## Management Discussion

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Good evening, ladies and gentlemen, and a warm welcome to everyone joining us today for the earnings conference call of Creative Graphics Solutions India Limited for the half year ended September 30th, 2026. To discuss our operational and financial performance for H1 FY27, we are joined today by the senior management team of Creative Graphics Solutions India Limited. Mr. Deepanshu Goyal, who is the Managing Director of the company, and Mr. Pulkit Agarwal, the Group CFO. Before we begin, I would like to remind everyone that some statements made on today's call may be forward-looking in nature and are subject to risks and uncertainties.

Please also note that all the participants are in the listen-only mode and this call is being recorded. There will be an opportunity to ask questions after the opening remarks using the raise hand option on the Microsoft Teams platform. With this, I would now like to ask Mr. Dipanshu Goyal to share his opening remarks. So Mr. Dipanshu, over to you please.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Thank you, Himani. Good evening everyone. On behalf of the board of the management of Creative Graphics Solutions India Limited, I welcome you to our earning conference call for the half year ended 30th September 2026. I'm joined today by Mr. Pulkit Agarwal, our group CFO. Our results and investor presentation have been filed with the National Stock Exchange and are available on our website. For the benefit of participants who are new to the company, I would like to begin with a brief introduction.

I have been associated with the industry since 1998. For the most period, Creative Graphics was the manufacturer of flexographic printing plates. Serving packaging customers across India. In 2023, we entered pharmaceutical packaging through our wholly owned subsidiary Warren India. Pharmaceutical packaging is now the larger of our 2 businesses and principally driver of our new growth. The first half of FY 2027 has been a significant period for the company. It marks the completion of our investment phase.

And the beginning of a phase focused on scaling up. Revenue grew by 32.6% year on year, and all of our new production lines are now in commercial operations. At the same time, our EBITDA margin of 8.3% was lower than the 11.9% reported in the corresponding period last year. I will explain this reason for the steps we are taking to address it. Over the past 2 years, we have made significant investments to build the businesses. We added 3 pharmaceutical packaging lines and 2 flexographic plants, and we strengthened our team ahead of our growth we expect.

We have also been prudent in allocating capital. 2 of these lines were acquired through the NCMT process at approximately 10% of their estimated replacement cost. Our pharmaceutical packaging capacity now stands at 45,000 tons per annum, 5.5 times our capacity in financial year '25. With all the plant capital expenditure complete, our priority is to improve capacity utilization and generate returns on these investments. I would now like to address our margins. The decline in profitability compared with the last year was due to 2 factors.

The first related to the timing. We have built capacity for a significantly larger business than our current scale of operations, so the fixed cost of the new lines and plants are fully reflected in our results while volumes are still building. The sector- the second factor was external. The conflict of the Middle East disrupted supply chains, increased our material cost, and delayed the start of operation at our Oman plant. I'm encouraged by the trend compared with the second half of financial

year '26.

EBITDA increased by 56.6% and our EBITDA margin improved by approximately 1% point. As most of our fixed costs are already in place, incremental volumes should contribute meaningfully to the margins as utilization improves. This operational leverage is central to how we built the business. Our focus is now on utilizing the capacity, and the largest part of this opportunity lies in pharmaceutical packaging. The sector has grown, has strong long-term fundamentals. India manufactures approximately 1/5 of the world's generic medicine by volume, and every batch requires fresh primary packaging.

Supply in this industry is governed by a rigorous approval process. Each customer audits our facilities, conducts trials on its own equipment, and qualifies our material before placing regular orders. While this process takes time, it typically leads to a long-term relationship once approval is granted. A significant part of our effort has been directed towards building the pipeline of approvals, and converting these approvals into regular orders is our most important priority in the coming months.

We're also broadening our product portfolio. Our new lines extended our offering beyond alu-alu foil to PVC, PVDC films, and extrusion laminates. This allows us to meet a larger share of the customer's requirement as a single audited supplier. We see exports as our most significant long-term opportunity. Our drug master files in the USA, China, and Canada enable pharmaceutical companies to reference our material in their regulatory submission for these markets, which is an important differentiator.

We received our first export order in February 2026. Shipments are now underway, and we have approx- appointed a head of export sales to lead this effort. Over time, we aim for export to contribute approximately 25% of our pharmaceutical packaging revenue, and export business also offers better price realizations. Flexography remains the foundation of this group. It is business in which we have deep expertise. It has higher margins and provided us with the relationship with the pharmaceutical companies well before our entry into pharmaceutical packaging.

Our standalone revenue grew by 17.3% during the half, supported by our new plant in Bengaluru, which completed its first full half year of operations. Our plant in Oman, our first outside India, has been installed and will serve customers in Gulf and Africa. Its commercial start has been delayed by the regional disruption, and now we expect operations to commence soon. I would also like to address our balance sheet. Our borrowings increased during the half, primarily Primarily to fund the higher receivables and inventory that accompany our growth.

With capital expenditure complete, export factoring now in place, and investment grade rating of CARES BBB stable, reducing working capital and debt is a clear priority for the management. Pulkit will discuss this in more detail. Looking ahead of the second half of this year, our priorities are clearly defined. We will focus on improving the utilization of our new lines, converting customers' approvals into regular orders, growing our export business, commencing commercial production in Oman, and reducing working capital.

We believe that delivering on these priorities will allow the operating leverage in our business to be reflected in our margins. The platform we have built can support revenue of Rs 1,000 crores and beyond. Without significant additional investment. I would like to clarify that this describes the capacity of our platform and is not a forecast or guidance. It does, however, illustrate the headroom we have for growth. Before I conclude, I would like to thank you, our employees, who commissioned 3 new lines and a new plant while continuing to run our operations, as well as our customers,

bankers, and shareholders for their continued support during the phase of investment.

