

# **TRANSCRIPT**

## **34<sup>th</sup> Annual General Meeting of Auro Laboratories Limited**

Wednesday, Saturday 23, 2023 at 11:30 AM IST

Through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')

**Siddhartha Deorah (Chairperson of the 34<sup>th</sup> AGM):**

Good Morning Dear Shareholders,

Welcome to the 34<sup>th</sup> Annual General Meeting of Auro Laboratories Limited held through Video Conferencing.

My Name is Siddhartha Deorah, I am a Whole Time Director of the Company, participating in the 34<sup>th</sup> AGM of the Company from the Corporate Office in Mumbai. I hope that you and your family members are safe and in good health.

As you are aware, this Meeting is being held through audio-visual means, in accordance with the relevant circulars issued by the MCA and SEBI. The deemed venue for this Meeting is the Registered Office of the Company. We confirm that the requisite quorum is present and accordingly, this Meeting is called to be in order.

I take great pleasure in introducing my fellow directors who are joining this Annual General Meeting through video conference.

Mr. Sharat Deorah- the Chairman and Managing Director, who is attending from his residence in Mumbai

Mr. Kiran Suresh Kulkarni, who is Whole Time Director, attending from Registered office at Palghar

Mr. Kailash Chand Bubna, who is Independent Director and Chairman of the Committees of the Board, attending from his residence in Kolkata

Mr. Vishal Kailashchandra Jhunjunwala- Additional (Non-Executive Independent) Director, attending from his residence in Mumbai

Mrs. Kavita Vijayakant Sharma- Independent Director, attending from her residence in Mumbai  
Post the closure of financial year 2022-23, Mr. Govardhan Das Agrawal has resigned from the Board of the Company. I would like to thank him for his contribution to the Board.

I also welcome Mrs. Sweta Agarwal our Company Secretary and Compliance Officer and Mr. Amit Mahipat Shah our CFO

In addition, I would also like to confirm the presence of

Mr. Khurdia- Partner of Khurdia Jain & Co., our Statutory Auditors for the FY 2022-23

Mr. Sunil Kothari- Partner of Kothari Jain & Associates, Tax Auditors and Statutory Auditors appointed in Casual Vacancy

Mr. Vinit Pokharna – Partner of Pokharna & Associates, Internal Auditors

Mr. Mahesh Soni- Partner of GMJ & Associates, Secretarial Auditor and Scrutinizer

Ms. Sonia Chettiar - Partner of GMJ & Associates, Secretarial Auditor

They have also joined this meeting through video conferencing.

I would like to thank all the directors, officials and members for joining this meeting. And now I shall brief the members on AGM proceedings, including E-voting.

The Ministry of Corporate Affairs and SEBI has allowed companies to hold AGM through video conferencing, has also dispensed the requirement of sending physical copies of annual report for financial year 22-23 to the shareholders. Accordingly, annual reports for 22-23 have been sent through electronic mode to all the shareholders whose email IDs are registered with the company/ Depositories. There are a few instructions on this meeting.

Your company has tied up with the CDSL to avail the facility of E-voting through remote voting and participating in the AGM through video conferencing. Members who have not yet voted can vote electronically during the AGM, which ends 15 minutes after conclusion of the AGM. All the members have been kept on mute. Shareholders who have registered as speakers will be unmuted once their name is called. Speed & working of audio visual mode for joining the meeting by members depends on the internet capacity. As the AGM is through electronic means, no proxies are allowed. The company has received representations from bodies corporates to attend the AGM, details of which are available with the scrutinizer.

The company has appointed Mr. Mahesh Sonia Chettyar partners of GMJ Associates, Company secretaries as the scrutinizers to conduct the voting process in a fair and transparent manner.

All related documents referred to in the notice along with the statutory registers maintained by the company as per the Companies Act 2013 are available for electronic inspection. Members seeking to inspect such documents can send an email at [agm@aurolabs.com](mailto:agm@aurolabs.com).

