January 27, 2025

To,

The Listing Compliance Department **BSE Limited** P. J. Towers,Dalal Street, Fort, Mumbai – 400 001 **Scrip Code – 522295**	The Listing Compliance Department, **National Stock Exchange of India Limited**, Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 **Symbol - CONTROLPR**

Sub: Transcript of Q3FY2025 Earnings Conference Call

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement), Regulations 2015

Dear Sir/Madam,

With reference to above mentioned subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, read with para A of part A of Schedule III thereof, please find attached Transcript of the Conference Call with the Investors / Shareholders of Control Print Limited (the Company) fixed through Kaptify Consulting held on **Monday, January 20, 2025 at 2.00 P.M. IST** on **Q3FY2025** of the Company**.**

Further, the said Transcript will be made available on Company's website at www.controlprint.com.

This is for your information and record.

Yours faithfully,
For **Control Print Limited**

Murli Manohar Thanvi

Digitally signed by Murli Manohar Thanvi
Date: 2025.01.27 09:55:57 +05'30'

Control Print Limited MUMBAI 400059

Murli Manohar Thanvi
Company Secretary & Compliance Officer

Place: Mumbai

CONTROL PRINT LIMITED

Q3 & 9MFY25

POST EARNINGS CONFERENCE CALL

January 20, 2025 02:00 PM IST

Management Team

Mr. Shiva Kabra - Joint Managing Director
Mr. Jaideep Barve - Chief Financial Officer

Call Coordinator

Strategy & Investor Relations Consulting

Presentation

Vinay Pandit: Ladies and gentlemen, I welcome you all to the Q3 and 9 months FY '25 Post Earnings Conference Call of Control Print Limited. Today on the call from the management, we have with us Mr. Shiva Kabra, Joint Managing Director; and Mr. Jaideep Barve, Chief Financial Officer.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements, which may involve risks and uncertainties. Also, a reminder that this call is being recorded. I would now request the management to detail us about the business performance highlights for the quarter, the growth plans and visions for the coming year, post which we will open the floor for Q&A. Over to the management team.

Jaideep Barve: Ya. Hello, everybody. My name is Jaideep Barve, and I'm the Chief Financial Officer of Control Print Limited. Welcome you all to the earnings conference call for the third quarter of the financial year '24-'25 of Control Print Limited.

We appreciate that you have taken out time from your busy schedule to attend this call. First of all, let me wish you and your families a Happy New Year. Mr. Shiva Kabra, the Joint Managing Director of Control Print Limited, also joins me on this call. For first-time joiners on the earnings call, more information about CPL can be obtained by visiting our website.

Just for your information, the detailed presentation has already been put up on the website as well as in the Investor Presentation notification on the exchanges for this call. Now let me provide you with some highlights on the performance of CPL for the third quarter of FY '24-'25 on a standalone basis. Revenue from operations. On a standalone basis, the total income for the third quarter is approximately Rs. 95 crores. This is a good growth from approximately Rs. 84 crores in the third quarter of the previous year.

Just for information, the FY '23-'24 and FY '22-'23 income was Rs. 347 crores and Rs. 295 crores, respectively. This revenue trend actually augurs well for our company, and we look forward to ending FY '24-'25 with a solid revenue. Pipes, food, dairy, steel and metal, cable and wire continue to be our top five verticals. We also have two divisions, which we are planning to focus on apart from the coding and marking. One is the track and trace and the other is packaging division, where we feel there's a lot of scope for improvement in the revenue.

On the expenses and profitable level, I would like to state that the Q3 COGS is a little bit higher as compared to the quarter 2 of this year and quarter 3 of the last financial year. The primary reason for this increase in COGS is because there has been a change in the product mix of the revenue. That said, management remains committed to optimise the procurement costs as well and we definitely look closely into the economy, efficiency and effectiveness of operations. This, we feel can definitely lead to reduction in the operating costs going forward.

Employee costs, depreciation, manufacturing costs, other expenses, they have been incurred in line with the business needs and requirements. The EBITDA and the PAT growth was at negative 1.86% and positive 5.19% on a year-on-year basis. For us, the way forward, we believe is increased revenue expected in the packaging business, both in India and overseas, better penetration in track and trace segment with strong orders in the pipeline.

Our overseas subsidiaries will continue to be monitored by us with focused growth targets. For coding and marking, which is the main revenue for us, the changed sales strategy to focus on bigger and key accounts will definitely result in both the jump in the revenue as well as ensuring a good quality of revenue. Our installed base will be increased, and we'll focus on increasing our larger market share.

With now, the floor is open for questions.

Question-and-Answer Session

Moderator: Thank you, Jaideep. All those who wish to ask a question may use the option of raise hand. In case you are unable to raise hand, you may put a question in the chat box and we will call you to ask a question. Jaideep, before we move to the Q&A, could you throw some light on the reasons for the soft performance in the standalone business and the lower gross margins in Q3 and what is leading to this phenomenon?

Jaideep Barve: Well, I wouldn't call this actually a soft performance because the revenue continues to be robust and we've got a good pipeline of orders. In fact, the Q4, we will be ending on a strong revenue performance on a standalone basis. There has been a bit of increase in the cost of goods sold as well as the SG expenses. For the cost of goods sold, investors would know that a majority of our revenue comes from consumables and some portion comes from the printers, the AMC services and the spare parts revenue. We have got a change in the product mix, so more number of printers have been sold in the current quarter.

Since the cost of goods sold for the printers is higher, we find a reduction in the overall gross profit for the coding and marking division. When it comes to the increase in the overheads, which is basically the general and administration overheads, there has been some increase in the traveling expenses for sure. We've been trying to also put up our -- in exhibitions in India as well as overseas. So there is an increase in the number of exhibitions as well. And there's some bit of rise in expense because the Q3 has got lots of festivals. So in line with the Diwali or Christmas or New Year, the sales and promotional activities were increased in this quarter.

Moderator: Okay. We have our first question from the line of Aniket. Aniket, you can go ahead please.

Aniket: Yes, thank you so much. Sir, I just wanted to ask you that this time, you have highlighted a slide on V-Shapes, especially. So can you throw some light on this opportunity and potential for this product considering its pricing?

Jaideep Barve: Yes, Shiva, you want to take this question?

Shiva Kabra: Yeah, sure. So I think as we discussed previously, again, if it's like a pretty general question, I would first ask that people explore this product and maybe understand a bit more about what it does, but it's a sort of a single use or a mono-dose format of packaging, which has some advantages over the current forms of packaging namely like the standard sachet, the thermoforms and of course, single-use plastic or glass bottles and other types of single-use packaging.

So it's a different type of a technology. And of course, it's got some challenges of its own in terms of cost, relatively speaking, but it has some technical advantages and aesthetic advantages, which could give a fair benefit to one-off customers who use it. So it's something that we're developing. But it's very difficult to comment offhand on just the technology because you have to go like in a pretty in-depth method of understanding that product frankly.

