



Aarti Drugs Limited

39th Annual General Meeting

September 20, 2024 at 11:00 A.M. I.S.T

Disclaimer: E&OE - This transcript is edited for factual errors.

CORPORATE PARTICIPANTS

Shri Prakash M. Patil	Chairman, Managing Director & CEO
Shri Rashesh C. Gogri	Managing Director
Shri Harshit M. Savla	Joint Managing Director
Shri Harit P. Shah	Executive Director
Shri Uday M. Patil	Executive Director
Shri Ankit V. Paleja	Independent Director
Shri Bhaskar N. Thorat	Independent Director
Smt. Neha R. Gada	Independent Director
Shri Hasmukh B. Dedhia	Independent Director
Shri Sandeep M. Joshi	Independent Director
Shri Ajit E. Venugopalan	Independent Director
Shri Adhish P. Patil	CFO & COO
Shri Rushikesh V. Deole	Company Secretary

Statutory Auditors, Secretarial Auditors, Other Key executives and Senior Management

Operator: Dear Shareholders,

Good morning and warm welcome to you all to this 39th Annual General Meeting of Aarti Drugs Limited being conducted through Video Conferencing or Other Audio Visual Facility. As a reminder for the Smooth Conduct of the Meeting all members will be on Mute during the AGM. The Audio and Video will only be activated for those who have preregistered to speak. Additionally please be aware that the AGM Proceedings will be recorded and later made available on the Company's Website as per the necessary requirements. Adhering to the Circulars issued by

Ministry of Corporate Affairs and the Securities and Exchange Board of India the Company is Vigilant and conducting this Meeting through Video Conferencing. In this regard let me state that Facility to join this meeting is made available on First cum First Serve Basis. To maintain the Decorum and hassle free Conduct of the Meeting all the Members who have joined this meeting are put on mute mode. Those who have preregistered themselves as Speaker Shareholders will be allowed to Speak. The members can also communicate their questions through chat box provided just below the Live Streaming Screen. Such Members are requested to frame their questions precisely. We will try to reply to all your questions at the end. Still, if you need more clarification on a particular matter, you may write to the Company Secretary at the investor relation ID available on the Company's website. The members are requested to use the internet with good speed to experience a seamless conduct of the meeting. Due to any technical reason, if you disconnect or lose the internet connectivity. In that case, please log in again using the same pathway. In case of any technical issues, you may contact Helpline Numbers mentioned in the notice of the AGM, the attendance of the members participating in the AGM through video conferencing shall be counted for the purpose of ascertaining the quorum.

Operator: I now hand over the proceedings to the Company Secretary, Shri Rushikesh Deole, over to you, sir,

CS: Dear Shareholders, Chairman, Board Members and the Invitees,

Good Morning and Greetings to each one of you,

I, Rushikesh Deole, Company Secretary, welcome you all to the 39th Annual General Meeting of Aarti Drugs Limited.

In today's meeting; We have with us;

- i. Shri Prakash M. Patil, Chairman, Managing Director & CEO of the Company,
- ii. The Board Members,
- iii. Shri Ankit Paleja, Chairman of Stakeholders' Relationship Committee,
- iv. Shri Hasamukh Dedhia, Chairman of Audit Committee,
- v. Smt Neha Gada, Chairperson of Nomination & Remuneration Committee,
- vi. Shri Ravindra More, Representative of the Statutory Auditors, M/s Gokhale & Sathe, and

vii. Shri Sunil Dedhia, Scrutinizer and the Secretarial Auditor of the Company

We have a requisite quorum, to begin with the proceedings of today's meeting. Please note that requisite records and registers are made available for the inspection by the Shareholders electronically.

I now request our Chairman Sir to commence the proceedings of this Meeting. Over to you sir.

Chairman:

Thank you. Dear shareholders,

I Prakash Patil, Chairman, welcome you all to this 39th annual general meeting of your Company. This meeting is being held through video conferencing and other audio visual means. Notice of AGM dated 26th July, 2024 and a copy of annual report for the financial year ended 31st March 2024 have been circulated to the members of the Company electronically. With your permission, I take them as read. Before we begin with the formal proceedings, I would like to request Chief Financial Officer and Chief Operating Officer to introduce the Board members present.

CFO:

Good morning, ladies and gentlemen. I am Adhish Patil, CFO and COO of the Company. Now I am introducing the board members.