I would now like to address the shareholders on the business overview.

Dear shareholders, thank you for being present and I solicit your trust and support in the years ahead. In the year marked by heightened geopolitical and macroeconomic headwinds, your company delivered satisfactory performance by achieving a turnover of Rs 5289lakhs as compared to Rs 5087lakhs in the previous year. The company continued to explore ways to operate with the highest environment, health and safety standards while improving efficiencies and unit costs and ensuring business continuities.

We continue to operate with a focus on regulatory markets of Europe and specialised markets of Middle East and Southeast Asia. The market potential in other regions are also being explored simultaneously.

We are pleased to announce that your company has received TGA, Australia, GMP certification last year, enabling us to sell our API to this regulated market as well.

The company is in the middle of manufacturing capacity expansion of its product, of its primary product, metformin hydrochloride, which is expected to be completed by the end of this financial year in March 2024. The expansion would ensure that we have sufficient capacity to meet future needs and at the same time we aim to have a sizable market share in the anti-diabetic category of APIs.

We are also strategizing to include new products having higher margins thereby increasing the overall profitability of the company in the times to come.

Let me give you a quick highlight of the financial performance for the year.

The company booked a net turnover of rupees 5289 lakhs as compared to rupees 5087 lakhs in the previous year. Profit after tax declined to rupees 244.20 lakhs against profit after tax of rupees 284.47 lakhs in the previous year.

The company is at an expansion stage and to conserve the financial resources available, no dividend is recommended by the board. In a period of time we will also consider dividend for our shareholders as soon as the company is strong enough to be able to declare dividends.

Future outlook- Turning now to the year ahead, the board has a positive view for the company and the pharmaceutical section in general. The company will continue to focus on acquiring more market share, improving of existing products, cost effectiveness, capacity expansion and investment in new line of products. As mentioned earlier, it is a capacity expansion in the current unit which is expected to be completed by the end of March 2024. We expect this enhanced revenue and profits in the near future. And at the same time, enable us to expand in other product markets as well.

I would like to express my appreciation to the board of directors for their continued support and guidance in taking the company ahead. I would also like to thank our employees, financial institutions, vendors, customers and shareholders for their vital contribution in the success of our business.

I will now proceed with the agenda of the meeting. The notice convening the meeting, the report of the board of directors including Anxious and the audited financial statements for the financial year ended March 31, 2023, were circulated to the members of the company, in compliance with the relevant circulars of the Ministry of Corporate Affairs and Securities and Exchange Board of Interests. With your permission, I take them as read.

The reports of the statutory auditors and the secretarial auditors of the company do not contain any qualification or adverse remarks. Therefore, with your permission, I take the same as read.

There are in total 7 resolutions proposed to be passed at this AGM and the same forms part of the notice convening this AGM. Since the notice has already been circulated to the members and the resolutions have been put to vote through remote e-voting, I am taking the resolutions as read.

Since this meeting is conducted by Video Conferencing, we shall not have any proposing and seconding on the resolutions put to vote.

I place the following business mentioned in the notice of AGM before the meeting.

**Ordinary businesses are**

**Item No. 1:** To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon.

**Item no. 2:** To appoint a director in place of Mr. Siddhartha Deorah who retires by rotation at this AGM and being eligible, offers himself for re-appointment.

**Item no. 3:** To consider and approve the appointment of Kothari Jain & Associates, Chartered Accountants, (FRN 113041W) as Statutory Auditors of the Company for a term of five years.

**Special Businesses are:**

**Item no. 4:** To appoint Kothari Jain & Associates, Chartered Accountants, (FRN 113041W) as Statutory Auditors of the Company to fill-in causal vacancy arisen due to resignation of Khurdia Jain & Co., Chartered Accountants, FRN: 120263W, by passing the ordinary Resolution as set in the notice.

**Item no. 5:** To ratify the remuneration payable to Poddar & Co., Cost Auditors for the Financial Year 2023-2024 by passing the ordinary Resolution as set in the notice.

