Tek Packaging. We thank him for this opportunity. I shall now hand over the call to him for his opening remarks. Over to you, sir.

J. Lakshmana Rao: Good evening, everybody. Thank you very much for showing interest in our quarterly con-call. I'm very glad to inform you that the sales volumes of the company in the Q2 have gone up by 10.1% compared to last Q2. And profits have jumped by 36%, resulting in a very healthy EBITDA per kg of INR46.5. So when you compare to the EBITDA per kg of last Q2, which was somewhere around INR39, there's a jump of almost 18% in EBITDA margin, which is a healthy sign considering the geopolitical situation around us.

All the segments are doing very good in this quarter. And one of the main most important quarter segments for us is pharma, has grown by 26.3% in volume. Food and FMCG is up by 23.7%. Paints are also up by almost 9%, while the lubricant pack continued to be a drag with a 12.3% decline. So the quarter turned out to be a very good performer in view of better segments, better contributing segments have grown at a faster rate compared to the other segments like lubricants and paint and thereby improving the profitability of the company.

And I mentioned in my previous calls, our consolidation of the units at Hyderabad, resulting in single unit producing entire IML labels under one roof has resulted in considerable savings in the cost and improved efficiencies. And also removal of a couple of production units and clubbing them in the Sultanpur unit has resulted in overall improvement in the performance and cost controls.

Going forward, company is very positive about the food and FMCG because the Panipat plant started picking up clients and the numbers are slowly getting added. And by next season, starting from Jan, Feb, I think we'll be seeing good numbers witnessing -- I mean, coming from the Northern region to Panipat.

And another good news is that Iodex project, which has been on hold for more than 3 years, has been cleared with some changes, and the chain molds are also getting ready by December -- November, and probably in December or Jan, we'll be starting commercial production of Iodex balm packs.

They run into millions of pieces a month. And again, coming to another 3 new products have been under development for 3 MNCs of sizable quantities, and they all will be launched somewhere in the end of December or January, contributing towards the growth of food and FMCG further in the next coming years also. This is briefly the highlights of the quarter. I think we can share more details on question-and-answer session. Over to the operator.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Shirish Pardeshi from Motilal Oswal.

Shirish Pardeshi: Congratulations. Sir, starting with the volume growth in the paint, I think paint industry is expected to deliver a good number, and there is a price increases also has been happening. But when we look at the volume growth in this quarter, which is lower, so 2 questions here: What has worked? And is there any backlog which is getting shipped in quarter 3?

J. Lakshmana Rao: No, the paint volumes have grown up by 8.6%. Value-wise, they're up by 26%. So 8% to 10% is the general growth of the paint industry. So I feel comfortable growth has been already achieved in paint. And going forward, things may improve further because we are now at Cheyyar started taking orders from nearby clients in the South, which are adding numbers gradually. And hopefully, this may come close to double digits in the second half.

Shirish Pardeshi: Okay. My second question is on food and FMCG. I think the volume growth is picking up. But then, just you mentioned that there are some more clients which is getting added. So is this volume growth momentum will continue in second half?

J. Lakshmana Rao: Yes. I'm very confident that the volume growth will continue to grow at a healthy level because not only the current orders are being executed and the new molds are being added and 3 or 4 new products are on the pipeline, which are getting into production in November and December, which will certainly add value to the food and FMCG sector in the coming quarters.

Shirish Pardeshi: Okay. That's helpful. And last on the EBITDA per kg, now we are reaching towards about INR40 plus. Rather this quarter, we have done INR46. So when this mix is tilted towards FMCG, which is a high-value, high-margin product, is it safer that the full year, we will be able to maintain more than INR45, in the range of INR45, INR50 per kg?

J. Lakshmana Rao: Yes, we are confident we'll be maintaining now anything around INR45, INR46 range for sure because even this third quarter started on a strong note and we feel that the momentum going forward only can help it. But I'll be very happy even if we do INR46, which is a big jump from INR40.7 for the full year last year. So it's almost something like around 16%, 17% -- 15% growth in EBITDA margin, considering the -- apart from that, the double-digit growth is still possibly in the volume, we'll be witnessing a healthy bottom line growth.

Moderator: The next question is from the line of Kaushal Sharma from Equinox Capital Ventures.