With this, I would like to hand over this to Pulkit to take you through the financial performance in detail. Thank you.

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
We'll now request Mr. Pulkit to share his opening remarks.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Thank you, Deepanshu ji and Himani, and good, good evening everyone. I will now take you through the financial performance for the first half. Which ended on 30th September 2026. All figures are consolidated and unaudited unless I state otherwise. Revenue from our operations for the first half of the financial year was Rs 233 crores. I have projected the slides on this webinar for everyone's comfort. These slides are also shared on the NSE portal for anyone who might not have had a chance to go through them.

Uh, the revenue of Rs 233.3 crores was an increase of 32.6% over the first half of FY26 and of 31%-37% over the second half. Growth was led by our pharmaceutical packaging business as the PVC and PVDC tandem lines completed their first full half year of production, although this production was impacted by the, uh, Hormoz crisis. EBITDA was for the first half was Rs 19.5 crores and the EBITDA margin was 8.3% compared with 11.9% in the first half of FY26. Profit after tax was Rs 7.3 crores compared to Rs 12.2 crores.

On a sequential basis, the picture is more encouraging, of course. Compared with the second half of FY26, EBITDA increased by 56.6%. The EBITDA margin improved by about 1 percentage point, and profit after tax increased by 11%. In our last call in May, we explained the 2 factors weighing on our margins: the supply chain disruption caused by the conflict in the Middle East and the front-loaded cost of our expansion. Both continue to affect the first half, specifically the first quarter, although their impact has begun to ease now.

The supply chain disruption is visible in our gross margin, which was 24.9% compared to 27.1% a year ago, as material costs have increased. Gross margins, however, have improved from 23.5% in the second half of FY26. The cost of our expansion is visible in our operating expenses. Employee costs and other expenses together with the increased- together increased by approximately 45% over the first half of FY26. As we staffed and operated the new lines and plants ahead of their full volumes. As utilization rises, these costs along with depreciation will be spread over a larger volume of output.

Below EBITDA, depreciation and finance costs increased as the new lines were brought into service and our working capital borrowing rose. I will now turn to the balance sheet. Our planned capital expenditure is complete and net worth increased by Rs 132 to Rs 132.8 crores from Rs 125.5 crores, reflecting a profit retained during the first half. Net debt has increased by Rs 37 crores during the first half to almost Rs 120 crores. The increase in borrowings is entirely short-term and it was funded- it has funded growth in receivables and inventory that accompanied our revenue growth.

These short-term borrowings were covered 2.2 times by receivables and inventory. The debt-to-equity ratio was 0.97 times compared to 0.73 times as of 31st March 2026. We have a clear path to reducing leverage. No significant capital expenditure is planned going forward. Operating leverage should improve as utilization rises, and the export factoring facility we introduced during the first half converts export receivables into cash shortly after shipment. Our funding base has also strengthened. In March, we added working capital limits of approximately Rs 60 crores, with Citi

joining as our second banker.

In October, CARE Ratings assigned the company a long-term issuer rating of CARE BBB stable, which is an investment-grade rating. And coming to the standalone results, I will briefly explain. As we explained on the last call, the company procures certain materials on behalf of Warren because it obtains better terms from suppliers as a listed company. These sales are included in standalone revenue. On the flexo side, on the standalone side, the first half was Rs 79.3 crores, an increase of 17.3%, and the standalone EBITDA of 12.5% compared to 18.6% a year ago and 11.5% in the second half of FY26.

However, I would like to mention that the flexo business has been flattish in the first half. Compared to the previous half and the year before on the back of lower demand because of higher material prices. We will discuss this more during the Q&A. Our focus for the second half is on the priorities Deepanshu ji outlined, which is improving utilization, converting approvals into regular orders, growing exports, and reducing working capital. With this, I would like to also go through the presentation very quickly just to highlight some things.

So we have been very actively focusing on our exports and we have had very good performance on the export side. We presented in 5 industry events across 4 countries and multiple continents. And have had a good traction. We started only in 2026 on the export side, and I'm glad to report that we have done export sales of over Rs 8 crores so far, uh, and expect this number to grow. We have also started 2 new flexographic plants, which is Bangalore and Oman. Oman was impacted by the, uh, war in the Middle East and is still in the early stages.

Bangalore has started production and we expect handsome growth to come out of Bangalore shortly. Our new pharma lines, all of them are operational now, now which includes the old Alu-Alu capacity of 8,000 metric tons. PVC-PVTC new plant of 12,000 metric tons has started just last month. Tandem and Sorry, the new Alu Alu plant of 12,000 metric tons has started just last month, and the PVC, PVDC, and tandem lines are also operational. So overall, we have around 1,000+ crores of capacity now in-house, which we can now start filling and should drive our growth for the next few years.

I have already spoken about the balance sheet and I'm happy to report that CARE has given us a BBB stable rating. We are also sufficiently funded in the short term, so we have new banks available. We are also happy to report that we have been- we have done well on export factoring and domestic factoring, and more such facilities are available, and we will continue to avail them to improve the balance sheet efficiency in the future. Most of the debt that we are taking on is to fund the working capital.

We have also been a little more efficient in our working capital, as you will see. We have been able to, as we grow in size, we have been able to increase our current liabilities to support our current assets. In terms of segmental overview, I've already mentioned that flexography was flattish and most of the increase has come from the Warren business, and we expect Warren business to now, with all the factories up and running, continue driving growth. We are perhaps one of the very few players in the pharma segment who are present across the spectrum from standard, high, ultra-high, and highest product portfolio, and we offer a bouquet of products that are unmatched in terms of quality.

And availability to our customers. So, and, and we are continuing to grow our customer base, uh, every month. So that is, uh, that is on the updates. 5 strengths that we have now is that we have 2 complementary businesses, uh, both having recurring demand, and we have the capacity in place.