**Item no. 6:** To appoint Mr. Vishal Kailashchandra Jhunjhunwala (DIN: 00359872) as a Non-Executive Independent Director of the Company, by passing the Special Resolution as set in the notice.

**Item no. 7:** Re-Appointment of Mr. Kiran Suresh Kulkarni (DIN 09175595) as Whole-Time Director of the Company for a term of 3 years, by passing the Special Resolution as set in the notice.

Before we go live with the question-and-answer session, here are some points to note for your convenience.

The question-and-answer session will be anchored by the moderator. The moderator will allow each registered speaker to put forward their questions during the question-and-answer session. Finally, turn on your video when you are projected on broadcast screen, unmute yourself and proceed to answer questions. Please mention your name, folio number and location from where you are joining. Each shareholder has two minutes for the questions. To order the petitions, the board can respond to all the questions at the end in one time. When you have asked your questions, you can log off and continue to watch the proceedings.

Thank you. I now request the moderator to commence the question-and-answer session.

**Moderator:**

Sir, you may call out the name of the speakers.

**Siddhartha Deorah:**

Do we have any particular order for the speakers?

**Sweta Agarwal (Company Secretary):**

Sir, I will call out.

**Siddhartha Deorah:**

Yeah.

**Sweta Agarwal**

Our first speaker is Rama Ratilal Kachalia.....

**Moderator: ...**

**Sweta Agarwal:**

Second one is Bhanumati Ratilal Kachalia.....

**Moderator: ....**

**Sweta Agarwal:**

Third is Kishore Ratilal Kachalia. I think he was present. Oh. Oh no, Mr. Kachalia was showing me around the attendees.

Okay, we can move to the next one.

Ms. Lekha Satish Shah

Mr. Satish Jayantilal Shah. I think he is also not available

Mr. Ankur Bansal. He available

**Moderator:** Mr. Ankur Please proceed.

Mr. Ankur I think audio is not connected. Meanwhile we can proceed with the next speaker. Maybe a little later we will unmute him again.

**Sweta Agarwal:**

Next is Mr. Girish Gupta

**Girish Gupta:**

Hello Am I audible?

**Sweta Agarwal:**

Yes

**Girish Gupta:**

Good morning to all. Sir, I have already mailed my query. It is better I don't I will take time and repeat again the question. My main question is that we are expanding in Metformin business. And what I read, I think why I can be wrong. There is huge capacity of the Metformin and there is a oversupply. Or they you can understand the business more than me. So you can show some light on it or there is some improvement in the price of the matter of Metformin in the recent time. And I have already mailed my query to please take this plan. This is question. Thank you from me.

**Siddhartha Deorah:**

Thank you Mr. Gupta for the question. And let me reply to that specific query. So why you are correct that there is a lot of capacity on metformin. What happens is it is not specifically aligned in terms of the demand that is there in the market. Because a lot of it is also dependent on the certification that that particular company has. So for example, there are companies which have a lot of metformin capacity but they are not certified to sell in Europe. So in that case that while that capacity is of no use to them and they will not be able to sell in the European market. Number one. Number two, the product metformin is the primary you know the primary product for type two diabetes, which is on an average growing anywhere between 8 to 9% or even up to 10% year on year. So given the added capacity requirement of this product in various markets of the world. There is always a scope of large volume you know capacity requirement for this product. Number three, a lot of people have the capacity of metformin but they are not necessarily producing that

metformin because they are either new entrance or they don't have like I mentioned registrations in various customers or various countries. So that capacity does not count and for somebody like us it makes more sense to have a capacity expansion because we have an existing lot of customers since over 15 years. And we see that there is a production you know requirement or massive capacity requirement in the coming future years. So that is why it is logical to have a capacity expansion on this product right now.