Kaushal Sharma: Heartiest congratulations on a good set of numbers. Just want to get an update, like in the last call, you have told me about something development you are seeking in your upcoming product in the pharma, like dosing pens and all, and you are finding some partner for that, that would

reduce your time from 3 years to 1 year. So any development in this area? And you are also working in semiconductor trays and also any development in all the value-added products that we are proposing to launch or proposing to enter in the near future?

J. Lakshmana Rao: Yes. In case of ophthalmic eye dropper packs, we have already ordered the molds, and some molds are being made in-house. And I think by January, we'll be having the molds ready. And then trial runs would take at least 2 months. So by March, our product will be ready for testing and commercial production.

And hopefully, in the next financial year, we'll see the numbers coming in from ophthalmic range of packs. I think they are coming in 3 sizes. And then apart from that, we have some good headway in semiconductor tray packaging. We are now in touch with the -- all 3 or 4 top semiconductor companies that are coming up in the country. We have met them, started talking about the specifications and sharing information, the volumes and the time lines.

And accordingly, we are getting prepared to be there when the semiconductor products start in India, which is expected to be in a bigger way in '28, '29 onwards. And we are in touch with a couple of partners who can be a probable JV or at least technology providers. And in that direction, we are traveling in next month to China and Korea. And hopefully, some clarification -- I mean, some clarity will come by end of this quarter. These 2 are developing simultaneously.

As I said, semiconductors is a business for next -- '28 onwards, but we are getting ready right now to find good partners and start a product range that will be most suitable, because different semiconductors will have different applications and different types of trays, JEDEC trays they use.

So we need to deeply understand the needs of the client before we go for the molds and machinery. So that process has already begun. And at least 3 semiconductor companies have invited us to -- for discussions, and we are meeting them and taking it forward.

Kaushal Sharma: Currently, as the major manufacturing country, semiconductor, is mostly China, Taiwan and all, right, sir?

J. Lakshmana Rao: Yes, Taiwan, Korea and China also are active in JEDEC trays, which are basic packaging carriers for semiconductors. And we are in touch with at least 2, 3 of the players who are active.

Kaushal Sharma: And that would be cost-competitive as well in case as compared to the other countries, we manufacture here and supply those OEMs.

J. Lakshmana Rao: Compared to Europe and the U.S.A., there is a huge manufacturer, but their costs are very high. So definitely, Asian peers will provide most cost competitive advantage. And here, not only the costing, what we understood from the study, what we did in the last 3 months, is that there's a variety of JEDEC trays that are required. It's not that you can have 5 or 6 varieties and that range is enough. You will need to make several molds and several changes.

So that excites us because Mold-Tek having the very good tool room and knowledge will be able to make a differentiator. That can be a differentiator between us and any other competitors who may enter this field. So having molds and having more variety of products is always exciting to Mold-Tek because that is where our strength lies.

Kaushal Sharma: And as you said in the pharma, the dosing pens, that revenue would come in the next year onwards?

J. Lakshmana Rao: In pharma, you're saying or in...

Kaushal Sharma: In pharma.

J. Lakshmana Rao: Pharma, yes, next year, we should be seeing some revenues coming from ophthalmic range of products. On the dosage pens, we are still in talks, and some samples evaluation is going on. I don't see much happening in the next 6 months, at least in that direction. But ophthalmic, yes, it will start contributing from at least Q1, Q2 onwards for the next year. And semiconductors is a long shot.

It may go into '28. But you have one more -- we have one more line of closures, specialty closures through Vibe, which is now under testing at commercial -- going for commercial molds by April, May. So hopefully, Vibe will be starting contributing revenues in the next financial year.

Moderator: The next question is from the line of Chirag from Keynote.

Chirag: Congratulations to the entire team for a great set of numbers. Sir, my first question is related to the lubricant segment. If I'm not wrong, after losing one client, our expectation was that in lubes we would be doing about 600 tons volume on a monthly basis. However, it is slipping down further. So as per you, if you could guide us what can be the normalized situation for the lubes.

J. Lakshmana Rao: See, if you notice, this is a trend that is going on from Q1 onwards. There used to be 1 or 2 plus or minus percentage points. But this time, it has gone up to almost 15% in the H1. That's mainly because of a couple of our major private companies, private lube companies having input issues. And public sector, we have never been with public sector.