1. Shri Prakash M. Patil

He is the Chairman, Managing Director and CEO of the Company, and has been associated since inception of the Company's operation. He is a chairman of, Risk Management Committee and Finance and Investment Committee, and also a member of Audit Committee, Nomination and Remuneration Committee, CSR committee of the Board.

2. Shri Rashesh Gogri

He is the Managing Director and has been associated with the Company since 2012 he is a member of the Audit Committee, Risk Management Committee, Finance and Investment Committee, and the CSR committee of the Board.

3. Shri Harshit Savla

He is the Joint Managing Director and has been associated with the Company since 1987. He is a member of the Stakeholders

Relationship Committee, Risk Management Committee, Finance and Investment Committee of the Board.

4. Shri Harit shah

He is the Executive Director and has been associated with the Company since 1995 he is the member of the Stakeholders Relationship Committee, Risk Management Committee and Finance and Investment Committee of the Board.

5. Shri Uday Patil

He is the Executive Director and has been associated with the Company since 2000. He is a member of the Finance and Investment Committee and Risk Management Committee of the Board.

6. Shri Narendra Salvi

He is a non-Executive Director, and has been associated with the Company since 2020 he has over 37 years of experience in the API industry. He is a member of the Stakeholders Relationship Committee of the Board.

7. Shri Ankit Paleja

He is an Independent Director, and has been associated with the Company since October 2021. He is a lawyer with over 17 years of experience. He is a Chairman of Stakeholders Relationship Committee and also a member of Audit Committee, Nomination and the Remuneration Committee and Risk Management Committee of the board.

8. Professor Bhaskar Thorat.

He has been appointed as an Independent Director of the Company w.e.f. May, 2022. He is a Senior Professor of Chemical Engineering at Institute of Chemical Technology. He is a Chairman of the CSR Committee and also a Member of the Nomination & Remuneration Committee and Risk Management Committee of the Board.

9. Smt Neha Gada

She has been appointed as an Independent Director of the Company w.e.f. May, 2022. She is a Practicing Chartered Accountant and Insolvency Professional with over 22 years of experience. She is a Chairman of the Nomination & Remuneration Committee and also a Member of the Audit Committee of the Board.

10. Shri Hasmukh Dedhia.

He has been appointed as an Independent Director of the Company w.e.f March, 2024. He is a Chartered Accountant and also holds DISA. He has an experience of over 40 years in handling audits, due diligence, consultancy and business restructuring. He is a Chairman of the Audit Committee of the Board.

11. Sandeep Joshi

He has been appointed as an Independent Director of the Company w.e.f March, 2024. He has over 30 years of experience in export marketing and business development with companies in India and abroad.

12. Ajit Venu Gopalan

He has been appointed as an Independent Director of the Company w.e.f March, 2024. He is a Chartered Accountant and a Banking professional with over 30 years of experience in banking and finance. He is a member of the Audit Committee of the Board.

Now I request the Chairman to begin with a formal address to the Members.

Chairman:

A warm welcome to the 39th Annual General Meeting of Aarti Drugs Limited. On behalf of the Board, I thank you for joining us today. Your presence and continued support have been crucial in driving our progress, and I deeply appreciate your commitment to the Company.

I hope you had a chance to read our 2023–24 Annual Report. Let me share the performance highlights for this year:

Globally, the year 2023-24 was a slow growth year with geopolitical instability, supply chain disruptions, and high energy and commodity prices. The Indian economy, on the other hand, showed signs of resilience with a growth of 8.2%, making it the fastest growing major economy in the world.

Your Company stayed true to its commitment of delivering value to the shareholders, in addition to achieving significant feats.

This year, we are redefining sustainability and aligning our operations with India's broader environmental goals.

This year represents a pivotal shift for the Company as we expand our manufacturing capabilities and introduce new products.

We continue to prioritize community development through various CSR programs.

Our leadership team is committed to steering the Company with integrity, transparency, and a long-term vision.