**Girish Gupta:**

Okay, sir, if you see other query you can give answer if you go through the and if I come to Bombay can I meet you personally or be it your factory. I am very obliged if I if you give time to us.

**Siddhartha Deorah:**

Absolutely, there is not a problem if you come you are welcome to visit us and meet us. We'd be happy to see you not a problem and I have your questions I can I can I think we can go through the questions. So I have the questions already so I maybe I can read the questions and then I can give the answer to each of them.

**Girish Gupta:**

Okay, sir so nice of you.

**Siddhartha Deorah:**

So the first question was. You mentioned in the director's report of the expansion plan to increase the production please highlight so it's all it's already what we discussed that you know the capacity expansion plan is from an example which will you know finish by the financial year 2024 and this will give us a higher capacity of metformin which will enable us to get large volume capacity on this product. The second question you had was the company will double the capacity of metformin from 1800 metric tonne per annum to 3600 metric tonne by the end of 2023-24. In this regard specific queries are the amount to be spent on OPEX and CapEx. The answer is that approximately 40 crores will be spent on the CapEx and OPEX will be proportional to the operating cost that we are intending now. It is possible that it will probably even be lower than the current OPEX cost because of operational efficiency that we are proposing in the new plant. In what ratio will it be financed between equity and debt? It will be basically a mix of internal accruals and the term loan that we have away from our from our bank. Is there any plan to dilute the equity to fund this expansion? Currently there is no such plan because we are you know we are confident of doing it with our internal funding. The question was as the plant has EU European Union certification do we have to go for the European Union audit again for the whole plant? Yes European audit will be initiated again once the plant is completed because it is always better to have the new plant again audited. When will we start commercial production and when will it

operate at its optimum level? The expansion as I mentioned will be complete by March 24 so we are hopeful that in the next financial year we will achieve optimal levels within the first six eight months of operation. And I mean commercial production should start from April 24. The expected increase in turnover on account of this expansion with the EBITDA margin. So we are hopeful that the turnover would more than double and the margins are going to remain constant we feel based on what the margins are in today's scenario. The only factor in this is the worldwide you know if there is any worldwide recession or if there is any financial problem then maybe those can get affected. But otherwise we expected to remain stable then the margins in the long run. The next question was about the overall capacity of metformin I think we have already answered that the fourth question was why the Q1 results of financial year 2023 is good in comparison to last quarter and also last year's quarter any specific reasons for this please elaborate. We can expect that the increase turnover and profits in quarters to come. This was primarily so I mean this quarter result was higher primarily basically due to a reduction and wrongfully cost from China and also there was a stabilizing of the rates from the sea rates from the shipping lines which had actually increased by over ten times during you know post COVID period. There was more of our global issues that were now become stable which you know caused this benefit. The type of API manufactured by the company in which we are expertise so we are manufacturing three types anti-diabetics as you know metformin and we do muscle relax and Chlorzoxazone and anti-histamine products like Chlorpheniramine Maleate. Next question was in which particular European countries we are exporting so we are exporting in multiple European countries primarily Spain Germany Poland Greece . Lot of these countries and a lot of them they keep changing also because they depend on the contract manufacturer in these countries but primarily in these countries in western Europe. Any further plans to go for usFDA approval or not so we are exploring that option and we are hopeful that once these new capacities added we should be having that option to go for that approval. The dividend policy of the company now that the company is earning a good amount of money for the last four years no dividend is declared as discussed please consider for dividend for the shareholders. So the company right now is in an expansion stage and we are the only reason we are retaining the earnings is because we are funding our growth with these earnings and we are proposing that in future financial years once you know the project is implemented and we are in a better situation. We have we have we have we have always committed that dividend will be issued in the next coming financial years. Yes I think that was the last question if you have any other question please let us know.

**Moderator:**

We can have the next speaker please.