So that is why our pain is visible in the lube industry, having lost a couple of clients in their volumes. That is why lube continues to be on the decline. And what you are seeing now is the decline of last year to this year. So last year, there was no such war or any disruption. So whereas this year, I think every quarter, you will notice some decline rather than a positive number coming in -- growth number coming in lubes.

Chirag: Got it. So what will be the fair to assume like if we look at the mix in terms of revenue or volume related to paint, food and pharma? So how are you looking at the mix down the line 2 years, 3 years?

J. Lakshmana Rao: See, today, paint is continued to grow at 9%. Probably it will catch up to 10%, 11% in the full year is possible because the indications are good. Paint industry is picking up at least for the last

couple of months, and their indications are positive for the next coming season. Of course, the season is -- we are in the middle of the season. So in paint, we may still see a possibility of a double-digit growth.

Food and both Qpack will certainly see very good numbers because several new products are being added with backup orders and Iodex also is starting. So food and FMCG will witness similar or better performance in the next couple of quarters or even beyond that because Panipat plant is all set now and some clients have been regularly being added, additional clients are coming in. And we hope next year, a real growth in food and FMCG can come through Panipat plant.

And Qpack is also picking up very well. And the Qpack business is now growing into other segments in a big way, especially detergents. And there, we have another major player given us an order. I can't give the details today, but the supplies have to start from end of November. Already the artworks have been shared and labels are under development.

So this is another new development in the Qpack segment, which can add considerable numbers in the coming quarters. So it's very encouraging to see food and Qpack doing pretty good. And pharma, as I said, we are aiming at somewhere close to INR50 crores turnover. We are on track. I think we reached a turnover of INR24 crores for the first half, and we hope we may continue to grow at a good pace and reach the INR50-plus crores turnover in pharma as projected.

So my confidence grows more because of the food and Qpack, I mean, demand is growing rapidly. And new products in the food and FMCG domain, which are having big volumes, I can't share the names now, but you all know the brands in the country. They have been very famous brands we are introducing in November and December. And these products range will contribute to better numbers in the coming quarters.

Chirag: Very helpful, sir. Sir, next thing, generally, if my understanding is correct, in this business, we keep about 4 months of inventory with us. And if I look at the way the raw material prices have moved, is it fair to assume that the kind of gross profit per kg that we are making is expected to be slightly higher than what it should be?

J. Lakshmana Rao: No, no, nobody keeps 4 months inventory in this industry. Even if you consider the SFG, FG and raw material put together, it will be maximum 1 month, because they're very voluminous. And our carrying time is 52 days. Now currently, it is 52 days because the raw material, maybe half of it, let's say, 25 days is raw material. SFG and FG will be remaining 25, 27 days.

So there is no need to have 4 months inventory, neither we can have space because they are -- they occupy a lot of space, especially the finished goods and semi-finished goods. So we always have limited stock of about a month material, and the rest is SFG and FG.

Chirag: Got it. Sir, if you could help me understand the kind of product that we are making for Vibe and how big -- how much that it can translate into numbers for the next year?

J. Lakshmana Rao: Yes. Vibe, we are making specialty closures, spouts for Vibe. Already a set of 7 products are developed and approved by Vibe. And in this month of November, they are going for commercial -- I mean, client trials. And if the trials are successful, which I'm sure they will be because we have already tested them thoroughly, there will be orders, and then we have to make the commercial molds, which may take another 4 months.

So sometime in March, April, we may start commercial production. The volumes may start gradually picking up to become a considerable size in 1 or 2 years' time. But I can assure you the EBITDA margins will be far better than even pharma.

Chirag: Okay. Okay. Great. Great. And if you could just highlight a ballpark understanding, like how big it can be? Like 2 years down the line, how much are we expecting?

J. Lakshmana Rao: Yes, 2 years down the line, we should be able to see at least $5 million to $6 million, let's say, INR50 crores to INR60 crores top line, with a very strong EBITDA of somewhere around 30%.

Moderator: The next question is from the line of Richa Agarwal from Equitymaster. Due to no response from the current participant, we move on to the next. The next participant, Pavithra from PrimeInvestor.