I would now like to run through a brief presentation on your Company which will give you more insights about the Company. I request CFO to make the presentation;

CFO:

During FY 2023-24, the Company has grown in terms of volume on account of its long-term strategy and robust expansion plan. Due to its global presence with the finest sense of business, it has shown resilient financial performance in challenging times. If you see exactly 40 years back, your Company got incorporated in 1984 then in 1993 around 31 years back, we got listed on BSE. Then various small units of the Aarti group manufacturing, APIs, got merged into Aarti Drugs in 1996 to form a much bigger Company. Then in 1998 Aarti Drugs, for the first time, cross a turnover of 100 crores. Then 10 years later, in 2003 we also got listed on National Stock Exchange of India. Then in 2014 Company cross a turnover of 1000 crores, and also it took one major step in the direction of formulation business by acquiring a formulation subsidiary. Then very soon, in 2017 our subsidiary pinnacle, cross a turnover of 100 crores. Then in 2021 your Company crossed the revenues of 2000 crores, and a formulation revenues was contributing around 200 crores also in the same year, your Company also crossed the landmark of 200 crores in terms of consolidated profit after tax. Then in last year, that is financial year 2024 consolidated revenue of the Company was about 2500 crores. you can see on this slide that 20 years back, your Company was known as the biggest anti-diarrheal manufacturing, API manufacturing Company. As of today, it is known as one of the biggest antibiotic manufacturer Company in terms of its Chlorquinerol range, we have five Antibiotics in those range you can see then, in many of the products, in fact, the Company has largest production capacity and market share in India. In three to four products, we have global leadership in terms of being the highest producer of the API globally, to name few, Nimesulide, Metronidazole, Metformin all the antibiotics, then antifungal, Ketoconazole, Metronidazole Benzoate, Tinidazole are few of the products where your Company is leading globally as of today, Company has 13 manufacturing facilities, one of which is formulation in Baddi. Two of them are in Gujarat, and other 10 are in Tarapur MIDC, in Maharashtra. By

end of last year, the monthly production capacity of your Company was 4765 tons per month, we manufactured around 80 plus finished products. The total developed plant area is 1,26,642 square meters. The employees are roughly around 1749 the export and local domestic revenue split is around 38 to 62% we manufacture more than 50 plus API molecules in a given year, and we have exported till date to more than 100 countries globally. Next, here you can see there are three main segments in the Company. One is active pharmaceutical ingredients with which we started the Company that contributes around 79 to 80% of the revenue. Then the third one, which is a specialty chemical and intermediate business that contributes around 7% to 8% to the total consolidated revenue of the Company. And the formulation business is contributing around 12% to 13% to the consolidated revenue of the Company. Next here, you can see where all the facilities, all the 13 manufacturing facilities of Aarti Drugs, are situated across India. And we have also listed down various certifications for different units which we have in different geographic location in India. We also have this slide in the investor presentation, which is uploaded on our website. On the right hand side or the bottom, you can see that the install capacity of the Company has been continuously going up in last three years, from 48.9 thousand tons to currently that is by the end of FY 24 it went up to 57.17 thousand tons. And the net production has also been increasing of the Company in last three years. Next, to drive all this revenues and innovation in every Company needs a strong R&D, and I'm glad to share that Aarti Drugs has Both formulation as well as API R&D. We have formulation R&D dedicated Center at Turbhe in Mumbai, whereas our API R&D center is situated in Tarapur, MIDC. So our R&D center is also recognized by Department of science and Industrial Research by government of India. And we have qualified people. We have a good enough budget to spend on R&D, so that in coming years, the profitability and the revenue growth of the Company will remain strong. Next, on this slide, you can see the Diversified geographic presence for the Company. Here we are showing where our API spec-chem and intermediate exports are taking place across the globe. As you can see, we are covering five continents, North America, Latin America, Africa, Europe and Asia. So when it comes to Asia, it also covers Russia, China. Typically, people always think that no one exports APIs to China, but I'm glad to share that Aarti Drugs also exports API as well as intermediates to China as well. On the right hand side, we are listed three of our top 10 countries in terms of exports. Then on the bottom pie chart, we have shared that around 61% of this sale, export sale is to the regulated countries, and 39% is to semi regulated countries. ESG, as you all know, is very important in today's world. All the companies are putting lot of efforts and resources for developing themselves in this direction,