**Sweta Agarwal:** Next speaker is Mr. Keshav Garg.

**Keshav Garg:**

Sir Thank you very much for providing this opportunity Sir, If my understating is correct our volume have fallen from 17.16 lakh KG to 12.24 kg in FY 23 if I am correct so that means we are not utilizing our existing capacity optimally so how confident are you that we will be able to ramp up the new capacity in the first year of operation itself which is F-25. And sir if you could give us some idea about the realizations of metmorphine during past three years wherein F-21 in which we made a bit of 11 over 11 crores. So so what with the realizations in this year and what are the realizations in FY23 and what are the current realizations of metmorphine. Sir also just few days back government has put price control on metmorphine HCL 500 MG tablets at Rs 8.97 rupees. Sir so how so what will be the impact of this on our domestic sales and sir can we shift our domestic production to export market where such price controls aren't there. Sir what is the reason why our inventory has shot up year on year from 4.25 crore to 11.7 crore and is it expected to revert back to its earlier level. Sir what is the issue with Maharashtra pollution control board wherein we have got a penalty demand notice of around two crores. Sir what is the area of our palghar plant and after this uh capex that we are doing will there be further space in this plant for any future expansion or this is the limit that we have reached. Sir also. Sir kindly give us some idea about the steady state operating margins sir in FY21 our operating margins were 21% which has now reduced to around 8%. So going forward why what kind of margins should we expect on a steady state basis sir also sir is our capacity fungible between the different APIs or is it that we can only manufacture metmorphine. Sir also how does our cost of production compare with the other metmorphine manufacturers like a granules and young Samruti organic etc. Sir in future are there any plans to diversify our production into other APIs and whether the our existing capacity can be modified for the same. Sir also wanted to understand sir I understand the company has got some property in worli. So if you could give us some idea that how big is this property and what would be the approximate value of the same because I don't think it is reflected in our market cap. Sir so and such as broadly in the over the next 5 years where do you see the company going and how soon the company can pay off the debts post once the capex is over answer what kind of IRR are we expecting on this new plant that we are manufacturing that we are setting up. Sir so these were few of the questions are very grateful if you could give your shareholders some idea that what to expect in future and where the company is going. So thank you very much and best of luck to you and your team.

**Siddhartha Deorah:**

So thank you Mr. Bansal and thank you for the questions they were quite good. So let me start from the first I will you know respond to all of them jointly kind of interrelated a lot of them things are interrelated to each other. So the first part is about the capacity expansion so again the reason primarily reason for a increasing this capacity is number one for future growth. The last year maybe we had a lower capacity utilization in the plant that was primarily maybe because you

know the reasons for mainly because of COVID related issues which caused a lower demand in European markets and they had some financial issues. And also it was a lot to do with the pricing of the product because like I mentioned earlier the shipping cost from India or worldwide had jumped by over 10 times. So a lot of customers who are stocking the product or who are manufacturing and using large volume they also reduced their outtake of this product primarily because of the price. It's a large volume product where price is a very important factor so if you have an increase of 25% of the product price that is too large for anyone to bear. So that was primarily the reason now the reason why this kind of an expansion justifies is like I mentioned the severe growth of type-2 diabetes is massive. So there is an international diabetic foundation report which is on the website of IDF. org and you will see that it is projected by 2035 more than more than one billion people around the world are expected to have type to diabetes out of that the largest growth one of them is in the African market in the Middle East markets we are showing the growth rate of more than 68% as for their data. So just going by that factor the demand for this product should be very large and there are lots of new combination products which are come up with a combination with Metformin so that should not that should cause further you know uptake in this product. The second about the margin the margins of the product like I said we are operating at quite systematic manufacturing processes in which our costing or our products operating cost do not really increase the primary reason for any increase in lower margins is because of factors like the shipping cost and the wrong day cost which comes from China. There is an exchange rate also issue that comes into play so in the last couple of years the margins for lower primarily because of this co covid related thing and your worldwide recession and problems in the world wide economy. Going forward we expect margins to increase because it has stabilized after covid almost everything is back to normal around the world. Hopefully in the next financial year or so we should see margins increasing again while 20% plus is the ideal margin and is expected in API business we are quite confident we should come close to those figures but again like I said because we are dependent on worldwide markets it's completely dependent on worldwide economies. The other part about the about the about the Maharashtra pollution control board penalty that penalty is basically it is not only for our company this was national green tribunal case which was which was given to the entire tarapur midc region and all of the other part of the market. More than 200 companies were you know a part of it which the national green tribunal raised the matter so currently the matter is in the Supreme Court the we as a company as well as the association of tarapur industries association has received a stay on this matter from the Supreme Court and Supreme Court has observed that you know this. The penalty which was given was excessive and very arbitrary because we never got a chance to present our case so the matter right now is on stay and it is expected that it will take some time before it is resolved. In terms of in the other things you ask was the property and only that is our corporate head office the corporate head office and i think the valuation of the and we are not very sure of the current market rate is but i i think it is reflected in the balance sheet and maybe

