

**Date:30<sup>th</sup> May 2023.**

To,  
The Listing Manager  
Department of Corporate Services  
Bombay Stock Exchange  
P. J. Towers, Dalal Street,  
Mumbai – 400001

To,  
The Manager  
Listing Department  
National Stock Exchange of India Limited  
"Exchange Plaza"-C1,Block G  
Bandra-Kurla Complex , Bandra (E)  
Mumbai 400 051

Scrip Code:532841

SYMBOL:SAHYADRI

**Sub: Transcript of Analysts / Investors conference call**

**Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Mam,

Enclosed herewith transcript of the Analysts / Investors conference call held on Thursday, 25<sup>th</sup> May 2023. The same is also available on the Company's website i.e. [www.silworld.in](http://www.silworld.in)

You are requested to kindly take note of the same.

Thanking You.

Yours Faithfully,  
**FOR SAHYADRI INDUSTRIES LIMITED**

**RAJIB KUMAR GOPE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**M. NO: F8417**



# “Sahyadri Industries Limited Q4 FY23 Earnings Conference Call”

**May 25, 2023**

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**MANAGEMENT: MR. TULJARAM MAHESHWARI – WHOLE TIME  
DIRECTOR, CEO AND CFO, SAHYADRI INDUSTRIES  
LIMITED  
MR. ARVIND GARG – FINANCIAL CONTROLLER,  
SAHYADRI INDUSTRIES LIMITED**

**Moderator:** Ladies and gentlemen, Good day and welcome to Q4 FY23 Earnings Conference Call of Sahyadri Industries Limited.

This conference call may contain forward-looking statements about the Company which are based on the belief, opinions and expectations of the Company as on date of this call. These statements are not the guarantees of future performance and involved risk and uncertainties that are difficult to predict.

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 this conference call, please signal an operator by pressing ‘\*’ and then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Tuljaram Maheshwari – Whole Time Director, CEO and CFO at Sahyadri Industries Limited. Thank you and over to you, Sir.

**Tuljaram Maheshwari:** Thank you. Good morning everyone and thank you for joining us on Sahyadri Limited Q4 FY23 Earnings Conference Call. I hope everyone has had a chance to view our financial results and investor presentation which were posted on the Company's website and stock exchanges. I am accompanied by Mr. Arvind Garg – our Financial Controller and SGA our Investor Relations Advisor on this call today.

Let me begin with a brief overview of the Company's performance in FY23:

Sahyadri Industries registered a top line growth of 9.2% in FY23 on a YoY basis amidst all the challenges prevailing in the global economy. The decline in EBITDA and pressure on EBITDA margins for the full year is attributable towards rise in raw material cost, fuel cost etc. The raw material prices continues to be at elevated levels due to inflationary pressure across the globe. The overall demand for roofing product remains sluggish across the country largely due to an uptick in the inflation prevailing in the rural economy. We were able to pass on the prices partially. However, there is still pressure which hampers the overall performance. Having said this, while the industry still remains under margin pressure Sahyadri Industries is better positioned to protect its margins. Despite multiple headwinds, Sahyadri Industries continues to demonstrate resilient performance and maintain its market share along with its leadership position in Western India.

Now moving to the performance during the quarter.

During the quarter the Company recorded a revenue growth of 26.2% against same period last year. We have been able to pass on partial increase in cost to our customers despite the fact that the cost of raw materials is continuing to be at a large level. Additionally, EBITDA was impacted because of an increase in other expenses and the stabilization of operation at the Perundurai plant resulted in increased expenditure. In Q4 FY23 our capacity utilization was 80% whereas it was 71% for the full year FY23. CAPEX update or capacity expansion in Maharashtra state for

manufacturing of non-asbestos cement board plant having capacity of 72,000 metric ton have been initiated. Land has been identified and land acquisition is in process. Also, company is in the process of setting up a new unit in Orissa state for manufacturing asbestos corrugated sheet of 1,20,000 metric ton per annum. Talking about a couple of other updates. The board has recommended a final dividend of Rs 1.5 per equity share of the face value of Rs. 10 that leads to a cumulative dividend of Rs. 4 each for FY23. I am pleased to inform you that shares of Sahyadri Industries listed on the National Stock Exchange on 6th April 23.