Pavithra: I just wanted to follow up on the pen injector plans that you have. Could you throw some more light on when we could see these translate into actual business, your estimate of that? And also like what kind of customers are you targeting for these products, domestic, export? Are we planning to play into the GLP-1 opportunity? Or is there something else? Any insight you can share would be helpful.

J. Lakshmana Rao: You're talking about Vibe products?

Pavithra: No, sir. I'm talking about the pens, the auto-injector pens.

J. Lakshmana Rao: Auto-injectors pen, I just answered that the development is still on. Samples are being -- I mean, assessed by the clients, and we are working with a couple of patent owners in China. And it might take some more time to talk about numbers. So more progress is happening on Vibe, which is a caps and closures line of business, which we entered in a JV with them. They -- while Vibe takes care of marketing, we are developing the molds and production. So that is mainly meant for U.S. and Europe markets.

Pavithra: So the pens, I mean, will we get more clarity on it in like FY28? Is that something realistically something we can...

J. Lakshmana Rao: Yes, injector pens, not '28. We may have to come into agreement with a couple of JV players, we are trying to approach and make a deal. And as I said, in December, there is a travel to China, and hopefully, some talks may happen. But nothing on the anvil in the next 2 to 3 months, it won't happen. Even if it happens, it will start as a trading, I mean, representing them and selling their products here in India for next 6 months or so. And then we'll be looking at manufacturing them here back in India.

Pavithra: Okay. And these are targeted at domestic pharma companies in India?

J. Lakshmana Rao: These are targeted for the domestic pharma companies, which will be manufacturing either diabetes or the semaglutide kind of products.

Moderator: The next question is a follow-up question from the line of Chirag from Keynote.

Chirag: Sir, if you could just highlight the mix of IML and non-IML volume and revenues for the quarter?

J. Lakshmana Rao: Yes. IML volumes, I think are close to, one second, 77% now and non-IML, that's labelled products, and non-labelled products are 22.68%. There is a small improvement further. Last year, last Q2, it was -- it becomes 77% now. So IML still continue to grow. One of the heartening points is in Asian Paints, the IML adoption is increasing, which is also one of the reasons why we see a healthy growth in paint industry.

Chirag: And value-wise, would it be 79% and 21%?

J. Lakshmana Rao: Yes, value is 78%, up from 76%, 78.25%.

Chirag: Okay. Got it. Got it. Sir, next, if I look at the current capacity and the kind of volumes we are doing, we are soon to reach the 70% utilization again. So will it be fair to assume that another 10 percentage of the size capex is expected to be there for FY28?

J. Lakshmana Rao: Another what you said?

Chirag: Another 10% or so. Yes, means today, we are at around 67,000. You would be adding another 6,000 to 7,000.

J. Lakshmana Rao: Not much. We have already added in this year capacity, and some more machines are on the way, which might take it up close to 78,000, 79,000 -- 68,000, 69,000. And hopefully, the next year, we'll be starting with less than or around 70,000 capacity. And as I said, always, 70% utilization of the capacity is always very good.

And anything beyond 75% is generally not workable in an injection molding unit, given the complexities of molds and underutilization of the machine capacity. Anything around 75,000 is a great number.

Chirag: Correct. That was the only reason why I was asking that we might be requiring an additional capacity expansion for next year.

J. Lakshmana Rao: Yes. 66,900 will definitely become 70,000 by beginning of the next financial year. And that, again, we'll be aiming at least somewhere close to 50,000 tons from somewhere around 42,000 last year, and probably this year we may end up around 46,000, 47,000. From 46,000, 47,000, we'll be again looking at 50,000, 51,000 for next financial year. So that volume growth is possible.

And one thing you need to understand is, tonnage is not the only criteria nowadays because paints are becoming more or less stagnant. Only paint industry is growing, lube industry is falling. So overall paint contribution in the tonnage is more or less stagnant, while the entire growth is coming from food and FMCG and pharma, where the weight of the component is less. Per tonne, we get much more value-add.

So even if the volume growth looks 10%, in my opinion, it's equivalent to 14%, 15% growth of last 3 years, because those days, paints used to be a major contributor to our top line and bottom line. But nowadays, slowly, food and pharma and tomorrow Vibe will start contributing to the growth. And they are lighter in weight, but add more value to the -- both revenues and EBITDA.