the corporate market values we double of that maximum if i'm not mistaken. The next point was about the space available in the plant so the plant has a total area of 4800 square meters and after the current expansion this will reach its peak capacity and we probably will not be able to do any more capacity expansion at this location and for this reason we are also evaluating that you know in the next step of the market. After this is implemented we would have to diversify into another another location. In terms of API's production while my comment remains and anti-diabetics remains the focus like i mentioned we are doing other products muscle relaxants and anti-histamine these products also have a good demand because they are generic products and there's a constant demand for these products because it goes in cops, syrups and painkillers. In terms of the capex investment and and the time period in which we should be able to repay the scenarios anywhere from three to five years again depending on our profitability and output over the next two to three years but we are quite confident we should be able to get the return quite successfully. So I think we are covered all your queries if there is anything that I have missed please let me know.

**Sweta Agarwal:**

Can we move to the next one?

**Moderator:**

Yes ma'am.

**Sweta Agarwal:**

So the next person is Mr. Ankur Bansal. He is available.

**Moderator:**

Yes ma'am.

**Ankur Bansal:**

Hi. Good afternoon. Am I audible sir?

**Sweta Agarwal:**

Yes sir please. Yes sir

**Ankur Bansal:**

I have two three questions and first of all thank you for giving the chance as a speaker. So I just wanted to know that how much will be the gross block at the end of FY24 and how much asset we can expect in FY25 and for the capex how much that company is going to take for the capacity expansion and is company planning for any equity dilution in future as a potential lot man rather

than taking a debt for capex for any further future expansion. And sir I just wanted to ask that why company is not giving disclosures like DGA, GMP Australia certificate that we have got and other some small disclosures like you know which will keep this shareholders updated. Yes. These are my questions.

**Siddhartha Deorah:**

Thank you Mr. Bansal. Thank you for the questions and let me answer quickly. One the gross block after the expansion is expected to be approximately between 50 and 60 crores. The turnover expected with this would if we are at 100% capacity we should have a turnover which would be at least anywhere from 50 to 75% more than our current turnover. And that we are going to take on this project will be approximately 40 crores which are sanctioned by the Indian bank. The preferential equity is not something that we have worked out yet while then option remains that is something which you know we can consider in the long term in the near term right now there is no such glance. In terms of TGA, GMP and other requirements normally it is in the public domain because we do feature it in the in the website and other places. But like you said I mean we agree I mean we could the next time we would send it out to the shareholders and keep them oppressed. So if you have any other queries please let me know.

**Sweta Agarwal:**

So we move to our next speaker that is Bhavana Akala. I think he has logged in under the name Akhilesh.

**Bhavana Akala:**

So hi can you hear me?

**Sweta Agarwal:**

Yes sir please continue.