So it's somewhat similar to our existing business in that it is an IP-led product. It is also got a lock between the machine and the materials. So I would say like the closest equivalent to like tetra pack, but of course, tetra pack is way bigger in terms of size and scope, so which is the idea is to develop this product and make it a bigger product in times coming forward.

I just want to mention, Jaideep, we've got three, four questions, and I want to answer those questions. So whatever question you receive from investors, let's address those before we start to address everyone's questions.

Jaideep Barve: Yes, we did receive three questions. One was on the operating cash flow. So as part of the MIS what we prepare, we do not have operating cash flow prepared on a division-wise basis, but all I can say is that coding and marking, which is the flagship revenue segment for our company, we've got a good cash flow generated out of it.

There's no compromise on the sales price. And overall, the profitability looks very good on that. Another question was asked about the employee costs to us. So we would like to say that we are also in an expansion mode and there will be obviously some kind of increase in the salaries and also the bonuses amount or incentive amounts paid out.

So we would expect an increase in the personnel costs going forward as well. And one more question, which was asked to us was on the margins or the cost of goods sold, which I've already answered previously.

Aniket: Okay, okay. So different question that what is the capacity to manufacture the machinery for the products in India and what's the scale of plan about it?

Shiva Kabra: Which machine are you talking about specifically?

Aniket: V-Shapes, V-Shapes...

Shiva Kabra: Yes. So for the V-Shapes, we're going to make the materials in India. That's the idea, but the machines are still being made in Italy. My rough guesstimate is that Italy could make about 40 machines before they need some sort of expansion in space. At that point of time, we'll start shifting some part of the manufacturing to India, but not before.

So right now, we are far from selling 40 machines a year. So we'll just scale up the sales force, then we'll deal with these other issues, surely. But yes, that's one of the things. And the material capacity is something that we're going to be looking at in India. We're actively working on that. But it's still in the discussion stage, still more of a lab development kind of a stage.

Aniket: Okay, all right. That's it from my side. Thank you so much.

Moderator: Thank you. I will request all participants to limit the initial round to two questions. We'll take the next question from Devan Kulkarni. Devan, you can go ahead please.

Devan Kulkarni: Hi, Jaideep, can you share the category-wise mix for Q3, sales mix?

Jaideep Barve: Yeah, Devan, definitely. For the Q3, as you are aware, we've got revenues into four segments: one is printers, consumables, the spares and the service. So the breakup for Q3 is 16%, 61%, 7% and 15% for printers, consumables, spares and services. And if you would like to have a comparative between quarter 2, it was 13%, 64%, 7% and 15%.

Devan Kulkarni: Okay. So it seems like our consumable revenue growth has dropped sharply. It used to be around 15%, 16% till Q2. If I take 61% as the consumable mix, revenue growth for consumables would be hardly 10-odd percent. Is that right?

Jaideep Barve: The revenue growth, you mean to say?

Devan Kulkarni: Yeah, the revenue growth only for the consumables part, not for the printers.

Jaideep Barve: Yeah, it would be about 15%, yes.

Devan Kulkarni: For the consumables?

Jaideep Barve: Yeah, yeah.

Devan Kulkarni: Okay. So can you share the same category mix for Q3 of FY '24, that is last year?

Jaideep Barve: Q3 of FY '24, I'll have to work and get back to you, Devan, on that, but I can give you the previous year's breakup, which was about 16%, 61%, 8% and 15%. But ideally the product in fact, in the consumables and the printers also, each of the product also has got a different type of costing attached and the revenue attached.

So this actually is a very complex question because some of the inks are high priced, some of the inks are not high priced, some of the printers are high priced, others are not. So the way the product mix changes, it has an impact on that.

Devan Kulkarni: Okay. So other way to put this question is, so our total revenue growth is around 12%. And you are saying that consumables revenue has grown at 15%. So ideally in that scenario, our gross margins should have expanded year-on-year, but they have contracted by 4%. So that's where I'm not able to connect the two.

Jaideep Barve: So there's been sharp increase in the number of printers sold. I mean the delta is about 81-odd printers on a net basis. So yeah, that actually explains the mathematics.

Devan Kulkarni: Okay. No, but if overall revenue growth is 12% and consumables has grown at 15%, then other categories, which is largely printers would have grown at a slower rate, right?

Jaideep Barve: No, printers like what is happening is, Devan, is that the printers, if you have an increase in the volume of printers sold, obviously, like the cost of goods sold obviously is going to be higher, and that is why the gross margins become lower. So from the last quarter, we have actually for the printers, it was about 13%, now it is up by 16%.

Devan Kulkarni: Okay.

Shiva Kabra: If I may say something, I think more important, fundamentally there's no change in our selling prices or our cost prices. So like Jaideep said, it's a mix of product fluctuations and the sort of also the types of products that we are selling, so to be within the product categories and sort of other things, we don't disclose some exact numbers upfront.

It's also, like I said, there are our consolidated subsidiaries, but everyone wants to understand those same businesses, the digital printing, the packaging business, which is the V-Shapes and so on and the track and trace we also do in India as part of our standalone business. So it's like a division within Control Print itself rather than having any separation.

So a lot of times, the results of those are also coming in this existing business, and we have in fact promised to give a -- that's why I think there was a question on the cash flow and the profitability of the coding and marking business.

And Jaideep, I've not got the exact cash flow. I think Jaideep will not read that, but the profitability of the coding and marking business has increased in line with the revenues or maybe better than that at least on an approximate basis. That's coming from our MIS, is sort of an audited type number.

So the difference is that the additional costs are coming from certain other parts of the business, so to say. So just to give a brief overview of what's happening, I think we've discussed this in the past, I don't know how many people are new, but we've taken some new business initiatives and new divisions that we've created.

And so both on a standalone basis and on a consolidated basis, that's where we're seeing the difference is coming from. But like I said, for me, as what we track is the selling prices and the manufacturing costs and those margins. Of course, the SG&A is not really tracked that closely, I mean, but there's no real fundamental change in the selling prices or the manufacturing costs.

Devan Kulkarni: Okay. Understood, thank you.

Shiva Kabra: Again, I want to say these are for mature products. There are some products we sell in lower volumes because we're developing them. A lot of times, we even might sell them at a loss because there's a lot of one-off costs associated with them. So just so that everyone is aware.

Moderator: We'll take the next question from Saket Kapoor. Saket, you can go ahead please.

Saket Kapoor: Yeah, namaskar sir. Thank you for the opportunity. Shiva sir, if you could just allude to us the way forward as you are seeing in terms of our subsidiary performance, especially the overseas ones, how well are you in line with the program which have been scheduled by you in terms of their performance, if you could just throw some more light, where are we in terms of the nine months and going ahead, how are we planning to execute our style of operations, especially from the subsidiary performance? If you could give us some more colour on the same?