Now moving on the financial performance:

Though you would have gone through the results and also the investor presentation, but for repetition purpose I am mentioning here Q4 FY23 performance the total income stood at Rs. 167.7 crore in Q4 FY23 as compared to Rs 132.9 crore in Q4 FY22. The EBITDA of the Company stood at Rs. 15.4 crore in Q4 FY23 as compared to Rs 18.1 crore in Q4 FY22. PAT for the quarter stood at Rs. 4.7 crore. FY23 performance the total income stood at Rs. 597.2 crores in FY23 as compared to Rs. 546.3 crore in FY22. The EBITDA of the Company stood at Rs. 84.4 crore in FY23. The PAT for the year stood at Rs. 37.1 crore.

We at Sahyadri are committed towards the goal of becoming a Pan India player which means that we will continue to explore new markets, increase our market penetration improve operational efficiency and produce more value-added products.

Thank you. Now I open the floor for the questions and answers.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. We have our first question from the line of Deep Gandhi from Astute Investment Management. Please go ahead.

**Deep Gandhi:** Good Morning Sir. Sir my first question is on your roofing division, so in the presentation as well as in the opening remarks you highlighted that the demand was quite weak, but if I see your revenue growth you have done almost 25%, 26% revenue growth for the quarter on a YoY basis so if you can highlight how were you able to manage this kind of revenue growth in this tough environment and was it driven by volume or was there also some portion of price hikes in this if you can bifurcate those two numbers the volume and value growth also?

**Tuljaram Maheshwari:** Ok, So, this is mainly our Perundurai plant which is getting now stabilized. So, we got the volume from the Perundurai plant in the NFS. So, total there is a growth, but my statement is on the roofing side the demand which is a subdued and growth mainly it is coming from the NFS new plant.

**Deep Gandhi:** And sir you also highlighted you have taken some price hikes in the quarter, so what kind of price hikes you have taken in this quarter?

**Tuljaram Maheshwari:** You are talking for the Q4?

- Deep Gandhi:** Yes sir for Q4?
- Tuljaram Maheshwari:** Q4 it is around I would say 2 and 2.5%.
- Deep Gandhi:** So, what kind of difference there is still there between the raw material and your prices meaning how much you still need to take the price hike to close that gap?
- Tuljaram Maheshwari:** Still, there is a gap because the market trend is not to absorb the entire cost increase. So, as per the market whatever we can transfer to the market that is what we have done.
- Deep Gandhi:** And sir my next set of question how does the first quarter look like because it is the seasonally the best quarter for you and also for the industry, so what kind of demand you are seeing in the initial days?
- Tuljaram Maheshwari:** So far it is not great, but still full June is there so let us see how it moves.
- Deep Gandhi:** And sir what kind of things do you have, how long do you think this demand pressure will continue and so if you can highlight some thoughts around that?
- Tuljaram Maheshwari:** It is very difficult to tell how long it will take, but we are hopeful that I think whatever the days left in this month and the June July, because it appears that this time monsoon appears to be delayed based on the forecast what is coming. So, there may be the extended season and whatever the subdued demand is till April and May, may get compensated in the next June and July that we are hopeful.
- Deep Gandhi:** And sir you have done almost 9% profit before tax and interest margin for the recent division for the year, so do you expect some improvement in margins for FY24 or you think the margin will remain stable only around this number for next year?
- Tuljaram Maheshwari:** Generally, we do not comment on that, but considering the present circumstances of the market it appears to be in line of this and if the season help and the geopolitical situation improves it may be better.
- Deep Gandhi:** So, last one or two question from my side so if you can also highlight what kind of revenue you have done for the non-asbestos division for this quarter?
- Tuljaram Maheshwari:** It is in the ratio of 21:79.
- Deep Gandhi:** And this was for the quarter?
- Tuljaram Maheshwari:** Yes.
- Deep Gandhi:** And for the entire year is it the similar ratio or is there some difference?
- Tuljaram Maheshwari:** In the entire it is 22:78.