Most of the CapEx is done now. The CapEx cycle With the CapEx cycle behind us, we are now focused on filling that capacity and growing our top line and bottom line. A lot of the expenses that we saw in the last 1 year are attributed to the new hiring and the other expenses that we have made towards the new capacities.

These expenses are expected not to rise in line with the revenue. Revenues should now start climbing up whereas these expenses start to plateau off. So we should see an accrual on the bottom line. Both of the businesses that we are in are high entry barrier businesses. We have spoken this and discussed this in previous calls earlier as well, and our export initiatives have started to bear results. I am very happy with the export performance that we have had so far in the year, but of course there is a lot of- lot more to do and we will continue to focus on it.

On, on this area. This is again a small- yeah, in terms of customer base, both the businesses are fairly diversified in terms of customer base. Warren has 350+ customers, in fact 400, about 400+ now, and Creative has 4,000+ customers. Both customers have fantastic client retention rates, and we expect that both businesses will continue to grow. Flexographic has had a flattish few months, but we expect that to revert as well. As I said, as I've been saying, our capacity is now capable to- our Warren capacity specifically is now capable to support Rs 1,000+ crores of top line, and we have all intentions to use it and suited to the best.

So that's about it from my side. With this, I thank all of you and I hand the call back to Himani to open the floor for questions. Thank you.

## Questions & Answers

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Mr. Kulkit. We will now begin with the question and answer session. Participants who wish to ask a question may use the raise hand icon on Teams. To ensure that everyone gets an opportunity, we request you to limit yourself to 2 questions at a time, and you're welcome to raise your hand again for any follow-up. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
So we have the first question from the line of Mr. Harshit. Mr. Harshit, could you please unmute yourself and ask your question?

**Harshit - Analyst**
Hello audible yes

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Your hello

**Harshit - Analyst**
Yes thank you for the opportunity so since all a plants are live right now so what kind of revenue and EBITA margin are we expecting for H2 FY27 and FY28

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Pulkit please

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Kajit we we are non for not giving guidance we can not give you guidance But all I can tell you is that it will be better than the past. We are- we exited H2 on a good note. Within H2, Q1 was the worst possible quarter that we had, but we have been able to show you some growth for the second half, which means that the Q2 was very good. We played super hard and were able to catch up. I hope, and I think the consular will agree, that we will try to maintain that velocity in H2 as well.

**Harshit - Analyst**
So in the last call, we mentioned that we will do around 14% of EBITDA margins. So, so do we have any color on that? Like, how, uh, like, what will be our EBITDA margin trajectory going forward in H2 and FY28?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
That must be the stable state. EBITDA margins that we have mentioned. We never give periodic forecasts or targets.

**Harshit - Analyst**
So is there any listed player we can compare ourselves with to, you know, have a better grip on EBITDA margins?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So when, uh, so you, you can see Capriance Healthcare, or there's another company called ACG. They're not listed, uh, I suppose ACG. So you can compare if you want to.

**Harshit - Analyst**
So Billcare has been doing single-digit EBITDA margins, right?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So they have a different reason. So no, I should not be commenting on my peers. If you go see, then they had a different reason apart from the business. It is that they had taken some debt on for a personal front. I do, I do. I have nobody to comment on that. So you see that debt is huge on their books, which is not business related. So that is lowering down their EBITDA.

**Harshit - Analyst**
Okay, so this 14%, which is the steady state, like, do we see an FY29-30 going forward or something like that?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Should be before than that. We are just trying for this and hope to achieve it even, uh, that financial year.

**Harshit - Analyst**
Okay, is there any fundraising? Like, are we contemplating any fundraising going forward?

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
As Pulkit just mentioned that we are not requiring any fund as of now. So there is no planning of going for any fundraisers as of now.

**Harshit - Analyst**
Okay, got it.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Harshit, and I will request the participants again to limit your questions to 2. So that everybody can get the opportunity. Now I would like to take the question from the line of Mr. Manohar Rao Yadav. Mr. Manohar, if you can just unmute yourself and ask your question.

**Manohar Rao Yadav - Analyst**
Yeah, hi sir, good evening. So my question was, sir, in the first half we have done about Rs 172 crores of revenue from Warren adjusting for the Flexo division. So can we get a split of how much is it from LULU, PVDC, and any other product in crore terms and also in tonnage terms? And What is our October run rate which we have closed in terms of the tonnage terms, and what are we looking to close for the second half in terms of utilization? Just the Warren part, uh, whether 2 divisions or 3, I'm not aware.

LULU, PVDC, and if anything else.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
If you can drop your mail, so we'll definitely be mailing you the split after this because this is a huge detail. We'll have to go deep.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
We are not going to give product-wise numbers, but I can tell you that almost 85% of the sales were from ALU-ALU. PVC, PVC has witnessed, as we mentioned earlier also, has witnessed severe bottlenecks in terms of supply chain because of the war crisis, which started to ease only in late half of H1 this year. So Majority of the sales are from the available machines.

**Manohar Rao Yadav - Analyst**
Will we be able to mention, sir, what we would exit at? Because this is something we have been periodically doing, uh, what utilizations we are targeting to exit at and maybe what we are- we did in October. Any one of that which we will be able to mention?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Yes, sure. So for the exit, we exited, uh, H1 at 43% capacity utilization. This is the exit. No, sir,

**Manohar Rao Yadav - Analyst**
What I was asking is what we were- we are trying to exit this year at. Any- anything we are looking to, or we would not like to comment on that? Because in terms of utilization in Warren, and what is the exit utilization we are looking at for this financial year?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
We are trying, you know, as a- that is a- as we already mentioned, that we would definitely try to to utilize as much as possible. We will definitely- because there had been a very turbulent, uh, half year because of so many reasons, but we, we are expecting a good growth. Uh, would be difficult to give you the exact number, but we would try to achieve as much as possible. So should be more than- one

**Manohar Rao Yadav - Analyst**
More, one more question is, uh, we did, as per my calculation, about 17% of gross margin in Warren in this half. Which is roughly 300 basis points higher from the last half. So are these our normalized gross margins, or we are yet to achieve our normalized gross margins? And what is our normalized gross margin? Because, because of this inter-corporate bookings which we have been doing, at one point of time we were also doing 25%. Just I'm talking about one and not about the overall group. So what is our normalized gross margin, and, uh, is there any room of growth?