Chirag: Right, right, right. Sir, just one last thing from my side. When I look at the finance cost as an expense line item, is it fair to assume that due to this higher -- the incremental rise in crude prices impacting the requirement of short-term borrowings for managing the working capital for now? And as soon as there will be a normalization, requirements for short-term debts would go back to the earlier level?

J. Lakshmana Rao: Yes, you are correct in guessing that. One of the reasons for increased interest rate is higher utilization of working capital for higher raw material prices. But if you look at it as a percentage, it moved up earlier from 4.1% to almost 5% now. And probably it will come down back to 4%, 4.2% in the future of the total revenue, maybe once the raw material prices come down.

But as it looks, unless there is a sudden complete peace in West Asia, the raw material prices are not expected to drop in a hurry. So for the year, we are factoring almost 4.5%, 4.7% as a finance cost and building up our model.

Chirag: Got it. Got it. And just one last, if I can squeeze in. Sir, based on my understanding, since last 12 to 24 months, we have been focusing a lot at the export markets, too, if I'm not wrong. So any updates on that? Are we getting any clients on boarding for the export market?

J. Lakshmana Rao: See, exports are becoming, again, difficult in this scenario of increasing freight costs. But in spite of that, there is a rise in our exports gradually. It's not jumping in huge numbers. But there are exports still happening, and we see some steady growth, but no multiple growth due to this conflict and increasing freight costs. We are now, in fact, in December, expecting a client for our pharma products from Egypt, and that is a big opportunity, and they have already tested our samples and approved them.

So they are coming in for the CPHI show happening end of November, and then they have scheduled a meeting with us towards the end of this month or beginning of December. And hopefully, something might fructify.

But for that, other side, exports are stagnated, no decline, because there are products like stent packs and batter packs, which we export to U.S. They continue to buy. There was a lull in the middle during the war. But again, they also have to sell their products, so they can't get rid of packaging altogether. So again, they restarted, and the numbers are slowly inching up.

Moderator: The next question is from the line of Akhil Parekh from 360 One Capital Market Private Limited.

Akhil Parekh: Many congratulations, sir, on a strong set of numbers. Sir, my first question is, in one of the comments, you mentioned that the start to the third quarter has been very strong. Would you be able to share some color like how the first month, that is month of October, has been in terms of overall demand, basically?

J. Lakshmana Rao: Yes, the demand is pretty good in October, and the numbers compared to the last October, I'm saying, is very satisfying. Maybe it is too early to talk about it, but definitely, it's much better than what -- on a month-on-month growth-wise, October stands out as the best month so far.

Need not be the highest among the months, but because April, June, July -- April to June, July are our seasonal demand months, followed by, again, in Feb, March, we'll see the demand picking up in the fourth quarter. But this month started -- October ended up on a very strong note, I can say that.

Akhil Parekh: Sure. So is it fair to assume we should be crossing double-digit volume growth for full year FY27?

J. Lakshmana Rao: Yes, that is the target still today. Now today, we are at 8% for the 6 months period, up from 7% in Q1. Now we are at 10.1%. So we are somewhere around 8%. And hopefully, we are still positive it may take us to double-digit in the second half.

Akhil Parekh: Sure. Sir, the second question on the...

J. Lakshmana Rao: There are new opportunities in food and FMCG, I just explained to one of the queries. So I see a strong performance coming up in the rest of the year. And hopefully, we may pull up the volume growth to 10%. And I also said, Akhil, that in future, more than looking at the volume growth, I would encourage you to look at the EBITDA growth. EBITDA growth is at 35% quarter-on-quarter and 23% H1 on H1.

If you compare last year to this year, Q2 to Q2, the H1 -- I mean, the EBITDA -- sorry, PBT has gone up by 35% and EBITDA as an absolute number has gone up by almost 30%. So this is where we'll be -- we should be focusing in future because volume numbers depend more on pails, which are heavy, like a 20-liter pail is about 1 kg weight, whereas you come to thin-wall ice cream cups, they may be 18 grams, 20 grams, 25 grams each.