- Deep Gandhi:** What kind of profitability have you done in this division for the quarter and year if you can highlight that that also?
- Tuljaram Maheshwari:** We do not work out the division wise profit.
- Deep Gandhi:** And last question you have seen a jump in your inventory days since last two years, so what kind of normal number do you see and when do you see this inventory days to normalize?
- Tuljaram Maheshwari:** Actually, if you see my earlier call where I have mentioned that I am carrying a high inventory of fiber because of the geopolitical situation which is now we feel slowly, gradually either it would remain like this or it will reduce the situation. So, now we started reducing our inventory. So, going forward there would be a reduction through the inventory.
- Deep Gandhi:** So, can it go back to the normal level so your inventory used to be?
- Tuljaram Maheshwari:** It will not be normal level because still we have to keep the buffer of the geopolitical situation. So, far as fiber is concerned. It will not be normal, but at least it will be middle of peak and lower.
- Deep Gandhi:** Ok, Thankyou.
- Moderator:** Thank you. We have our next question from the line of Rajat Setiya from iThought PMS. Please go ahead.
- Rajat Setiya:** So, with regards to the asbestos division how much percentage increase in raw material is at the moment compared to the last year?
- Tuljaram Maheshwari:** Compared to the last year it is reduced last year means the peak of first two quarter it is reduced.
- Rajat Setiya:** And how much is it still up overall compared to the normal levels because in the Q4 we have seen?
- Tuljaram Maheshwari:** As I said what is your lowest and what is your highest we would be closing '23-24 between middle of that still we will carry the higher inventory because we are not certain about the geopolitical situation mainly the fiber.
- Rajat Setiya:** So, is it safe to assume that sequentially next quarter will probably be lower on when it comes to roofing compared to the current quarter?
- Tuljaram Maheshwari:** Lower means.
- Rajat Setiya:** Compared to the Q4 is lower in terms of given demand is slow and raw material prices also in the higher side so both sales and margins?
- Tuljaram Maheshwari:** Talking about the Q1 compared with the Q4 the Q1 or what it was?

- Rajat Setiya:** Comparing the next quarter which is at the moment in progress and comparing it with the Q4 of FY23?
- Tuljaram Maheshwari:** Compared to the Q4, Q1 will be better.
- Rajat Setiya:** And will it be better on both accounts and sales and margins?
- Tuljaram Maheshwari:** Yes.
- Rajat Setiya:** I am just asking in terms of roofing?
- Tuljaram Maheshwari:** Yes sir I am also talking in the roofing.
- Rajat Setiya:** And sir with regards to the non-asbestos part of the business right now we are selling flat sheets in that which is from the recently included plant, is there anything else in that?
- Tuljaram Maheshwari:** The new plant we are selling only flat sheet whereas in the old plant two plants we are selling the value-added product.
- Rajat Setiya:** What all are you selling sir in that value added products?
- Tuljaram Maheshwari:** Can you come again.
- Rajat Setiya:** What all products do we have in that category value added?
- Tuljaram Maheshwari:** That value added we have the planks, we have the tiles., we have other stuff.
- Rajat Setiya:** And boards CAPEX that we are setting up that will be for the first time for us it will be new product, right?
- Tuljaram Maheshwari:** Actually, your voice is not coming clear.
- Rajat Setiya:** Boards CAPEX that we are doing that is a new product for us?
- Tuljaram Maheshwari:** No, it is not a new product it is the same.
- Rajat Setiya:** Sir, what is the revenue proportion the revenue mix of that within the non-asbestos category if you can share that, with that 22% that you mentioned in the non-asbestos in the last year, full year what is the revenue mix?
- Tuljaram Maheshwari:** It is 17% is the value added and balance is others.
- Rajat Setiya:** And sir with regards to the CAPEX two CAPEX that we are doing by when are they expected to complete and how much revenue can we do from them?