Just On normalization, not on incremental export increase, just on the normalization.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Seventy percent gross margin. We have never had seventy percent gross margin.

**Manohar Rao Yadav - Analyst**
Nineteen, seventeen, seventeen, seventeen, one seven in Warren. I think so.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
As I've mentioned, whatever our gross margins

**Manohar Rao Yadav - Analyst**
Might have been for this quarter, are they normalized or there is room to expand?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
No, there are. These are normalized gross margins. You will, as I've mentioned several times earlier, we will see mid teens kind of gross margins. That could be two. 2-3% here, 2-3% there. As we continue to ramp up the PVC, PVTC businesses, which are higher margins than the agro business, we expect over, over the next few quarters, we expect the gross margins to keep rising slightly. But yeah, you should take that mid-teens kind of a number as the long term.

**Manohar Rao Yadav - Analyst**
Just one last question from my side, sir. Really sorry, is our working capital limits have increased exponentially and our short-term borrowings have increased. And is there any room for incremental- I mean, is there incremental working capital available, available, uh, available to us, you know, considering the growth we might be expecting in second half? Because from the outside it looks like we are almost at the neck.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
We are not, we are not at the neck. There is sufficient working capital available. But that said, we don't avail the working capital 6 months ahead of time. There are, there are bankers, there are players who are willing to extend facilities to us. We have started relationships, as I mentioned, on the export factoring side, on the domestic factoring side, and we will continue to scale up as we, as and when we need that. So financing should not become a bottleneck.

**Manohar Rao Yadav - Analyst**
Okay, sir, thank you so much. That's it.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Thank you.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Mr. Yadav. Uh, now I would like to take the question from Mr. Darshan. Uh, Mr. Darshan, if you can just unmute yourself and ask your question.

**Darshan - Analyst**
Hello, hello, can you hear me?

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Yes. Hi, Pulkit

**Darshan - Analyst**
Ji. Hi, Deepanshu ji. Good set of results despite the turbulence you have faced.

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Thank you.

**Darshan - Analyst**
I, I just had a few questions. One would be, uh, our other expenses have shot up. Which is understandable why, but I just want to understand [Foreign Speech] just because of the situation we were facing like these this the other expenses which we have booked in this H2 that was for the full year last year I think. So [Foreign Speech] these are the other expenses which we will carry forward as well and how much was one off and how much was how much from this would be steady state.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Standing, standing today where we are, you should look at it as a steady-state number. We can save probably- so some of our power bills are also part of these other expenses. So if power costs come down, which have gone up because of the crisis in the country, we can expect to save a few crores in this number, but I would not build my case on that. I would assume that this is the steady state, and as I said in my remarks, these, these numbers will not grow in line with the top line. So as we go forward, you will see the top line increasing much faster than the other expenses.

So as a percentage terms, they will appear to be minuscule sometime into the future.

**Darshan - Analyst**
Okay, so at

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
This point of time, there has been a- you are right, there has been an increased cost of freight, increased cost of energy, as Punit mentioned. So, uh, we hopefully optimizing, thinking that there will be some taming of this pricing over a period of time. So that should be a plus factor in coming months.

**Darshan - Analyst**
Yeah, that is why I was trying to ask, but I understand. Second point would be, I understand you don't give forward guidances. I just want to know what would be in metric terms, what would be the utilization levels in November as of now in all the 3 plants, or in PVDC, PVC, and in the new factory Alu-Alu as well. Just the current run rate which we might be doing in metric terms is fine.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
I can tell you the run rate for September because that is the period we have closed. Run rate for

September was 43%, 40-odd percent for Alu-Alu, and it was around 10-15% for PVC-PVC.

**Darshan - Analyst**
I was just trying to ask what would be the current run rate, but I understand. [Foreign Speech] I'll fall back in the queue. And just one more question, since somebody asked that since by when are we looking to fully utilize the capacity, and he mentioned the timeline would be, is it FY21 or FY30? Deepanshu ji, you said, I think we are trying to do it earlier than that. So can I take by that that by FY28 we're planning to utilize the current capacity which we have built up in Warren?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
That is the target.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Why would we? Why would we want to delay? If it were to us, we would want to you know utilize it within the next month.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Darshan ji this pharmaceutical packaging is a tough industry to be in as you know that the anti barriers are huge. We are continuously talking and you know in the process of getting validated from various big pharma companies. We are looking at the export avenues and there have been a good traction. So idea is to utilize this facility as soon as possible. And, uh, this huge facility gives us a lot much of headroom for the growth. Also, you know, it has given a different, uh, spectrum of products.

Uh, you know, there are a lot of pharmaceutical companies abroad or even in India because it's an adjacent product we are dealing in. So definitely it has mitigated our risk and also given a part of the growth as of now. So, okay,

**Darshan - Analyst**
Wonderful, wonderful. I know about the entry barriers. I've talked to many industry guys. They all have good reviews about you. Wonderful. Just one last try. Manav also tried, I'll also try. What is the exit run rate which we might be looking in the capacity utilization while we end this financial year?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Ah, so, uh, different, uh, for the different roll-up. So I would say that we should be, uh, Having more than fifty fifty percent for the utilization, I would go for Alu Alu and for PVC PVC. I'll go for twenty to twenty five percent of the utilization.