So as the growth is coming more and more in the light-wall -- light thin-wall section products, we will be noticing the volume growth may not look 14%, 15%, but the bottom line growth will be higher because of the better margins. So I would encourage you all to look at the EBITDA growth, which will be a correct reflective of the company's performance.

Akhil Parekh: Sure. This is very clear. And my second and last question is on the cash flow front, right? If I look at our EBITDA, we did around INR100 crores plus EBITDA in first half, and we kind of did similar kind of operating cash flow for first half, almost INR93-odd crores. So assuming we

double our EBITDA and kind of do around INR210 crores, INR220 crores of EBITDA for full year, how should one look at it operating cash flow perspective?

Because we have seen a sharp improvement. Should we expect similar kind of improvement in cash flows to sustain? That is one part to my question. And second, given that our capex requirement will not be more than INR70 crores, INR80 crores, so is it fair to assume we will generate a reasonably good free cash flow for full year FY27?

J. Lakshmana Rao: Okay. See, the cash flow, we are aiming at doubling the cash flow from INR107 crores to INR215 crores, as I mentioned in the beginning of the year. So I'm still standing on that. I hope to -- we hope to see an EBITDA of INR250 crores compared to INR173 crores last year. That's a handsome growth of more than 20% -- 23%, 24%.

And coming to the investments, as I said, investments have been under, I would say, lower levels compared to the last 3, 4 years, and they should be ending up somewhere around INR75 crores for the full year. Already INR60 crores has been spent in the first 7 months, and rest of the machinery and one more printing machine and some other balancing equipment and molds will be adding up to somewhere around INR75 crores to INR80 crores for the full year.

So there will be adequate cash in the system after removing the interest and income tax. So we still will have somewhere around INR46 crores plus -- say, almost INR160 crores inflows and I mean dividend outflows, if you remove, somewhere around INR100 crores, INR125 crores, whereas the outflow will be somewhere around INR80 crores, INR85 crores. So this time will be a cash surplus, and there may not be -- you may see the long-term debt or debt as a overall start coming down at least in this year -- end of this year.

Moderator: The next question is from the line of Sandeep Modi, an Investor.

Sandeep Modi: Congratulations on good set of numbers. Yes, sir. I wanted to ask some few questions. The new land which we have purchased, when it will be operational?

J. Lakshmana Rao: Just a week ago, we got it registered. I think last 2, 3 days ago, the land has been registered. There was a long delay from the industrial department in registering the land, which got registered just a few days ago. So we have just taken the possession of the land and now the work has to start. Meanwhile, the Sultanpur B block itself, we are setting up our ophthalmic product range.

So because we can't wait for months together, we waited almost a year. So now the construction activity started in the B block, and that production, as I said, will start by March and commercial production by April, May next year. So this new area is fully available for our future growth into either auto-injector pens or semiconductor trays or both of them. So we have not taken a call on that as of now.

Sandeep Modi: Okay. Okay. Sir, one more question. Total, how many robots we have? And how many we are planning to add more?

J. Lakshmana Rao: I last count, I think robots more than 120, 125 robots we must be having because most of our products are now shifting towards IML, and our machines have become more than 200 recently. So we must be having at least 130 to 140 robots.

Sandeep Modi: Okay. Okay. Sir, one more thing. How many molds in Vibe and pharma are in process?

J. Lakshmana Rao: Sorry, in what?

Sandeep Modi: How many molds in Vibe Generation and in pharma are in process?

J. Lakshmana Rao: In Vibe, there are 7 more molds are under process. 7 are already approved by client, and we are awaiting that signal for commercial molds development, which might take another 4 months, as I said in the last quarter. It is progressing well. Another 7 molds, 2 or 3 are already ready and another 4 components will be ready by end of December. So by end of this year, we'll have 14 components ready.

And we may get the approval for commercial molds for 7 of them, which may be ready by April next year. That's why I'm saying Vibe numbers will start trickling from next financial year. If all 14 products catch up into commercial production, there can be a sizable contribution that we can expect in the second half of next year.

Sandeep Modi: Okay. And sir, pharma, how many companies we are -- strongly we are getting orders, et cetera? Any good news about pharma?