**Bhavana Akala:**

Yes so thanks for like I got answers to many of the questions and thanks Sweta Mam. Sorry I attended late because there was some issue with my DP sir yeah I have just a couple of questions. So first question is regarding the margins. I mean you are mentioning that there is some problem with the shipping cost, the shooting up etc. But generally API being value added products are most of the companies like many of the companies in the market generally do have like mechanism to pass through like Hikes and raw material prices. Like in this case it would be DMA hydrochloride and DCDA. So generally like the over contract sellers to pass up or pass down any of these Hikes in the raw materials like essentially like helping us maintain our spreads between my forming hydrochloride and DMA hydrochloride for example. And like what is a distribution channel that

we follow sir for exports. It would be like through distributors do we do or do we do directly to formulators. So is there any of this distribution channel that is like not allowing us to I mean maintain our prices we service raw material like do we sell by contracts or do we do spot based selling. Yeah and secondly. Do you have question about the new capacity so I didn't like I attended it late so I just want to know like when are we expecting 100% utilization and do we need a further DMF approvals for these new capacities. Yeah and yeah and another question so do competitors players like us we are till apps etc do they like are they backward integrated in the sense they produce a DMA hydrochloride or do they as well purchase raw material from outside. So just if you have any like understanding about that and lastly yeah so is there going to be focus apart from it for Metformin like some chlorphenamine maleate and glimapride that we seem to be producing some quantities. So just want to know any vision with respect to that so yeah that's a term a question will appreciate if you could help me with those. Thank you.

**Siddhartha Deorah:**

Thank you Mr. Akhilesh. So let me answer questions primarily the issue over the margins. So normally the margins are affected when the cost increases and we do pass on a certain portion of that cost to customers. But it's very difficult to pass on every single increase in cost immediately because there are lots of issues related to that one there is a time lag. A lot of time the time lag does not take place you know it is not immediate that you can have an increase and immediately pass it on to somebody else. So that is a major factor. The other issue we do have some long term contracts with some European manufacturers who are buying our products. A lot of it is also spot business where if it is spot business we can increase our prices which we do and we did. But some of the long term contracts is difficult. They while they understand the issues of shipping and people have been very accommodating. It is not always possible to directly increase the cost at all times and increase the price all at all times. The other issue about the distribution channel we do lots of business through distributors and agents but we also do a lot of business directly. A lot of the large volume customers would like to deal directly they do not go through various channels and we do direct business to them. In terms of raw material these raw materials are standalone raw materials as far as I am aware no competitors or none of the macroelement manufacturers are that quite integrated everybody buys it from the various sources in the market. The new capacity utilization like I said earlier we will hopefully start by April of next year or the next financial year. So we are hopeful that we are able to utilize 100% capacity at the earliest probably by the end of the next financial year. We are hopeful considering the projected demand and the projected growth cycle. In terms of DMF approvals we do have DMF approvals most of the DMF approvals for the product will remain. The plant certification would be done again just because it is a new plant again but the DMF approvals remain the same. And in terms of other products close up in a mine and Jimmy Pride that is also something which we are looking to now further increase sales on those products. And once we have this facility that is something also which we can

increase capacity and we will be able to sell much higher. So yeah I think I think I have answered all your questions and you can let me know if I missed any.

**Sweta Agarwal:**

Yes sir we are done with that speakers.

**Siddhartha Deorah:**

So can I continue?

**Sweta Agarwal:**

Yes sir.

**Siddhartha Deorah:**

So going forward the members may note now that the e-voting on CDSL platform has been provided throughout the AGM and will continue to be available for the next 15 minutes. Therefore members who have to cast their votes get requested to do so. The e-voting results will be announced within 48 hours of the conclusion of the AGM in compliance with the regulation 44 of SEBI Listing regulations.

The consolidated results will be displayed on the website of the company and also will be intimated to BSE.

As the meeting has considered all the matters I now declared the meeting to be concluded.

I on behalf of the entire board of the directors of the company express my gratitude to our valued shareholders for attending this meeting and making it a success.

Thank you once again stay safe, stay healthy and good day.

**Note:** The meeting concluded at 12: 25 PM IST.

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