**Darshan - Analyst**
This would be the exit, right?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Sure.

**Darshan - Analyst**
Fine. I'll fall back in the queue. Thank you. Thank you so much.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Darshan. Next question is from the line of Mr. Aditya. Mr. Aditya, could you please unmute yourself and ask your question?

**Aditya - Analyst**
Uh, hello, am I audible?

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Yeah, I'm sorry.

**Aditya - Analyst**
Yeah, so congratulations, Ashutosh, Pulkit, and Dipanshu for the numbers. So I had 2 questions. One was, so see, currently we have the machines and it's a matter of execution, right, to scale up these machines. I want to know what is, uh, you know, Warren's aspiration to be after this. Because 1 or 2 years down the line, your machines would be learning, running in full capacity, right? So what's your next plan after it? And like any business line which you want to expand on. Secondly is on you, on the previous con call, you had mentioned that we had ventured into blister foil.

Anything there? How's it going? And what's the capacity there? That would be my 2 questions.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
I would answer the second question first, that we already have started with the blister foil. It is only for the export purpose. We are not as a strategy, uh, serving the domestic market. Uh, one second. The- you talked about that, uh, you know, after completing this facility, uh, so what would be the next, uh, target and step I, right, Aditya? Did I hear it out?

**Aditya - Analyst**
Yeah, yeah. and expanding on it, my question was because we are a company where working capital is stretched. so any expansion after this, like currently already a lot of money would be going on interested, ats

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So as of now, we are not spending anything. Our complete and 100% focus is to use the- utilize this machine's capacity to increase the utilization. We are not going for any other capacity, any other, uh, facility. So we- the prime target is to have a better utilization. Maybe we may require some here or there kind of a addition just to facilitate the production, not more than that. That is very, very clear.

**Darshan - Analyst**
And if

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
You're talking about 2-3 years after that, so we'll be very honest, we have not made a roadmap for that right now. We are totally concentrating on these 2 lines of businesses where we have to increase the utilization of our facility.

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Aditya, Aditya, you should look at it this way. Two three years back we were a ninety one crore top line company, right? And we have built capacities for a thousand crores. So we are already taking a big leap. We want to first land well and you know enjoy the benefits of this big leap first. [Foreign Speech] So we want to first settle this, uh, well, and then of course the world is open. But we will not go out of our area of competence. We will keep expanding in a circular way in adjacent markets, markets that we know.

And there are a lot of markets right now. We are focused on pharma, but there are several other adjacent markets that we can serve. And can expand quickly. We have demonstrated in the past that we can latch on to a big opportunity and move quickly, but probably this is not the time. This is the time to keep our heads down and execute on, on the plan that we have crafted for ourselves for the next couple of years.

**Aditya - Analyst**
That answers it. I wanted to know on one thing which was on blister. What's the capacity there, or is it included in your Alveolo machine itself? No, no, it is a small capacity.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
We have taken a very old machine to facilitate the order for the exports only. As I told you that we are not focusing on the domestic market, we are only concentrating on the export market through this. This capacity is very small. It is capacity is eighty to hundred tons per month.

**Aditya - Analyst**
Okay, and how's the response, sir?

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Response has been very good.

**Aditya - Analyst**
Okay, okay. That's answer. That's answer. Thank you.

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Thank you. Thank you. We have the next question from the line of Mr. Arnab. Mr. Arnab, could you please unmute yourself and ask your question? We have enabled your mic, Arnab. If you want to ask your question, please unmute yourself. We'll move on to the next person, uh, Mr. Ronak Bansal. Mr. Ronak, if you could please unmute yourself. Hello.

**Ronak Bansal - Analyst**
Hi. Hello. Am I audible?

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
You are. You are.

**Ronak Bansal - Analyst**
Hi, sir.

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Hello. Yeah,

**Ronak Bansal - Analyst**
So, so my question was on the line of exports. In H1, uh, this year we had our first exports, and in H1 we achieved 8 crores. So, so like, uh, what kind of pipeline for- do we see for H2? Will it be better than H1? And also, so our long-term target is 25% exports, right? So what are the new markets we are exploring, or we need- what new approvals we should get to achieve this 25% target? So could you share some light on these aspects?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
That's a very good question, Mona. That we, as for the export market, we are targeting Africa, we are targeting Latin America, we are targeting Egypt, Bangladesh, and GCC countries. These are very good potential. We, we are also looking at the Europe, which is a tough market. We are getting queries, and, uh, these are markets which are, uh, big in manufacturing of pharmaceutical packaging, but they are importing from different company countries, and we see a good potential of growth there, including Russia and, uh, Ukraine and other countries.

**Ronak Bansal - Analyst**
Okay sir [Foreign Speech]

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
There is no Packaging company raises one intent or one kind of a sample request. We supply the sample, it gets validated, and then they raise, uh, one order and we just supply that. That is one specific way of doing it. There's no company-country-specific restriction to export to any country.

**Ronak Bansal - Analyst**
Okay, okay, so got it. And so my second part of the question was like, uh, like H1 we did 8 crore, so going ahead half year onwards I think we'll be improving on this number.

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Yeah yeah

**Ronak Bansal - Analyst**
For sure for sure for sure. Yeah and and on the exports side also from Alu Alu versus PVC are we exporting both products or is it right now we are focusing on one type?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So whatever is in our kitty we are exporting things including Alu Alu Including blister, as I said, this is export-specific PVC, PVDC, and also sachets, which is our different shape. This is also extruded, extrusion-based sachet and different products. So whatever is the client requirement, we have all the product in kitty when it comes to OSD, which is oral solid drug spectrum.