Shiva Kabra: So personally, I'm happy. I think the focus right now, honestly, is mainly on CP Italy, which is our V-Shapes division because that's much bigger than both Markprint and Codeology combined. And both Markprint and Codeology are profitable, but we're not focusing so much on it right now because this is a much bigger business opportunity for us. But we're also working on that, and that's also improving.

So the main thing is right now to ramp up the packaging machinery in all directions. So there's many things in that. There's a technical consistency. That's the single most important thing in my opinion. Then the marketing part of ours is sorely lacking. So we're working on that.

We've been this quarter, there will be a lot of change in that. The sales aspect was lacking. So we only hired about maybe like seven people that we've hired, but it's all come in the last three, four months only. So it's going to take another three, four months minimum for them to contribute because there's a technical aspect to it or element for them to understand the product enough and develop those cases enough.

Again, the sales cycle for these products is longer. So I can't tell everyone what's happening exactly. But I feel the pipelines are promising, both in our track and trace business and in our packaging business and also in our digital printing innovations that we've made.

So I'm sort of happy because I'm going to be looking like I said, for me, a quarterly basis or even an annual basis might not have that much meaning. This was a planned strategy on our part to increase our long-term growth rates. The core coding business is doing well and therefore, we can afford to keep investing in other businesses. So I think we're just going to go through this entire cycle and it's going to take some time for it to build up to a certain size of revenue before they really contribute to the bottom line.

Saket Kapoor: And secondly, Shiva sir, our code business domestically, what is our understanding from our clients in terms of payer utilisation, capacity utilisation and the economic activity? As we see in terms of the GDP number and the other data, the government spending is on the lower side.

So how is this translating into the demand outlook from our key client area or clientele industries? If you could just throw some more light, that is directly to the consumable requirement? And sir, in terms of the -- yeah, yeah. Okay, please.

Shiva Kabra: So we're doing well in our domestic coding and marking business -- I'm talking about the coding and marking, I'm not talking about all the other parts of the business, because like I said, those are more in investment phase. But in the coding and marking business, we are doing fine. We are selling well, we are growing. And there's more acceptance of our newer products that we've come out with.

So we are doing okay on all fronts, I'd say. There has been some like I said from the market, our Q3 results in terms of number of printer sales and everything was actually better than the first two quarters. So it could fluctuate, but we have a good pipeline right now. The main fluctuations are there on our side mainly because we had changed our sales strategy.

I don't know how many of you all are aware. I said we were focusing more on larger customers only who have a certain size of business. I think we've mentioned this in the previous concalls. So that just took some time for it to implement.

Now also, it's not, I'd say, 100% implemented, but maybe there's a 60%, 70% acceptance of what's happening because saying something and the sales team believing in it and accepting it is a very different thing. That's my own experience. So even if whatever I say, it might not matter.

So it's the pipeline, the domestic coding and marking pipeline is fair, and we expect it to be steady, not spectacular, but it's doing well. And I don't know how the GDP and the economy and all is doing. But we don't have any excuses because the market is big. In the end in between the four of us, we've only 21% market share.

And from an overall market perspective, maybe we're 17% or 18%, like maybe the market would be like Rs. 2,100 crores, Rs. 2,200 crores and we'd be like maybe ending at Rs. 400 crores this year, so on that calculation, I would say, about 18% or something. So we still have scope to grow even in terms of market share, although it's a slow, difficult growth as we all know in this type of business, but it's possible.

Saket Kapoor: Sir, last point you mentioned about shift in the strategy part, addressing clients with higher market share, higher volume of business. If you could just explain, and what have been the impact on our sales and therefore, the bottom line, if you could just elaborate more on the same?

Shiva Kabra: No, so I think it's obviously the idea is to target the larger customers, because in India, the large customers still control a high percentage of the addressable market because they still have control of access to the kiranas, to the smaller stores and even to the modern trade where they have a lot more stores, I think. Because those brands are well known.

So we are working more on those companies because our service levels, our printer quality, everything is geared more towards the customer who is demanding. So the more demanding the customer is, the better it is for us, and that improves our competitive edge. So that's where the strategies had a shift. And it's working successfully for us now is what I feel.

So I think even in the first few months, it took some time for everything to settle in. But now it's beginning to pick up, like I said, things are getting more streamlined. And like I said, there is an effect because mid- to big-sized customers just have a longer sales cycle.

So it's taken us more time to conclude a sale. The sale is in a high number of printers. So overall, it doesn't negatively affect us, but it's more lumpy, that's what I'll say. It can change more from quarter-to-quarter as compared to when you have a good amount of smaller customers, that evens things out.

Saket Kapoor: Right. Right, sir. Thank you. And for the Innovative Codes small acquisition which was our first acquisition a few years ago, how have been their performance and what steps are we taking to improve their size and their contribution to the company?

Shiva Kabra: So Jaideep, do you want to take that one?

Jaideep Barve: Yeah. So Innovative Codes, we've got a strong growth in the revenue. In fact, it is 36% as compared to the previous quarter. And if the last year's turnover was just about Rs. 10 crores which we've actually done in the nine months. So it augurs well for that company. And with a little bit of management of costs in a focused way, the profitability also should be better by the end of the year. So we are doing very well with Innovative Codes.

Saket Kapoor: Thank you.

Moderator: Thank you, we’ll take the next question from Bhavesh Rathod.

Bhavesh Rathod: Sir, Bhavesh this side. Good afternoon everyone. So company has recently incorporated a wholly-owned subsidiary in UAE. What are markets which we intend to cater via this entity and how?

Shiva Kabra: So again, this is mainly a sales outlet for us for the Middle East and Africa. As of right now, it's a very thin-staffed type of a thing. And that's what the plan is, it's not to try to have like a full-fledged operation there. So we need to cater to the Middle East and Africa only because we have some sales there and it's because our sales are increasing in that region, we need to streamline.

Because exporting from India is a big pain sometimes because of the amount of paperwork involved for every single sale. So maybe we're going to use it as more financial type like make it easier to just make things faster, plus having a salesperson to go out there will make a difference in terms of increasing the sales output in that region. So it's just for an extension of think of it as an extra branch for us rather than a real subsidiary of sorts.

Bhavesh Rathod: Okay. So it's basically a demand-based supply, I guess, right, sir?

Shiva Kabra: Yes.

Bhavesh Rathod: Okay. And so are we going to have all exclusive contracts as well or only will be inclusive?

Shiva Kabra: I don't understand that at all. I didn't understand that question. Can you explain that, please?

Bhavesh Rathod: Are we going to have exclusive contracts from them or is it a normal contract?