- Tuljaram Maheshwari:** It would be '24-25 and value revenue would be the same of investment 1.15 time of the investment.
- Rajat Setiya:** So, on both and which CAPEX will be completed this year asbestos?
- Tuljaram Maheshwari:** Not this year it would be the next year '24-25 .
- Rajat Setiya:** How many CAPEX will happen in the next year?
- Tuljaram Maheshwari:** One would happen in '24-25 and second Odisha will take time.
- Rajat Setiya:** So, boards will happen earlier is that correct?
- Tuljaram Maheshwari:** Board will happen earlier in '24-25 .
- Rajat Setiya:** And sir these boards that we are going to make from this plant are they similar to what our competitors are doing?
- Tuljaram Maheshwari:** Everybody is similar.
- Rajat Setiya:** And with regards to the peak debt that you expect how much will it be because of the CAPEX that is happening?
- Tuljaram Maheshwari:** See I have not taken any debt for my Wada project so far. As I mentioned earlier, we are very conservative on taking debts and we will try to fund first from the cash flow what we have available and only on the balance. So, as and when it is required it will be taken so I cannot give you the number of what would be the peak because that all depends on my what the cash accruals available for the CAPEX and accordingly that debt will be taken.
- Rajat Setiya:** And sir in terms of ramp up of the capacity so our capacity will come up in the next year board capacity, how long do you think it takes I mean couple of years or more than that?
- Tuljaram Maheshwari:** Generally, 2.5 years to reach 85% capacity. So, as soon as it start it will touch the 50% then it goes gradually 60%, 70%, 80% like that. Generally, it take two and half years to three years for reaching to the 85% capacity.
- Rajat Setiya:** And sir one last question what is the difference between the gross margins of three major product lines that we will have let us say board and asbestos sheets and flat sheets?
- Tuljaram Maheshwari:** See more or less it is same.
- Rajat Setiya:** And the sales channel is also the same?



- Tuljaram Maheshwari:** Sales and channel is not the same because non-asbestos generally go for metro 1, metro 2 market whereas the roofing business to the rural market. So, I would say 30% maybe the same and 70% would be different.
- Rajat Setiya:** So, asbestos has different channel and everything else will probably have a common channel right?
- Tuljaram Maheshwari:** Correct.
- Rajat Sethiya:** Thankyou.
- Moderator:** Thank you. We have a next question from the line of Saket Kapoor from Kapoor and Company. Please go ahead.
- Saket Kapoor:** See firstly as you have explained in this value-added product that currently it is 17% and in this year in your presentation it is mentioned that it will be moving up to 25%, so which category?
- Tuljaram Maheshwari:** Category would be the same.
- Saket Kapoor:** Sir out of the sales in the roofing, fiber cement board and the flat sheet and how are the realizations differences in terms of the value-added part?
- Tuljaram Maheshwari:** It would be different. It would be by 40% higher.
- Saket Kapoor:** The revenue you are telling sir?
- Tuljaram Maheshwari:** Yes revenue would be 40% higher.
- Saket Kapoor:** And what will be the EBITDA margin?
- Tuljaram Maheshwari:** Margin would also be 10% higher than the normal.
- Saket Kapoor:** Sir for this year for FY23 what was the contribution from the fiber cement board out of the total revenue pie of Rs 580 crore?
- Tuljaram Maheshwari:** 21%.
- Saket Kapoor:** 21% was from the Fiber cement board and the coming year it will go up to 40% of the total sales?
- Tuljaram Maheshwari:** No there is a difference you have asked me the value added what I am saying is the total revenue share from the NFS is 21%.
- Saket Kapoor:** And for the current year what it will go up to sir?