**Ronak Bansal - Analyst**
And sir this 25 percent exports target sir will will you be able to achieve it by 28 by 28 like one I think you mentioned previously as we are trying

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Trying [Foreign Speech] and you know this is the initial entry barrier is strong because the country company who is giving you a Depending on the- I know there have been a lot many inquiries which we, we are dealing with on a daily basis. We have a targeted export department looking after all these exports. So there has been a good traction for this, and hopefully we'll be able to achieve that kind of a target as much as, as soon as possible.

**Ronak Bansal - Analyst**
Okay, so it's the last question. So, uh, uh,

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Sorry to interrupt, since there are other people also in the queue, so we want to restrict to only 2

questions per participant.

**Ronak Bansal - Analyst**
No, and I would request- thank you so much for answering.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Yeah, thank you, Ronald. We'll take the question from the line of Mr. Lalaram. Please unmute yourself and ask your question, please.

**Lalaram - Analyst**
Am I audible?

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Yes, you are.

**Lalaram - Analyst**
Thank you, Deepanshu ji and Pulkit ji. So I have 2 questions. First thing is, um, our total capacity, revenue capacity right now, Rs 1,000 crores, is only for the pharma business, uh, or is it including the flexographic business?

**Deepak - Analyst, Sapphire Capital**
Only

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
For the pharma business, and it's much more than Rs 1,000 crores.

**Lalaram - Analyst**
Okay, so it's- can you throw some more light when you say it's much more than Rs 1,000

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Crores? We are just being conservative.

**Lalaram - Analyst**
Okay,

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
That's what I will say.

**Lalaram - Analyst**
Good to know that. So, um, second question is, when you say 14% margin aspiration, let's call it aspiration or guidance, is it, uh, for a consolidated entity or is it for, uh, the pharma business?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Sorry, can you repeat the question again?

**Lalaram - Analyst**
In terms of margins, you said no, early teens, 13-14% EBITDA margin aspiration that we have. Is it for the consol entity or is it for, uh, only the Warren business?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
So for both, actually. The, the- what you'll see in the next few years is that the pharma business will

grow so fast that, uh, the flexography business will become a very small portion of the overall pie. So whatever is in the pharma business will also get reflected in the consolidated numbers.

**Lalaram - Analyst**
Okay, so sir, general question is this, that, you know, pharma industry is growing at, say, 10%, 12%, you know, generally, and we are growing at 40-50%. So [Foreign Speech] what is

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
The [Foreign Speech]

**Lalaram - Analyst**
But [Foreign Speech] switching you know there is a moat there [Foreign Speech] what is the let

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Me let me give this opportunity to explain to you

**Lalaram - Analyst**
[Foreign Speech] one

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Thing one thing sir we have as we have been saying this over a period of so many con calls that our motive is the technology we our expertise as we have been in the flexographic industry we are deeply related to this pharmaceutical packaging as far the technology is concerned as far the market is concerned So we, we, our buyers have been supplying a lot many labels and so many other components to them. So there is a relation one. Secondly, when we enter, we can see there is a definitely gap of the right kind of a quality to the market.

When you say that you are getting so fast entry, that seems to be true because there was a clear requirement of that kind of a supplier who can be able to supply that kind of a product in time. With a capacity which has a capacity and capability to produce those kind of pharmaceutical packaging. Secondly, we are the only company, if you see, which could build so much of infrastructure over such a small period of time.

**Unidentified Participant - Analyst**
If

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
You see the journey of all my peers, they have taken 20-25 years to build that kind of a capacity which we could build over 3.5 years. So this gives a lot of confidence in our product that people have been testing as a word of mouth. So we are able to supersede the, the earlier examples of our, uh, peers. Like I see that some peers are only limited to, uh, Alu Alu, some are only limited to PVDC, but we could build that capacity at a very, very reasonable cost. So that has given a very big headway for the growth, and, uh, that is You know, our focus on quality, our focus on service, our focus on building different product line, and that is our mode.

**Lalaram - Analyst**
So thank you, Dibajiji. So basically [Foreign Speech] the market was very big, there was a strong demand, but our competition was basically lazy. I mean, they were not investing, they did not put capacity because, you know, we were newcomer and we did this. Quickly. So is it that the

competition was lazy? They were not investing? What was

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
The barrier? Take my point that competition is never lazy. The competition, one is complacent. Second, another competition which were, you know, there is a large player and there were very, very small players who were not able to supply that kind of a quality. When supplier like Warren comes, he, he eats out the supplies of those smaller players who were not even compliant to, to all these requirements of a pharmaceutical company, who were not able to give that kind of quality, who were not able to give that kind of quantity at the right time.

So there was a directly need. I'm not saying they were lazy or some, some, something. Everybody has a different strategy, and, uh, we had been lucky enough to be at the right time and at right place.

**Lalaram - Analyst**
Hmm. So sir, absolutely, I'm very impressed, and therefore I want to actually understand. So what I'm understanding is that you are taking market share, uh, from these smaller fragmented players, you know, with small capacities, and, uh, that is the bigger reason why you are growing faster rather than the bigger players, uh, losing out business to you.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So there has been some slapping off, definitely, uh, share from the bigger suppliers also [Foreign Speech] pharmaceutical companies also looking for another supplier [Foreign Speech] the similar capacity to supply this.

**Lalaram - Analyst**
Okay, okay. Thank you so much sir and I wish you all the best and I really appreciate all the hard work

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Of you and your team. Thank

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
You for Satyam Agarwal, Mister Satyam, could you please unmute yourself and un ask your question or

**Satyam Agarwal - Analyst**
Hi sir sir first of all congratulations on a good set of numbers sir just wanted to know one more fundamental questions like on the approval side like when you go to a pharma company like how the Uh, get into a particular pharma client? And secondly, on the market size of LULU, like what is the total market size in India and abroad, and, uh, how much share do we have in, uh, this market?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So, Satyan, thanks for a lovely question. One thing is that, uh, a pharma company has a specific way of approving a new vendor. So when, when my team approaches them, they ask for the first of the set of the documents. Second, they would ask for some samples. The sample- when the sample is submitted, after the test- testing of the sample is done, they would like to have an audit done. Some, some client will go for a stability report. Stability report is a report which- where they would keep a sample for 6 months just to see any- does- is there any change in the pharmaceutical packaging?