and so is Aarti Drugs, as far as environment is concerned, we are continuously doing R&D, adopting different technologies to reduce our effluent load, more and more, almost all of our API Facilities are now going towards zero liquid discharge facilities. We are doing a lot of forestation to reduce our carbon footprint because we feel that is the best way to do so. Also, we are doing lot of activities on a social front that is the second part, women empowerment, healthcare, then gender diversity, then also promoting good work environment for the employees in house is also part of our social initiative. As far as governance is concerned, right since the beginning of the Company, beginning of the incorporation of the Company, the governance of Aarti Drugs has been really strong. We take lot of efforts to maintain all the compliances. As far as corporate governance is concerned, and we do not compromise even a little bit when it comes to governance. Next, So on this slide, you can see few of the activities which Aarti Drugs has done directly, and to mention that we also do lot of CSR activity through our group foundation Company that is Aarti foundation as well. So few of the direct CSR which we have done locally near factory premises in Tarapur as well as inside in Gujarat, we have donated ambulances to the gram Panchayat for faster access to the rural areas in terms of emergencies, we have provided a lot of infrastructure to the PHC health centers, where the healthcare is given free of cost to the poorer section of the society. We have been donating a lot in terms of infrastructure, developing the infrastructure of schools where there are no fees from the students, then we have also done few projects where using the renewable energy, we are supplying water to the remote areas in the villages where they did not have even potable Water earlier. So we are glad to say it has impacted lot of people across three villages in terms of their livelihood in portable water, agriculture as well. And it is a sustainable mode. Then, as a part of continuous tree plantation program, we are doing plantation everywhere. We are also using the technique of Miyawaki to create dense forestation to improve the air quality of the area. Next, So we have been showing this slide since last three years. we started our big capex program of around 600 crores, starting from FY 22 this capex program would be completed by this current financial year that is FY 25 with two big green field projects coming in action. One, we have already just started in last quarter, and another one we will be starting very soon in a month's time. And this will not only help in backward integration, but also help in sustaining the profits of our anti diabetic product API product line. Ultimately, it should lead to revenue growth, also higher margins in terms of gross contribution and higher return on capital employed. Next, So now we'll look at few of the key financial highlights for last two years. So as you can see, even though the net revenues from operations have gone down from 2718 crores to 2533 crores, it is entirely because of the rate

negative variance, the input cost, the raw material cost, have gone down, and so is the selling prices. However, when it comes to volume growth, we have grown from FY 23 To FY 24. EBITDA margins have also improved. PAT margin has also improved. And PAT in absolute sense has also gone up to 172 crores. Next, here we can see the segmental breakup for the last two financial years, which I already spoke about during the previous slide. So we can go to the next slide. Next, So here we are showing the recent financial performance in terms of Q1 FY 25 for the API industry, was quite a challenging quarter, mainly because there were a lot of government elections going on across 60 to 70, countries abroad, because of which the government tenders were little bit slow, and in turn, it created lesser volume demand for our export market, and that is and also it was coupled with the fact that the raw material prices further went down, and hence the same prices also went down, and that impacted the overall top line of the Company as far as Q1 was concerned. However, we do expect all the EBITDA margins and the PAT margins to improve in the second half of FY 24 because right now, the scenario is quite stable since last two, three months. So now we will have a look at the last five years performance of the Company in terms of revenues, EBITDA, profit after tax, EBITDA margins and PAT margin. As you can see that FY 21 we are showing the maximum profitability because that was the year when COVID struck. There was lockdown. APIs were not available from China. So the competition for Aarti Drugs had gone down, and that created an exceptional year in terms of profit. However, after that, there had been lot of challenges in terms of macroeconomic factors, nothing to do with the Company internally, but the external factors which led to the variation in the top line in terms of the cost, the selling prices, initially they went up very high, escalated in a very short span of time, Because of crude, because of Russia, Ukraine war. And then it corrected. It started corrected from September 2023 and it then it started coming down sharply. So again, there was volatility in the prices. We had to book some inventory losses as well during this period, because we carry, carry around 90 to 100 days of inventory. So all these factors are temporary in nature, and we feel that, because all the pricing volatility has gone and the prices are quite stable in last two, three months, we hope that the situation will continue like this, and our profitability will again come back to the original levels of around 14.5% to 15% of EBITDA margins, very soon. Next, here you can see the EPS of different years we have adjusted the EPS for according to the proportion of the bonus issue in last after the last issue of bonus, that is the net worth has consistently grown of the Company now by last financial year, and it stands around 1282 crores. The leverage, which is one of the key risk factor, you can see the Company has continuously improved upon the leverage, even after distributing, even after

giving shareholder payout, then the ROCE of the Company, we feel it should again go back to around 18% to 20% in near term, with the all, both the Greenfield projects Coming into action, and after the gestation period is over, we should hit the original ROCE numbers and the ROE numbers quite quickly, probably within 6 to 12 months. Next, This is a small brief about how Company has distributed its profit over last seven years to our shareholders. Our policies ranges between 15% to 30% based on what capex projects are going on. In spite of the capex the growth program which Company has undertaken over last three years, still, we have distributed around 23% of profit after tax, which comes to around 262 crores in the form of dividend and buyback of shares over last seven years, which has been distributed to shareholders. So on this slide, we have kept the contact information for the Company directly and also our Investor Relations advisor, that is strategic growth advisors, so they have been handling our investors relation. Thank you.