- Tuljaram Maheshwari:** From 21% there is a change of going up to 25%.
- Saket Kapoor:** Sir, if you could explain to us structurally what is what is not in the favor of this segment currently, why is when you speak about the inflationary trend we find that across the board majority of the items whether it is the crude prices, whether it is the metal prices or take any example gas prices everything has not only declined to the pre COVID, but have also fallen below that, so what is structurally there in the segment that these prices of fibers and all are not correcting and are remaining at higher levels, but what has happened over the last two, three years it is only with geopolitical factors that have enabled the prices to hover around these levels or what is the trend exactly?
- Tuljaram Maheshwari:** See it is a geopolitical situation because fiber is coming from as I said earlier from the Brazil and Kazakhstan and there are only two suppliers. So, there is not any alternative available. So, whatever the terms they dictate you have to follow that and plus there is an increase in the FOREX so that is also a direct impact, but what you are talking about the steel prices and that reduction which is generally is happening in the first quarter of this year it is not if you see the last year full there is not any reduction on that account. Now the trend is started because of the coal prices cooling down that is why the cement prices are not increasing or coming down or the steel prices because of the coal and water is coming down, but if you see the fuel prices are all the same. So, fuel cost wherever there is a logistic cost and that remain would be the same.
- Saket Kapoor:** So, sir going ahead for this year also we are not going to get any relief out of this inflationary trend that is what you are trying to convey as of now?
- Tuljaram Maheshwari:** That is difficult to predict today. However, there is a pressure on fiber suppliers also because as you have seen all competition data also everybody is under pressure. So, that would be a pressure to them also and they will definitely reduce the prices and already they are reduced by 2% to 3%. So, I think going forward there may be the impact of because considering the opening stock in that there may be impact of 3% in the reduction in fiber cost.
- Saket Kapoor:** Sir, when we look at your inventories also you did mention about it remaining high, so that is again the raw material security part only for this?
- Tuljaram Maheshwari:** Mainly the raw material security part.
- Saket Kapoor:** So, we are carrying the higher inventory so whatever this 2%, 3% reduction.
- Tuljaram Maheshwari:** Tomorrow is something the way the things are happening and where it get turned we are not aware. So, this should not be in serious situation. So, I am trying to safeguard the inventory level so that next six to seven months there should not be any impact.
- Saket Kapoor:** So, out of this at Rs 227 crores what should be the raw material and the finished good mix?
- Tuljaram Maheshwari:** It would be roughly 50:50.

- Saket Kapoor:** Sir, you did also mentioned about that we are using our own fund and not dependent on borrowings, but when we look at your borrowing part both for the non current liability as well as the current liabilities they have gone up significantly if I may use the word from last year comparison, so how will you explain these two the reasons for the same sir from Rs 24 crores to Rs 43 crores for the noncurrent and the current borrowing moved up from Rs 56 to Rs 81?
- Tuljaram Maheshwari:** That is correct, but if you see the Peru plant we started two years before. So, till 1 and half year we used for internal accruals and when we know the requirement of working capital increases because of the fiber and that then we borrowed the term loan and then term loan has come in place and we funded working capital requirement. So, that is the difference because our endeavor is to use first internal accruals, but if the situation is there we have the limits available so accordingly we make a decision.
- Saket Kapoor:** So, currently what is our borrowing level sir, what is our net debt as on 31st March long term as well as well as short term borrowing?
- Tuljaram Maheshwari:** Rs 42 crores is long term.
- Saket Kapoor:** And what is our cost of funds branded cost of funds?
- Tuljaram Maheshwari:** That would be more or less linked with the MCLR.
- Saket Kapoor:** The short-term borrowings would be lower sir both are linked to the MCLR?
- Tuljaram Maheshwari:** Both are linked to the MCLR.
- Saket Kapoor:** Sir, we did mention about entering into the new markets of the Eastern side Orissa, Bihar and West Bengal with our new capacity of the asbestos corrugated sheet 1,20,000, so what is the current market size when what are we eyeing in terms of market share going ahead and it is now two years down the line that the unit will be commissioned?
- Tuljaram Maheshwari:** It all depends when my plant is coming because whatever the market is 5% to 7% easily you can take any player can take not me only any player can take.
- Saket Kapoor:** And sir if you take the entire market in the segment which we are present what kind of markets do we garner in all the categories?
- Tuljaram Maheshwari:** We actually we do not have the separate data because we are the only at the West and South and others all my players are competition are all India. So, we do not have that data what would be our market share and what is their market share, but in the West we are the number one.
- Saket Kapoor:** And the peer comparison would be for falling for Ramco, Vishakha?
- Tuljaram Maheshwari:** All the four companies our competitors.