Shiva Kabra: We just sell machines, we sell printers, they buy inks, everything is there. Exactly the same as the India business. Price points are higher, costs are higher. So it all evens out in the end. And from there also, we plan to support the Africa business, and we have some printers and some sales in Africa. So yeah, I think it's just easier to get shipments and other types of things done because the amount of paper work out here is like 10x more. That's all.

Bhavesh Rathod: Okay. Okay, sir. And the consolidated top line quarter-on-quarter basis seems to be mostly flat. So however, the nine-month position shows a growth of around 17% to 18%. So what shall be expected top line for FY '24, sir?

Jaideep Barve: It's too early to say.

Shiva Kabra: I think we had said that we were targeting Rs. 400 crores for standalone. There was again something we had said that this is what we were looking at. But on a consolidated basis, we don't have any targets, and we're not giving anything out because these are mainly the consolidated many businesses that we are still in the growth phase, so it's really difficult. It's more about establishing those product lines, establishing those businesses and then seeing how we do out there.

Moderator: Thanks, Bhavesh. We'll take the next question from Arnav Sahoja. Arnav, please go ahead.

Arnav Sahoja: Congrats on a strong set of results. So I just have two questions. So what has been the OCF and FCF generation in the three months and the nine months of this year?

Shiva Kabra: So I think that question was asked already on e-mail. We gave a reply to that, Arnav, and we said that we've not calculated the profitability of the OCF like overall, like we don't disclose that because I think it's disclosed every six months or 12 months. So whenever we audit it, we'll give it out.

But we did see that the profitability of the coding and marking business, because that question was asked, is higher than or it's increased in line with the revenue of the coding and marking business were so higher, and we expect that the operating cash flow of that business would have also increased in line.

Again, the way our FICO is structured in SAP, it's not that easy to clarify this. So someone may have to do deep dive. So again, I won't be able to give those types of numbers. But the way our MIS is structured, again I'm saying it depends on the type of reporting that we have. Coding and marking businesses improved in both revenue and profitability, and it's been in line.

In spite of some higher costs which Jaideep has told, specifically in travel and other types of expenses for some reason. We won't go into that in depth because we also don't know why those costs have suddenly like spiked up so much in this year. So it's a concern for us also.

Part of those costs are also because there are other new business lines that are being there, and we also said that the margin concerns are related to that. So again, the cash flow from core operation, we believe is steady. Again, like I said, I don't have the exact numbers for that, but it's steady.

And then so the operating cash flow could be steady and then part of what we do in new businesses could also be part of revenue, but it also could be part of an investment. So it could be looked at both ways. So it's like that's something that obviously you all have to consider for your own angle.

Arnav Sahoja: Just following up a bit about the subsidiaries that you were mentioning. So we saw a pretty good revenue momentum in these subsidiaries. But is there any time line during which we can expect the employee costs and other expenses to just settle down a bit for these subsidiaries? Is there any information on that?

Shiva Kabra: So that question was raised. It was written to us. So I think Jaideep is going to answer, but we're expecting in our standalone business for a Rs. 8 crore to Rs. 10 crore increase in wages and associated costs like travel and whatever other licenses and whatever happens next, so that's what our standalone is. For subsidiaries, it's very difficult for us to predict because I'll be very honest, like people have abroad cost significantly more. And so we are more slow in the way we're hiring them.

As of right now, in the packaging industry, we've got three salespeople and Christian himself, like our Head who also is quite deeply involved in that aspect. And in India and Africa, we have like four salespeople in the Gulf. So between this, we want to first stabilise with this and we have a head out here also of our packaging business. So we want to stabilise first before we really ramp up and say that I'll get people South America and North America and Japan, you get my point?

But I don't know if I'm going to do that a lot, right? It all depends on how I'm seeing the pipeline going and evolving. My idea is not generate profits. My idea is to scale up fast, but also not be a bit rash about it. So like first, get things right in these two geographies where we already have the strongest presence and coverage and then scale up. So that's what the idea would be.

In the track and trace business, again, it's a similar type of situation, where we are scaling up out here in India, and that's also working out, like the pipeline out there is also quite promising. In the digital printing, you've had some sort of technical glitches. So we've got good interest, but we're working out some last minute hassles I can say to, everything has to work perfectly, otherwise this whole business is useless in our case. So it seems like everything should work perfectly, but sometimes it can take longer than what we expect, that's only problem.

So that's what it is. But again, like I'd say, so as far as especially the packaging business goes, we would want to, if you're feeling we're doing well in that we're going to just scale up our operations faster. And there's no obligation for us to make money is to grow that business as fast as possible so we can maximise the opportunity. But right now, we don't see like a good visibility within Europe and India, Gulf, Africa, which is the area we're covering, South Asia.

We don't want to like really scale that business up in terms of adding like another 15, 20 salespeople like who're going to cost us above and supported operations because everything for us to make a sample actually cost us a lot of money to be honest. Like we have to give 100 samples to someone, like that's a huge cost to me because to get the printing done, to get everything done, to do the quality test cost me like a lot of money.

So like I said, we want to make sure that we've got everything correct here before we say that we are ready to really take this up and we're focused more on the core geographies there. So we need to take the cost increase, including the coding and marking business. That's what we're expecting and abroad, we're not giving any predictions or in our subsidiaries because we're going to have to take it month-by-month and see what's happening. But as of right now, I'd say like, yes, we have all the people we need for right now. But if we feel we're doing better, we don't have any problems increasing.

Arnav Sahoja: Okay. Just one clarification. I didn't catch the sales mix of Q3 FY '25 properly. If you could just repeat that, that would be great for Q3 and Q2 as well.

Jaideep Barve: I didn't get your question, Arnav, can you just repeat it?

Arnav Sahoja: So you had mentioned the sales mix between printer, consumables, spares.

Jaideep Barve: Yeah, okay. Yeah, Arnav, so for Q3, between the printers, consumables, spares and services, it is 16%, 61%, 7% and 15%. And for Q2, it was 13%, 64%, 7% and 15%.

Arnav Sahoja: Okay, thank you.

Moderator: Thanks, Arnav. We'll take the next question from Aruna Munikoti.

Aruna Munikoti: Hi, Jaideep and hi, Shiva. Good afternoon everyone. I have very basic, simple questions. The first question is like, which company is giving us the top competition when it comes to our core business, like coding and marking? Is there any publicly listed company giving us top competition or any private company? Which company do you consider as the top competitor?

Shiva Kabra: Do you want to answer this, Jaideep? But I think in all the previous calls, Videojet, especially Domino is the #1 in India and then Videojet, Markem-Imaje and Control Print are about equal in size. So you can say like we are the four major players. Domino has got about a 30% market share and we have between four of us about 80% of the coding and marking business of India.

And Domino is about 30% and then the others between them are also like between 21%, 22%, 23%, something like that. So it's just slightly -- yes, that's what's the situation. So I'd say Domino Printing Sciences, Videojet India and...

Jaideep Barve: Imaje.