So if it's not going to affect the, uh, pharma medicine over a long period of time, that is mandatory in

some companies. So if they- after the audit is done, and, uh, they will start giving us small orders just to see the quality consistency and supplies, and they will slowly and steadily start ramping up the orders if we- they see there is, there is a- has been a no or no lack of any of compliance or any of supply quality and so many other parameters. So that is the way we build business with the pharmaceutical companies.

What was another question of you, Satyanshu?

**Satyam Agarwal - Analyst**
And sir, just wanted to know more on this one, uh, Like, when we say that pharma business will ramp up very fast in the coming few years, so do we have approvals for most of the pharma companies? Like, have we done approval or have we taken approval in the last two three years so that in the next two three years this will ramp up very quickly?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So then this getting approval is an ongoing process. So we we have taken approval from let's say three hundred three hundred fifty companies we are already supplying. So they they have already approved us. But there are more than 2,000-3,000 companies who are not buying from us. So we are in constant touch of getting approvals from them on a regular basis. So it is not a one-time process. It is one-time process for one pharmaceutical company. Once they approve our facility, then there is a long- they will keep on ordering.

So there is no second audit required until there is some big blunder we do.

**Satyam Agarwal - Analyst**
Okay. And so, uh, Do are we growing on the particular pharma clients? Like if if we name some big companies, so are we growing in particular pharma clients at a very rapid manner? Like

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Onboarded Indicami, we just onboarded Micro, we just onboarded MSN Pharma, we just onboarded Hetro Export Division. We are there are so many excellent pharma. If you know the South Indian company, we are Uh, there have been, uh, new clients on a daily basis which we, which we, who are coming for the audit, who are coming and started giving the orders. Kaplan and, uh, Madras Pharma. There have been so many companies.

**Satyam Agarwal - Analyst**
Okay, okay, got it. Thank you, sir. And one more question that I was having was on the total market size that this Alu-Alu film business has and what is our market share.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So we we if you come to India the current market size would be approximately 5000 metric ton per month we are a we are not a pickler steel very good good headway to grow and after the whole world market I will not be able to give the right number as of now Satyam this is a very growing Alu Alu because owing to its aesthetic value, owing to its barrier properties. So would be difficult for me at this point of time that what is the total market size of the world.

**Satyam Agarwal - Analyst**
So sir, we roughly have 33% market share, right? Because you said 5,000 a month, which is 60,000 metric tons per year, and at the installed capacity. At the

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Installed capacity.

**Satyam Agarwal - Analyst**
Yeah, at the at the expanded installed capacity, we will have a 30% market, 33% market share.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
If we are able to convert 100% of market of the installed capacity, which is difficult, you know, in a- okay, so

**Satyam Agarwal - Analyst**
Typically in our industry, what is the right utilization, optimum utilization that we can go up to?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
80 to 85%. 80% is a- 80 to 85% is a good utilization.

**Satyam Agarwal - Analyst**
Okay, okay. Thank you. Thank you so much, sir.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Satyam. In the interest of time, we would be able to take one question each from next 3 participants. Please limit your question to one now. Now we would like to take the question from Mr. Deepak. Mr. Deepak, if you could please unmute yourself and ask your question.

**Deepak - Analyst, Sapphire Capital**
Yes. Thank you, sir, for this opportunity and many congratulations for good set of numbers. Given the- there is an echo

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
In your voice. There is a very strong echo.

**Deepak - Analyst, Sapphire Capital**
Now better? Only slightly. Okay, so I'm just trying to ask question. Let's see if I'm able to. So you mentioned that first quarter was bad and second quarter recovered well, so what, just trying to understand by annualization and out of 233 crore how much meeting first quarter and second quarter?

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
I am not able to hear this file pole, because your voice in on Deepak which company you are from if I may know?

**Deepak - Analyst, Sapphire Capital**
Sorry?

**Unidentified Participant - Analyst**
Your voice is not clear.

**Deepak - Analyst, Sapphire Capital**
There's

**Unidentified Participant - Analyst**
Some disruption.

**Deepak - Analyst, Sapphire Capital**
I'm saying Sapphire Capital.

**Unidentified Participant - Analyst**
Sapphire, okay.

**Deepak - Analyst, Sapphire Capital**
So I just wanted to ask, what was your revenue bifurcation first half?

**Unidentified Participant - Analyst**
First half

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Revenue bifurcation meaning?

**Deepak - Analyst, Sapphire Capital**
I mean, out of 33 crores, how much we did in first 1Q and how much we did in 2Q?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
I can't give you the exact numbers offhand, but I would, uh, I would hazard a guess. I think, uh, Q1 would be around 35 to 40% and Q2 would be the rest.

**Deepak - Analyst, Sapphire Capital**
Oh, okay, understood. And, uh, and given the approval takes time, right? I mean, in the warrant- and this warrant, when you say 1,000 crores we include PVDC also, right? Hello?

**Unidentified Participant - Analyst**
Yes, yes.

**Deepak - Analyst, Sapphire Capital**
Oh, okay. So given the approval takes time, I mean, is it possible to optimally utilize our capacity by FY28, as you were saying to one of the previous participants?

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
So, so there have been so many, you know, there's advantages that we are already supplying to so many companies who are buying already our product. So we, we think that is going to help us to ramp up the production of, uh, this facilities which are newly added, the new product lines.