- Saket Kapoor:** All the four companies are our competitors?
- Tuljaram Maheshwari:** See there are few small companies also, but if you see from the listed entity Ramco, HIL, Vishakha, Everest and we are fifth other than that there are few players which are unlisted.
- Saket Kapoor:** Sir, last two points is firstly sir for this quarter you did mention that the contribution from the expanded capacity at Perundurai contributed to the top line, so could you provide us some understanding of what the additional volumes have been and last year the utilization levels were 71%, so this included Perundurai commissioning also, so what are we eying currently for for this year and if you could give us separate number sir ex of Perundurai what was the utilization levels and that would be helpful?
- Tuljaram Maheshwari:** 74% is ex 71% is the combined and we are looking around 77%, 78% in the coming year.
- Saket Kapoor:** Sir whatever bottom line growth will come it will be coming up from the mainly from the efficiencies and attribution towards the value-added segment these were the two categories only that would contribute towards the bottom line for the peer?
- Tuljaram Maheshwari:** Add and plus the Perundurai better utilization would also contribute.
- Saket Kapoor:** But that is only 3%, 4%?
- Tuljaram Maheshwari:** If it comes in the total, total would be more if there is increase from 71% to 77%. So, 7% is not exactly on this that would be more there.
- Saket Kapoor:** So, if you could give me the separate number sir what was the Perundurai plant contribution utilization levels for last year and what are we eyeing for this year?
- Tuljaram Maheshwari:** Contribution.
- Saket Kapoor:** The utilization levels for Perundurai for last year and what would?
- Tuljaram Maheshwari:** Last year was 41% which may go to the 60%, 65%.
- Saket Kapoor:** So, as you mentioned the current 45 days of this quarter when compared to historically our last year quarters are somewhat the demand is lower and it seems that this current year would also be looking slightly muted as this will seasonally the best quarter for us, if the tone has been set for the year then this quarter should perform much better?
- Tuljaram Maheshwari:** It looks like at present, but still if the monsoon is delayed and season is extended then things may be better, but at present yes it is muted.
- Saket Kapoor:** But when we speak about the rural part of the story sir the things are tough there that is the key reason why the demand is not shaping up?

- Tuljaram Maheshwari:** Mainly this rain which came in between affected the crops. So, the money available with them is very less. So, that is the reason it is impacted.
- Saket Kapoor:** Sir for plant visit and other to have understanding of the facilities does the management entertains investors?
- Tuljaram Maheshwari:** Any plant visit for investors or the analysts meet at least for the one or two year till we come to a level all India player.
- Saket Kapoor:** Still we come to All-India plan levels?
- Tuljaram Maheshwari:** Pan India basis.
- Saket Kapoor:** Thankyou
- Moderator:** Thank you. We have our next question from the line of Rajat Setiya from iThought PMS. Please go ahead.
- Rajat Setiya:** How much CAPEX have we already spent?
- Tuljaram Maheshwari:** Against Wada project we already spent Rs 30 crores.
- Rajat Setiya:** 30 so 65 is left?
- Tuljaram Maheshwari:** Yes.
- Rajat Setiya:** And for the asbestos we have not even started, right?
- Tuljaram Maheshwari:** We spend a very minuscule amount maybe Rs 2 to Rs 5 crore.
- Rajat Setiya:** And sir in terms of for the roofing segment our current capacity is 5.25 lakhs ton, is that correct?
- Tuljaram Maheshwari:** It is yes.
- Rajat Setiya:** And what was the capacity utilization for this month in this year?
- Tuljaram Maheshwari:** This year I already said 71%.
- Rajat Setiya:** For roofing?
- Tuljaram Maheshwari:** No , total roofing would be 71%.
- Rajat Setiya:** How much would be roofing sir?
- Tuljaram Maheshwari:** I do not have the separate data at present.