Shiva Kabra: Yeah, these are the three key competitors.

Aruna Munikoti: Great. Thanks for answering. And then my next question is what is that one thing that we are doing differently when we compare ourselves with our competitors for our core segment, like coding and printing again? Is there something that we are doing differently when compared with them? If so, then what is that?

Shiva Kabra: So everyone has some variations in strategy, like I said, I think we focus on some slightly different product lines, but all of us have a full range of products and a full range of services. So all of us are full suite players, so to say.

Now of course, I mean I don't know -- I'm not seeing it, but like there can be various car companies with different strategies, but largely, they're covering similar things. So obviously, and I'm quite sure that we give a super experience, and I know that for sure. But in the end, in our business, the products are quite sticky. So change is slow to come. And we believe we've got like a good product line up, a great technology line up, and we've got the best service and technical team out there to support that.

Now we've come out with a more targeted sales strategy rather than being all over the place. And hopefully, the sales and marketing will measure up to and give justice to the quality of our products and innovation and our service team and their efforts. So hopefully, if that catches up, then we could increase our market share.

Aruna Munikoti: Right. That makes sense. Like my next question is like do you anticipate any challenges or like negatives for the upcoming quarters for our company? Like anything that you're anticipating?

Shiva Kabra: No, I think we've been quite straightforward that the coding and marking business looks steady, looks okay. And other businesses are of course scaling up. So no, we can't see anything.

When we mature, we'll talk about them more, but right now, our message to all investors and shareholders is transparent that it's still a growth phase for us, it's still an investment phase for us and obviously there has to be a time line to it, like Mr. Saket Kapoor and other people have said, but we'll definitely like to scale up and hit a certain size, and that's when we start focusing more and then the margin part.

So we look more to gross margins. We want to maintain our gross margins in the business considering we're doing a certain volume. So that's like something we don't really compromise upon. So the idea is always that even if this business becomes Rs. 100 crores, the gross margin should remain a certain percentage, we're targeting, say, 60% or 65% or whatever it maybe, 50%.

So that should remain from day 1. It might not be that way because a lot of times, we have high cost when the volumes are low, both on the cost of goods sold and in terms of the actual sales like other expenses, but the idea is as that business scales up, it should have a pretty good profile and be a positive for us. But whether it's going to scale up or not, how long it will take to scale up if it's going to scale up, all these sorts of things, these are like unknowns.

Moderator: Aruna, may I request you to rejoin the queue please. And I request all the participants to restrict their questions to two per participant. We will take the next question from Ridhima Goyal.

Ridhima Goyal: Yeah, thank you for the opportunity. So I have two questions. First question is, would it be possible for you guys to share the financials of your acquisitions? Like how much is the top line and what are the EBITDA margins, the existing top line and the margins? And what is the synergy benefits we are going to like what would be the growth in the margins we are expecting from these acquisitions? That's number one.

Shiva Kabra: So I think, Jaideep, you can answer this question.

Jaideep Barve: Yeah, yeah. So Ridhima, whilst we consolidate the results of all of our subsidiaries, we do not have a practice, neither any of the companies have a practice of releasing the financial statements. But in case you would like to have a specific question regarding any of our subsidiaries, please feel free to write to me at cfo@controlprint.com, we'll be able to resolve your queries at the earliest convenience.

Ridhima Goyal: Okay. No problem. Thank you. So next is the margins which we have in the quarter 3, is it a one-off thing or we can expect that going forward, these are the sustainable margins, which we can expect in the next few quarters?

Jaideep Barve: Yes, as Shiva had said that there has been no compromise as such on the selling prices. The only thing is that like some of the cost of goods sold can become cyclical in nature, but we definitely as part of the senior management, we take a hard look at the cost of goods sold as a consumption. And we are definitely trying to increase our economy efficiency of our operations. So like there might be like changes, but overall, we feel that we should be able to control it in a better way.

Ridhima Goyal: So we can expect like the margins can revert back to 24%, 25% levels?

Jaideep Barve: Yeah, definitely. But what has happened is that we got a subsidiary in Italy, which we've already mentioned. They are in a growth phase. In fact, we are trying to support them, try to establish their teams, try to spruce up their sales and promotional activities. So like this is an investment phase for us in that company as a result of which of the revenues might be on the lower side, but there will be costs.

So we are clearly looking at the long-term prospects and increase in the revenue. So that's the reason why we feel like on a consolidated basis, our margins have dropped down now.

Ridhima Goyal: No, that I know that it has dropped down because of those reasons, but I'm asking the future prospects, like will it going to be at these levels like 22% or it can reach to 24%, 25% or 26%, which we had in the earlier quarters?

Jaideep Barve: No, we definitely would like to reach that levels. I mean, at the end of the day, we want to have a stable profitability margin. So we definitely look forward to doing that.

Ridhima Goyal: Okay. Just one last question. Would it be possible for you guys to share the exact mix of the end user industry, like what is the FMCG mix or what is your dairy mix exactly? You've shared top 5 industries, but what would be, in terms of percentage, like how much the sales is?

Jaideep Barve: See, Ridhima, as Shiva has pointed out, I mean, we work in an oligopoly where just four of us dominate about 80% of the market. And we don't divulge sales-related information. That's what, I mean, we can't divulge much into that.

Moderator: Thank you. Ridhima, may I request you to rejoin the queue. We'll take the next question from Shaurya Punyani.

Shaurya Punyani: Yes, sir, regarding that Italy subsidiary, so could you quantify as to what is the revenue potential, some ballpark range?

Shiva Kabra: So Shaurya, it's a new type of product. So obviously, it could be very high, it could be a flop, right? It's not possible for us to say it. So it's obviously, you're going to have high ambitions and hope when you do something but what's going to happen is, it's a different type of a business. So let's see whether we are able to move along as we are.

I think someone asked this question, I don't remember earlier, and I pointed out that we are also rolling out in stages because, A, we don't have the capacity to have the management bandwidth for every single thing. I think it might have been Arnav, if I remember right his name.

And I said that we don't have the management bandwidth for every single thing, neither do we want to just take on a whole bunch of costs and go all helter-skelter, whether we can afford it or not is a separate thing. We want to sort of really put our strategy in properly, perfect everything in these markets and then take it forward.

So it's going to take some time to scale up. But so far, what I can say is like there's good interest in the product, which is to me, the single most important thing. It's an innovation. We have to understand that people are already invested in the existing technology and the change of platform is not easy, especially when it costs more, which is another problem on a per unit basis. But there is interest.

But interest versus sales versus profits and these are like different things what I've seen in life in the past. So I won't say anything. Let's just keep rolling it along. And maybe by the end of next financial year we'll have a better idea of where we really stand. So like 15 months from now is probably where we'll understand.