J. Lakshmana Rao: Yes, yes. In pharma, we are adding clients very rapidly. Even today, as we speak, Mr. Rana and Amol, they are on a trip to Bangalore meeting 5 clients there. And every quarter, we are adding 2 or 3 big hands. And going this rate, we'll be able to maintain our projection of INR50 crores plus in the full year this year and probably INR70 crores, INR75 crores for the next financial year.

Sandeep Modi: Okay. Any details about the strategic agreement for expanding business in Egypt and Vietnam?

J. Lakshmana Rao: No, there's no strategic alliance or anything we are seeking. We are working with an export -- importing company in Egypt who are looking at our products and already tested them. They are coming here in the first week of December to inspect our facilities and probably some export opportunities may start based on their visit.

Sandeep Modi: Okay. Sir, any new sectors we are planning to start?

J. Lakshmana Rao: Yes, we are looking very seriously at auto-injector pens, that is in pharma, and then semiconductor trays, JEDEC trays. And also, we are planning the regular trays for dairy and other applications, which will add well to our machinery, especially whenever we find idle time, these trays can be built up as a substitute product. But semiconductor trays and auto-injector pens are very high value-add products, which require a specialized skill set and mold-making capabilities and some cases, patents also.

In the case of auto-injector pens, we need a patent, for which we are looking for a partner. In the case of semiconductor trays, there is a variety of molds, variety of products are very high, and they are very high-cost products requiring very high accuracy and dimensional stability. So these kind of challenging projects will be where Mold-Tek's strength can be used. So we are very excited about these new opportunities. But they may take 1 or 2 years to fructify.

Sandeep Modi: Sir, I got this news from the annual report....

Moderator: Sorry to interrupt, Mr. Sandeep. May we request you to join the question queue as there are several other participants waiting for their turn? The next question is from the line of Richa Agarwal from Equitymaster.

Richa Agarwal: Sir, my question is related to the investment that we are planning in Vibe. If you could just give us a breakup of what kind of investment in molds and machineries to reach that INR50 crores kind of mark that you have highlighted.

J. Lakshmana Rao: Yes. See, the advantage of injection molding is all the machinery is fungible. So we may not invest anything on the machinery until we have some firm commercial orders, whose clarity we will be coming to know by end of this year. So based on that, the investment will be in the tune of around INR10 crores to INR15 crores in the Phase 1, which will be sufficient to give us a turnover close to INR40 crores to INR50 crores. So around INR15 crores, you can take would be a requirement of Vibe both in molds and machine side.

And some of the machines, which are found idle can also be used for these machines -- for the production of these components because they don't require any special conditions other than a clean room, which we already have.

Richa Agarwal: Okay. And sir, my second question is related to the raw material cost, considering that the crude prices are going up. And if this scenario continues, I mean, could you just comment on the willingness of the customer to accept higher prices? I know that we are helped by the product mix. But purely on the gross profit margin itself, what kind of openness is there for the customer to accept the price hikes?

J. Lakshmana Rao: See, Richa, you have asked me a good question. If the clients are not willing to participate in the price rise and they want to stick on to their old price, you would not see this kind of performance from Mold-Tek. This is the ability of Mold-Tek to get the price rise actually faster than previously agreed terms, because they were equally worried about not having the product packed at their end.

See, end of the day, packaging, especially rigid packaging is not fungible. Nobody can go back to a metal tin or a glass bottle while they are selling their products in the plastic containers with IML decoration. So whatever happens, let the price -- I'm not saying the price should go up further. It's already gone up by 60% in this last 6 months, raw material price.

But everybody is ready to accept and agree with the reality that the raw material price has gone up, and they are ready to bear the cost because no molder can bear the cost for the sake of

retaining a business. After all, this business has to go on, and they are aware of the raw material price increase. And whenever the price decreases, they take the price benefit.

We don't keep it in our pocket. So this is a long-term agreement going on for the last 30, 40 years. Hence, there's no doubt in your mind about whether our ability to get the raw material price hike as and when that happens. If that is not the case, you would not be seeing this kind of performance. While our volumes have gone up by 10%, our bottom line is shot up by 35%.

So that kind of volume grew, 36%. So that shows very clearly that there is no impact of raw material price on our performance. At the material being a little lower, let's say, INR120 or INR115 level, we might have got some more business, and that would have added further to our numbers. But nobody stops buying packaging because their entire product cannot go into the market without packaging.