- Rajat Setiya:** Recently one of our competitors also expanded the capacity by 1 lakh ton in the roofing side, so do you see any pricing pressure because of that?
- Tuljaram Maheshwari:** See the capacity utilization is coming where we are not present in that market because so competition has expanded that is in the UP market, so we are not present in that.
- Rajat Setiya:** So, what is the lead distance that we usually cover with this product beyond this?
- Tuljaram Maheshwari:** I beg your pardon can you come again.
- Rajat Setiya:** What is the distance that we usually take this product to in terms of selling from the manufacturing to selling markets, what is the distance that we you know usually?
- Tuljaram Maheshwari:** Generally, we work on the 500-kilometer radius.
- Rajat Setiya:** And sir what is the maximum capacity utilization that we can achieve from our plants put together like we are at 75% or so currently, but how much can we go to?
- Tuljaram Maheshwari:** 85%.
- Rajat Setiya:** That is the maximum?
- Tuljaram Maheshwari:** Yes.
- Rajat Setiya:** And how many dealers or distributors do we have currently for the two asbestos and non-asbestos sides?
- Tuljaram Maheshwari:** Don't have the separate list, but otherwise whatever figure, given in investor presentation that is what the dealer network.
- Moderator:** Thank you. We have our next question from the line of Parth Vasani from KK Advisors. Please go ahead.
- Parth Vasani:** So, I just had one question so what is our overall strategy towards opening up retail outlets I mean are we going to open more retail outlets and if yes then where will it be?
- Tuljaram Maheshwari:** Retail outlet means?
- Parth Vasani:** Our overall retail outlets which we?
- Tuljaram Maheshwari:** So, own retail outlets you are talking.
- Parth Vasani:** Sorry.
- Tuljaram Maheshwari:** You are talking about own retail outlets or which retail outlet you are talking?

- Parth Vasani:** Overall all the retail outlets?
- Tuljaram Maheshwari:** That is already there in my investor presentation. It is around 3,000 at present it is an ongoing process.
- Parth Vasani:** Thankyou.
- Moderator:** Thank you. We have our next question from the line of Karan Mehra from Mehta Investments. Please go ahead.
- Karan Mehra:** Sir most of my questions are answered just one book keeping question, so can you give us the number for the working capital cycle days as on FY23?
- Tuljaram Maheshwari:** Working capital if you see is around 240 days as on today last year, sorry 150 days.
- Moderator:** Thank you. We have our next question from the line of Saket Kapoor from Kapoor and Company. Please go ahead.
- Saket Kapoor:** Sir, for the Perundurai unit what CAPEX have we done and what is the capacity addition sir?
- Tuljaram Maheshwari:** It is Rs 65 crore and capacity addition is around 6,000 metric ton per month.
- Saket Kapoor:** So, what is the current nameplate capacity there?
- Tuljaram Maheshwari:** 50% as I said earlier.
- Saket Kapoor:** Sir utilization level is okay what is the name plate, what is the capacity now since it has increase the total capacity?
- Tuljaram Maheshwari:** Total would be 69,000 ton roughly.
- Saket Kapoor:** Sir the factors which you have explained the monsoon part, the fiber prices, the higher inventory cost so taking all these aspects into the consideration, is it too early to now look how the year would shape up in terms of utilization and our profitability or Q1 would be the best indicator I think so for us to have an understanding of how this year would shape up?
- Tuljaram Maheshwari:** As I said at present Q1 is muted and that all depends how that 1 and half month which is left take in the shape definitely that is a indicator. So, it is difficult to say, but we feel that there may be delayed monsoon, there may be some positive waves, something may work out so that we are hopeful. So, at present the year what we close is 71% capacity utilization. Our endeavor is to go to 76%, 77%, but that all depends how the market is behaving and how things are shaping it. So, again the 2024 and would be an election will start so how it is going to impact after March or during the March because all election process will start.

- Saket Kapoor:** Sir, when you say muted in the sense will be on the growth front or as of now we are degrowing in respect of till June 22?
- Tuljaram Maheshwari:** Growth as well as in the realization.
- Saket Kapoor:** But as of now we are in similar lines to what last year June was with no growth also we are in similar aspect if you could give us some color on the same?
- Tuljaram Maheshwari:** It would be difficult to say at present.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Tuljaram Maheshwari for closing comments. Over to you, Sir.
- Tuljaram Maheshwari:** Thank you everyone. I hope we have been able to answer all your questions satisfactorily. However, if you need any further clarification or want to know more about the Company, please contact SGA team our Investor Relations Advisor. Thank you once again for taking the time to join us on the call.
- Moderator:** Thank you sir. On behalf of Sahyadri Industries Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.