So 29th March is when we actually took over V-Shapes. And in the first six months, we've been getting things in order and I'll say maybe from October, November, we've been doing real work in terms of sales and other types of things. That's what my own feeling is. There like many gaping holes because we bought it from liquidation. And just to get things streamlined has taken us time both in India and in Italy and wherever else we have our operations for this.

Shaurya Punyani: Okay, sir. And sir, is it possible to give a segment-wise margin like?

Shiva Kabra: Are you talking about the Coding and Marking business which I mean, so that I understand? Our margins are the same.

Shaurya Punyani: Coding and marking.

Shiva Kabra: Our selling prices are the same with respect to which industry we sell in. So and our cost. So roughly our margins, whether we sell say in the Coding and Marking business, we still do about 65% industrial, 35%, 40% packing. But the margins are the same cross both.

In fact, the industrial might be a bit higher because we do more specialised things and more real requirements, so to say, like, I mean I don't know more specialisations, more customisations, more interfacing, more everything, like less soft, where our margins are just a touch lower. So the more specialty, the more weird things we do, we charge a little bit extra.

Shaurya Punyani: Thanks.

Moderator: Thanks, Shaurya. We'll take the next question from Tushar Talwar.

Tushar Talwar: Thanks. Two main questions, slightly detailed ones. So my first question is that on sales strategy, you have mentioned that in the last one year-or-so we have revamped our sales strategy.

Shiva Kabra: One second. If can you just redo this Tusharji, I think you're getting some sort of a humming sound that's coming, if you can just check your mic one second and redo this, honestly there's humming sound coming, I don't know?

Tushar Talwar: Is it better now.

Shiva Kabra: Yes Tushar, it is better now.

Tushar Talwar: Okay. So on the sales strategy, I wanted to ask that you have mentioned that we have revamped our sales strategy in the last year or so. My specific question is that are we vacating the lower end of the market?

And I'm asking this specifically because in the last year or so, we have seen another listed company in this space called Astec Fluids.

And it seems to me when I read the concalls of both the companies, it seems like Control Print is focusing on the larger clients, the bigger clients. And there is some space which is being vacated, which is being taken up by the smaller companies. My specific question is, do we think that these younger companies may eventually start overlapping with our new strategy and change the structure of the oligopolistic market that we participate in? This is my first question. My second question is on Codeology.

Shiva Kabra: I request you to hold your second question because I'll answer your first question first, otherwise I'll forget your first question by the time the second question comes. So specifically, yes, that space is being vacated. Yes, you're correct about that. We do have some very good products for that space but we don't have the bandwidth to service and sell to that many customers without increasing our sales or service cost. It would be profitable, but then the management bandwidth would be question, especially since we're doing new products and new industries.

The second thing is these products that we put in are very sticky. And like I said, I don't know if you were there earlier, the more demanding the customer, the higher our competitive advantage, both in the industrial segment and in the standard segment and not only across compared to smaller companies, I can guarantee that even across Videojet, Domino, Markem-Imaje and Control Print, the more difficult, the more challenging the application, the bigger the competitive advantage we have.

So, so far, my experience of 30 years is probably I mean, close to 20 years since 2025. But my experience of that and from whatever I understand is that the four of us have always maintained that 80% market share. The reason being that the cost factor is frankly quite low in terms of the spend for the customer. And in the end, those customers have more expensive lines. They have higher costs. So I think that the way people are thinking now, Tushar is changing.

So when I used to work myself, I used to be -- I was like on frontline sales and marketing right in the beginning of my career. And people are very focused on the cost of the ink and the cost of the printer and it's really about like cost, cost, cost and price, price, price. And since about the last 10 years, it's changed. It changed the reliability. And now people are also calculating the operational efficiency and the cost of downtime.

So we're actually having some cases where we're changing the equipment because the maintenance time of the existing equipment might be 1% and the maintenance of the new equipment might cost you like 0.5% or like less than that. So for that person, if you can travel around 500 manufacturing lines, for example, and I can improve my efficiency even 1.5% by just changing a coding and marking device. That's like adding eight extra lines, which is almost like a factory.

So the way people are thinking now with these larger customers is different. To be honest, and I'm not getting into specific competitors, the Chinese printers are not bad. They definitely improved. Before we were at 98%, they were at 95% efficiency, and that was a huge amount for a printer. So we did last measure, we're like 99.47% uptime, which is like the highest accordingly in the entire industry. And the Chinese guys would be maybe at 97%, 98%. So the gap is closed in terms of percentage terms, but there's still a gap.

And for people who, like I said, if you've got something like an Internet connection to save a few hundred bucks or even a few thousand rupees, you're not going to take 1% downtime is three days of working. That's what I would say. You have to think of like your factories on for three additional days without working. And that's the way these types of customers are calculating now. There's a 1.5% downtime is a big difference. And then they all locked in. They've been trained on our printers. They were trained on the things. And the same thing for Domino, Videojet and Markem. So unless people have a big issue, nobody wants to change.

You're already in an ecosystem that's working. And honestly, considering the small cost differences which again are not validated. People don't want to change from that. And it's like also the soft aspects of it. So again, you asked a question of a detailed reply. There is our levels of training, the technical level of our people, the amount we pay people because that's why there's also one of the things we have to invest in. So it's just like a difference between going to an Oberoi versus another 5 star. The level of training or discipline in that will just give you a different experience.

And then for those customers who are experienced with that in this type, they will value this and surely I think that what we've seen is a lot of stickiness. We've not lost that many customers ever. And that too level to smaller competitors. If our types of customers who have issues whether between the four of us, the last thing we want to do is take risk and go to smaller person.

Tushar Talwar: Understood, Shiva. Thank you so much. I have more follow-ups on that, but I'll ask them later. I'll ask.

Shiva Kabra: I point out one more thing. So what's happening abroad. I just want to conclude this question so that it's there. I hope everyone read the concall before coming for the next investor call because I feel like a lot of times, I'm repeating the same things again and again to everyone. So I'm just going to repeat this also. What's happening abroad is that there's a change in industry structure, okay?

So what's happened is that the big companies are not that focused on manufacturing and there's a lot of small brands. So the micro-breweries are growing. The small organic companies supplying local markets, so those types of things are growing. So there's a fragmentation of manufacturing.

In India, so far, I have not seen or other people like that actually having lost market share per se. So as a result, now obviously, if the business changes and guys like Finolex, Polycab, Havells and also are losing market share, there's a bunch of smaller cable guys are losing, that could affect us. And then in that case, the tech strategy would work on those smaller competitors would maybe gain overall market share.

So right now, in India, from whatever I have seen, obviously, this is my own view that the big guys still seem to have some entrenched advantages. And Asian Paints hasn't been dislodged in a long time in spite of new competitors coming, their margins might reduce, but I don't see like Asian Paints or Berger going anywhere, for example. But if the industry structure changes, if there is a change, it's going more towards smaller brands, it's fragmenting, then definitely, we'll have to take a look at that strategy once again.