Richa Agarwal: Okay. That was helpful, sir. Sir, just one more related point. Like maybe a few quarters ago, you were witnessing heightened competition. But with these higher crude prices, are you also seeing like that the other players may be getting phased out or something like that?

J. Lakshmana Rao: No, I don't think they -- nobody will be phasing out at any stage because, as I said, whatever applies to Mold-Tek will -- I mean, more or less applies to other molders also. It's basically our ability to expand our product range, consolidate our operations and bring efficiencies in the costing is what really brought us a better bottom line compared to maybe compared to others. I don't have a comparison. But it's not true to say that because of the raw material price rise, somebody will be shutting shop. They will also be able to pass on if they are a reliable supplier.

Moderator: The next question is from the line of Tushar from Omega Portfolio Advisors.

Tushar: Congratulations on the great set of numbers. I just wanted to know the management aspiration to increase the EBITDA per kg from INR46 for the next 3 years going forward. And in terms of the pharma business, the pens which you're talking about, so what are the discussions happening on ground on that regard? And when can that materially contribute to our EBITDA?

J. Lakshmana Rao: I think, as I said, our EBITDA has shot up a clean 15%, 18% in the last 2 quarters from INR40.6 last H1 to INR46.6 in the current H1. So it's a very big jump looking at the past data. But we are still positive that these numbers can still grow as exports and -- sorry, mainly pharma and food and FMCG sales are increasing and Vibe also start contributing. So as you said, in 2 to 3 years, it is nothing wrong to hope for a INR50 EBITDA margin in the coming 2, 3 years. So that is what is our internal target is.

And that will be a sizable number, because if you notice the last 5 years, we have never crossed INR40 or INR41. So from there to INR50 EBITDA is a big call, but I think we are on track and our product range. If semiconductors and dosing pens also are added in the next 2, 3 years, it may not stop at that level also. It can go up further after 2, 3 years. So let us hope everything, I mean, is moving good now.

And if things fall in place as plans, INR50, you can keep it for 2, 3 years as a short-term goal, and it can be better once in case we succeed in semiconductors and injectables.

Tushar: Fair enough, sir. Sir, I just wanted to understand that what gives us confidence in terms of semiconductor tray? I understand it's a consumable product. So any -- what is our right to win in this market?

J. Lakshmana Rao: So semiconductor trays are at a very nascent stage in the country today. It is better to be there and start making -- understanding the product, understanding the process, which we have already done. And now we are in talks with 3 semiconductor companies that are the top names in the semiconductor industry who are starting or started recently. And we are in touch with them and understood the criticality of the space and the volumes.

And the pricing and the material that are to be used and a variety of molds that are required. So the knowledge is now being imbibed, and we feel confident that such a product is where Mold-Tek can shine, because where there is a complexity, accuracy and several new molds are required, our strengths in tool room and designing and in molding accuracies, we will be able to contribute.

So this is an exciting field, but nothing is going to happen in the next 2 months or 6 months. It may take a year or 2 to really see the numbers coming in and how our semiconductor industry fares in the country. But it's an exciting field. And again, here also fungibility is there. Most of the injection molding machines, which we have recently bought in the last 5 years, at least, they're all suitable for manufacturing this kind of precision components.

So what is required is molds and then clients. So once that clarity comes in, with the material that is already available in the world, compound materials for semiconductors, our processing team can easily master that technique. So we are awaiting for more clarity from the clients and also the industry itself, and we are ready. That's what -- how much I can say. But how it pans out, how quickly, it all depends upon how the industry fares in the country.

But as I said, our side, only the molds are required, and even the clients are ready to bear the molds cost. So it's a kind of really an exciting new industry, which is coming for us at this juncture. And if that does well and we do well as that EBITDA margin of INR50 can easily be crossed.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for the closing comments. Over to you, sir.

J. Lakshmana Rao: I take this opportunity to thank Rajesh and Emkay for arranging this conference and also thank all the participants for sparing their time. And I sincerely hope that we all will have a better future, not only in this -- in our company, but also in general. And I take this opportunity to wish all of you a very happy Diwali and a great year ahead. Thank you very much.

Moderator: On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.