**Deepak - Analyst, Sapphire Capital**
Oh, okay, okay. So, so it's possible, I mean, to, to kind of give an approval takes time, but already you are in tie-up with so many companies, uh, so to utilize your pharma capacity optimally. But that is our target,

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Deepak, and you know that could be 29, but we would try to, as a promoter, try to achieve as soon as possible. As I'm not giving you the guideline that 28 will be utilization of this, let's be very specific.

**Deepak - Analyst, Sapphire Capital**
Yeah, fair, fair. I, I got it. I think, yeah, that, that would be it from my side. I would like to wish you all the very best. Thank you so much.

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Thank you.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you. And we would just take the question from the chat now, uh, from Mr. Arnav. So his question is on the pharma packaging business, and he wants to ask if we categorize the customers in 2 parts, CDMO and generic marketing companies. My understanding is Warren has done a good job penetrating the CDMOs like Akums or Tirupati, who are price sensitive. However, what is our strategy to increasing share and becoming primary suppliers to the generics like Sun Lupin Supply, etc., where entry barriers are a lot higher?

Also, if you could bifurcate revenue share between CDMO and generic players, if possible.

**Deepanshu Goyal - Managing Director, Creative Graphics Solutions India Limited**
Ah, good question. So that, uh, if you say that the primary, the big players were the, were not generic suppliers like Lupin, we are supplying to a lot many companies including Organindo, including, uh, Alkem, Lupin, as you mentioned, we are already supplying to them. Um, Intas, Ajanta, Torrent, Cadila, Jaidus, and there have been numerous number of companies. If you see between CDMO and the pharmaceutical company, the split would be 90% to 10%. There are far less number of CDMOs than the pharmaceutical company.

This is a natural thing. So we are talking and we are getting validated by all the large companies. So we We are supplying to at least 40% of the major suppliers now. I'm talking only about the major supplier. We are in constant touch with the rest of them who are really big, including Sun. There has been a lot of conversation going on, and, uh, there are different targets like IPCA, USP, and so many others.

**Unidentified Speaker - Investor Relations, Creative Graphics Solutions India Limited**
Right. So, Anup, I've also unmuted you if you want to ask anything further. Just one question. Okay, we'll go to the next participant.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
That's Mr. Prasad, and this will be the second last caller we are taking the question from. Mr. Prasad, if you can just unmute yourself and ask your question.

**Prasad - Analyst**
Good afternoon, gentlemen. So, Pulkit ji, if I understood correctly, Warren's steady state gross margin could be in the range of 17-18% and EBITDA margin should be in the range of 13-14%. Is that right?

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Mid-teens is the answer. You should work with mid-teens. 17-18%, I think we should be able to achieve. Conditioned on 2-3 factors. First is growth in PVC, PVC, which are higher margin products. And the second is growth in export sales, which are again higher margin sales of the existing products. So conditioning, uh, conditioned on these 2-3 factors, we should be able to achieve this

kind of This is the gross margin that we are talking about.

**Unidentified Participant - Analyst**
Okay, sir. Thank you.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Thank you, Mr. Prasad. Uh, now we would like to take the last question from Mr. Manpreet. Uh, Mr. Manpreet, if you could please unmute yourself and ask your question.

**Manpreet - Analyst**
Yeah, thank you and good evening everyone. Just a clarification, uh, You, you mentioned that the H1 exit was, uh, 43%. Uh, it's on the old capacity, right, of 8,000 metric tons of Alu-Alu?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Or on the whole, on the whole 20,000?

**Manpreet - Analyst**
On the whole 20,000. All right. And, uh, we want to exit, uh, the whole year at least 50%.

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Oh yes. Yeah.

**Manpreet - Analyst**
All right, and the, the growth in revenue has been partially also due to the price increases that we have taken in our Alu Alu?

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Yes.

**Manpreet - Analyst**
Okay, so we have been traditionally in the range of Rs 380-400 per kg, and I think we mentioned that it had gone up to Rs 500-550. And yes. And given the, you know, war, etc., are these the ongoing prices as well?

**Unidentified Speaker - Management, Creative Graphics Solutions India Limited**
Almost in the same ballpark right now.

**Manpreet - Analyst**
All right, thanks a lot and all the best.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
And one last question from the chat, that is from Mr. Amit, and that how much was front loading of employee and other expenses in H1?

**Pulkit Agarwal - Group Chief Financial Officer, Creative Graphics Solutions India Limited**
Right, uh, so all, all the employees that we have hired have been hired in anticipation of the sales. There are a lot of common employees that are common to the existing facility and the new facility. The new Alu Alu facility is not a separate facility, is a, is a brownfield expansion that we have done. So we will not be able to give an exact bifurcation of the front-loading of these kind of expenses, but you can assume that the majority of the expense increase has been on 3 counts, 2 of which I have

mentioned in the past, uh, during my remarks and during the Q&A.

The first 3, I'll repeat them again. The first is the higher power and fuel expenses. All diesel gas prices have gone up. The second is the logistics prices that has gone up, and the third is the increase, uh, increased headcount and other expenses on account of the plants getting set, uh, started. So you can assume these to be the steady state with, with the underlying factor if the underlying factors remain status quo.

**Himani - Investor Relations, Creative Graphics Solutions India Limited**
Sure, so we understand that you might have more questions, but we would want to, in the interest of time, we would want to take this as the last question that we have already taken. You are welcome to ask your questions on the email which is mentioned in the investor presentation as well, so we will be able to answer you in the earliest possible time frame. So with this, thank you ladies and gentlemen, and that was the last question for the day. On behalf of Creative Graphics Solutions India Limited, that concludes today's call.

All. We thank the management and all of you for joining us in the evening. And for any further queries, please write to cs@creativegraphics.net.in. And you may actually exit the meeting. Thank you, thank you everyone. Have a great day. Thank you everyone

**Unidentified Participant - Analyst**
For your time. Thank you, thank you everyone.