Tushar Talwar: I understand, Shiva. Thank you so much. That's a lot of nuance there. My second question was on Codeology. And I just wanted to ask that we don't talk about Codeology all that much. We talk about Italy. We've talked about Markprint in the past in past concalls. And my main question here was that why do we have only 51% here? Do we plan to acquire full ownership? And what is the larger plan for this entity? Is it only for like entry into the U.K. market? Or do we have larger plans there?

Shiva Kabra: Yeah. So I'm going to take all those questions. So the first thing is 51% is strategic. What we realised from past experiences was that we don't want to buy out the existing people. We want to work with them on a three, five, seven year plan where maybe they can exit depending on how we grow in the meantime and what sort of targets we achieve. I can't see more than that because you got a basic idea of what I'm trying to say, if you understand what I...

Tushar Talwar: I get it. I get it. But are we seeing any progress there?

Shiva Kabra: Yeah. So they are busy. That's why we've not worked much on them because so Codeology is the reason, again, the strategic rationale is they are mainly into end-of-line automation, okay? So the conveyor, print and apply systems, the scrapping systems, the other types of stuff that happens end of line. That's what they supply in the U.K. And that also fits in very well with our printers and track and trace systems for the end of line. So that was one thing.

And the second thing is they also make print and apply systems, which are actually of value to us. So we are, in fact, working in a few cases like the print and apply systems is a bit of a hole in our portfolio. So again, for Videojet, Domino and Markem-Imaje, maybe Rs. 20 crores to Rs. 30 crores of their business coming from print and apply. We are not in that business. And of course, I'm not saying we're going to do it because we started because obviously, we are later in the game. But there's an opportunity to scale up that business also. So that is one of the reasons we purchased it because to develop something in-house and do the whole learning process. And I mean, it's just cheaper to buy, I'll be very honest, like at this price by experience, things that work from day one and then improve upon it.

So I think that's something we are working on some print and apply cases also where our conventional equipment doesn't work on sort of irregular non-porous materials. And that's where we're sort of working with them to provide those types of solutions. If you're successful, then you start manufacturing equipment in India also. So there's like a technology that we wanted to add in.

And the other thing is, like you said, it's an outlet, which is sort of combined with the existing end-of-line automation business because out there also, there's an environmental focus and a cost focus, and that would automatically mean that in replacing labels with high risk in the existing line is a benefit for the customer and for the environment out there. That's a reasonable factor.

Tushar Talwar: Right. So we have no obstacles to using their technology in other geographies?

Shiva Kabra: No, no.

Tushar Talwar: Okay, and that is all from my end, Shiva. Thank you so much.

Moderator: Thank you. Thank you, Tushar. We'll take the next question from Awanindra Singh. Awanindra, please go ahead.

Awanindra Singh: So Shiva, just continuing on from the previous participants when we look at putting our standalone business aside, it's a stable business, it will continue to grow as the industry grows. There will be ups and downs given how the product mix fits. But if we look at some of our investments that we've done over the last couple of years, I know you've touched on them. If you could just sort of highlight a little bit more on track and trace. I understand that we've built the technology in-house and we've been working with at least the pharmaceutical manufacturers given the government initiatives on those 60 molecules that they wanted track and trace.

So where are we in terms of technology? Are you happy with where we are? Is there potential scope to continue evolving that? And you spoke about a pipeline, but if you could just highlight a little bit more on sort of how that's panning out?

Shiva Kabra: So again, in the track and trace space, we are working very aggressively. I'm not going to talk about stuff that's in there because whatever we do with any customer is confidential. But we are working on some of those 300 drugs or the 300 brands rather that have been offered by the government as the top 300 brands in India. We are working with a significant number of them for implementing them online.

So again, I'm going to say it again. So track and trace has gone through four phases. So the first phase was there were specific export requirements where they required to put the 2D code or it was that time of GS1 data matrix or a QR code as per the requirement of some foreign buyers for specific drugs. So that was the first phase and two companies in India were dominating. I think everyone knows associated capsules group and there was another one that was there. So they sell vision systems, so they were dominating that market.

Then the second phase came and more customers required it, and it stopped being a very niche product and expanded in size, and it was required in a certain amount of export markets like France, Turkey and a few others and specific products. Then the third phase came, which is right now, and it started being implemented within India itself and 300 brands or whatever have been mandated by the government. And it could be that they might even expand it now that it's proven that it can work. So that's the third phase.

Now what's going to happen is the fourth phase. And we're late because we won in the first two phases and the third phase also, we came in late in the day because by the time we finished our acquisition, we rolled out. A lot of those existing 300 brands had already tied up with specific people because obviously, if you have a deadline, you don't want to wait until the last day of the deadline if you're sort of a well-run company, if you will. Now what happened is, so now the fourth phase is where people are going to start consolidating various existing solutions and trying to start standardising.

And then the fifth phase is when they're going to start using all this data to actually improve their business. So we are already focusing on the fifth phase. And so we are working on the third, fourth and fifth phases combined. And we have already generated certain IP out. Again, we filed three key patents and this I'm going to talk about it because it's quite technical. But those are patents that we are working with like two or three, we can say we're like three of our large pharma companies. We need to implement this and show proof of concept. And if they're going to get the type of benefits that we believe that they're going to get something for us to -- sorry, I heard something.

So I think if we implement this and we show proof of concept, then it will be something for existing pharmaceutical companies to consider as they start wanting to consolidate their lines for ease of use and consolidating their software. Right now, again, like what I'm saying, the first three phases have been pure compliance. The fourth phase, which is consolidating is also going to be compliance. The fifth phase is actually going to give the customer benefits.

So we need to prove that part. We need to prove that we are in Stage 5 even as we're implementing Stage 3 for customers. So if we don't do that, we're not going to be successful or we'll be successful because of Control Print and the distribution and the service and all the other things. But we have a strong tech platform here. So obviously, I know that if a company like ACG, for example, who is the #1 in this business, they're good. I won't say there's nothing incompetent about them at all.

It's similar to Domino, Videojet, and Imaje. So if we don't offer like 40% more at least in terms of benefit to the customer of 50%, why someone want to change us. So we're confident that we offer more than that but we need to prove it.

And each project out here -- I mean, honestly, this is like quick sand or something, so you just go in and it just becomes deeper and deeper. So that's definitely an issue for us. That's why we're doing some projects which we've not been able to invoice as yet because there are many requirements and many types of automation that are happening. But I think once we have those types of references out again, even the pharmaceutical industry, a lot of people know other people. And if there is a thing that we have resolved some of the actual business issues with our solution, then I believe that we'll get some sort of pick up maybe in the market.

So again, we're not hitting every company because there's a limited amount of installation, bandwidth and proof of concept that we can do. It's something we need to improve upon. So we're going to work on that. That's also going to be part of that cost of that Rs. 8 crores, Rs. 10 crore increase that we talked about. But it's something we need to do and we've got a good solution. And we've got about three patents filed around our track and trace division, and we think all of them are going to be very useful in the long-term.

Awanindra Singh: No, I appreciate that. Just add to this. In terms of solution offerings, is it similar to Coding and Marking when there are solution providers? Or is it slightly larger in terms of how many players are there offering trace and track in its various formats? And sort of the other add-on is pharmaceuticals, it is critical need for that industry but as we move into some of the other industries like FMCG, at what point do you think the cost benefit is there to those players that they want to start implementing track and trace in their systems as well?

Shiva Kabra: So it's a very good point. So what I say is there's two, three elements to it. The first aspect is that we were talking about, so okay, this is what it is. For the track and trace business, what's required again is that people are implementing the solution. And like I said, we've got a certain IP or whatever it is. Once we get that done, then we can look at, so what we're doing in other businesses outside of pharmaceuticals is going more for a prepackaged solution, and that's sort of easy for us to sell to other things because they don't want to pay the same amount of money that the pharmaceutical guys do and the compliance needs are not there.

So they're not being forced to invest in the same level of system. Is that the right -- the same level of system that the pharmaceutical guys are doing. So I think there's a clear breakup. Obviously, for us, pharmaceutical is the bigger business right now. So that's what we're focused upon. But definitely, as we can scale it up and if we can approach other with sort of more prepackaged solution to other types of industries, there could be a pickup and a take-up that we can have. There was one part of the question that I'm missing. If you can just repeat that again?

Awanindra Singh: Yeah. It was just around how many participants are there in track and trace or the various solutions? Is it similar to Coding and Marking or is it slightly larger?

Shiva Kabra: No, so there are more players, but we are the only integrated player from end-to-end. That's our advantage. So we make the service. We have the vision systems. We have obviously the printing. The printing is I mean, so that's a very strong integration that we're doing that nobody else can do it at that level. And of course, we have the entire downward integration and sort of integration with their ERP systems. So there's multiple things we're doing out here. And that is where we expect that the customers to get a major benefit compared to our competitors. There are more players.

But then again, everyone is in a different part of the business, and they're making some sort of software. And what I can say is the amount of sophisticated guys who have a really good software, which is integrated well will still be like about four.

Awanindra Singh: Understood, understood and just sort of...

Moderator: Sorry, Awanindra we are running out of time. We'll take the last question of the day from Ashutosh Khetan. Ashutosh, please go ahead.

Ashutosh Khetan: Yeah, hi. Thanks for taking my question. I just wanted to know the numbers of printers sold in this quarter and the current capacity utilisation?

Jaideep Barve: So we've sold 762 printers in this quarter.

Ashutosh Khetan: Okay. And the capacity utilisation for the quarter?

Jaideep Barve: So we are roughly about 60% to 65% of the capacity utilisation.

Ashutosh Khetan: Okay, thank you sir. Thank you.

Moderator: Thanks, Ashutosh. I'll hand over this floor to Vinay. Vinay?

Vinay Pandit: Yeah. Thanks. Since that was the last question for the day. We have one more request in the chat from Bhavesh Rathod to ask one question. Bhavesh you can go ahead and ask your last question.

Bhavesh Rathod: Yeah, thank you so much. So my question was regarding about the industry. So industry as in we have different segments and different printers. As of now, we and other peers as well, how does we create moat like everyone outsourced from China and assemble CR or their specific regions? Yes, definitely, service is the main key. But apart from the how Control Print differentiates from others?

Jaideep Barve: Yes, Shiva you want to take this question?

Shiva Kabra: Sorry, I was on mute, can you repeat that question again, please is what I was saying?

Bhavesh Rathod: Okay, sir. So I'll resume in short. So I was asking how Control Print creates a moat apart from other peers since everyone outsources this from China and assembles India's specific regions. So what does Control Print does different from other peers and what they will do to execute in a better way as well?

Shiva Kabra: So like I said, I think that in our Coding and Marking business comes to uptime, it comes to different types of technologies. And we've got some technologies where we believe we've got a significantly better offering than our competitors. So I think definitely, there's a big uptake of this. And I think we've got some competitive advantage.

I think some people have asked that question, like I said, our entire service, our technical aspects, the product range, the depth of certain products, especially our competitive advantage. And like I said, and only that, like I've always mentioned in the past, I think all three competitors, Domino, Markem-Imaje and Videojet also have good solutions.

So we've all proven the test of time. I think if you ask me personally, that's what I believe. I'm not a customer. So every customer is always the correct person to ask. But I think we've proven that we have something extra compared to the other service providers who are smaller or something. And that's the reason we've been able to continue growing over a more extended period of time.

Bhavesh Rathod: Okay. Okay. So just last follow-up question. So recently, one SME company got listed, that is, I guess, Aztec Machinery. So any positive or negative impact, which can Control Print face from them?

Jaideep Barve: I think this exact question was covered by someone earlier. I can't remember who it was.

Shiva Kabra: Barve, this question has already been answered.

Bhavesh Rathod: Okay, we'll check in other calls.

Vinay Pandit: That brings us to the end of today's call. Shiva or Jaideep, would you like to give any closing comments before we end the call?

Shiva Kabra: Yeah. Thank you so much for joining, and thanks everyone for their time. We got three or four questions by e-mail, if someone does it. I've got one question on the chat also about some things about the bankruptcy of V-Shapes, certain other things. So again, like I can't answer confident individual questions. I think I hope everyone respects that. I don't take that any one-on-ones with any investor either. So really, I prefer that everyone sends their questions if they have any on advance. We'll definitely try to address them or put them in the presentation itself rather than giving privileged access to some people.

There are a couple of questions about taking in some. So again, if you want, we can just post those questions in general, we'll definitely answer them. If anything is nonconfidential, we do not have anything. The shareholding pattern is not being disclosed. I don't know if someone can answer that. I think this is a regulatory disclosure, the standard.

So I don't know why that would not have happened, must have happened. So yes, so just if anyone puts those questions, we'll do it. If someone can send any questions you have in advance, whether it's related to the specific quarter or a general business, and we'll try to address that in the presentation and the questions to the extent possible.

So I hope everyone gets their questions answered. And if people can read some of the previous concalls and presentation, then what happens like I think sometimes there's some repetition. So I would like that if you have that one, one and half hours, then it's not just repeating stuff that we repeated in the same concall or in the same past whatever transcripts, if you will, at least in the last two, three if possible. Thank you, everyone. Thank you for joining.

Vinay Pandit: Thank you. Thank you to all the participants for joining on the call.

Jaideep Barve: Thank you, everybody. Thanks.

Vinay Pandit: And thank you to the management team for giving us their time. This bring us to the end of today's conference call. You may all disconnect. Thank you.

Jaideep Barve: Thank you. Thank you so much.