Chairman:

On behalf of my colleagues on the Board, I would like to express my sincere gratitude to all our Shareholders, Employees, Customers, Suppliers, Financial Institutions, Government and Semi government agencies and other connected business partners for being with us throughout this journey. It is their goodwill that renews our belief in ourselves and our potential to be more. I would particularly like to thank all the employees of Aarti Drugs for their dedication, hard work and commitment towards the Company. We expect you all to stay safe and healthy and are committed to the long term growth for Aarti Drugs in years to come. With this I would like to conclude my remarks and request the Company Secretary to take the proceeding forward.

Thank you all...

CS:

Dear Shareholders,

With your permission, I now take up the resolutions which require the shareholders' approval.

For today's Meeting we have 7 agenda items to be transacted, out of them 2 of them are ordinary and 5 are special businesses:

	Agenda	Bus	Reso.
1	Adoption of Audited Standalone and Consolidated Financial Statement for the Financial Year ended 31st March 2024, together with the Reports of the Directors and Auditors thereon.	O	O

2	Re-appointment of Shri Narendra J. Salvi, who retires by rotation and being eligible, seeks re-appointment.	O	O
3	Re-appointment of Shri Ankit V.Paleja as an Independent Director.	S	S
4	Re-appointment of Shri Bhaskar N. Thorat as an Independent Director.	S	S
5	Re-appointment of Smt. Neha R. Gada as an Independent Director.	S	S
6	Revision in the terms & conditions of appointment of Shri Uday M. Patil, Executive Director of the Company.	S	O
7	Ratification of remuneration to be paid to the Cost Auditor.	S	O

Pursuant to the prevailing regulatory requirements, the Company had provided the facility of remote e-voting in respect of businesses to be transacted at the AGM through the NSDL platform to all the Shareholders holding shares as on the cut-off date i.e. Friday, 13th September, 2024.

The remote e-voting period commenced on Tuesday, 17th September, 2024 at 9:00 AM and concluded on Thursday, 19th September, 2024 at 5:00 PM.

The facility to vote during the meeting have been provided to the members who are present in the meeting and have not casted their votes through remote e-voting facility.

Before proceeding with the E-voting, I would like to invite members who have registered themselves as speaker shareholders.

Speaker Shareholders may please note that:-

- Your names shall be announced one by one.
- Once your name is announced, the moderator will unmute you.
- You may start your video and proceed further with your questions.
- Please ensure - there is no background interruption while you are speaking.
- Make sure - there are no other background applications running on your device and there is proper lighting for a good video experience.
- In case of any audio or video disruption, the Company may put you on hold and move to the next speaker. You may be allowed to continue at the end after all the speakers have finished.

I request the members to limit their speech for 2 minutes and restrict yourself to the businesses relating to the AGM only.

Operator: Thank you very much sir. Ladies and Gentleman we will now begin the Q and A Session and will take the Questions one by one. Members are requested to limit their speech to 2 Minutes and restrict yourself to the Business relating to the AGM Only. Also note that in order to avoid repetition all questions will be answered after all the registered Speaker Members have spoken. We request everyone to remain connected while we bring speaker shareholder online. I now request our first Speaker Shareholder Mr. Manjit Singh to kindly accept the traunch, Unmute your Audio, Video and proceed with your Question.

Manjit Singh: Company Secretary, Secretarial Team, Management team and my fellow shareholders, (*English Translation*) I welcome you all for this AGM. I would like to know how we are taking care of our employees do we have insurance policy for them? Also what is percentage wise domestic and export sale split? Thank you to the Secreatarial Team. Thank you to the Management Team.

Operator: Thank you.I now Invite Our Next Speaker Shareholder Mr. Kaushik Sahukar to accept the prompt on the Screen Unmute your Audio, Video and proceed with your question sir.

Kaushik Sahukar: Good Morning to all. It is truly an honour to stand before the esteemed organisation. I express my heartfelt gratitude to the entire Board for granting me an opportunity to be a part of significant event. First and Foremost I would like to congratulate our Chairman our CFO for that comprehensive presentation on the state of the Company.That presentation was so thorough that I find myself with no questions to ask.

My only concern is could you please share the Capital expenditure plan for the Current Fiscal year and expected revenue out of it. Additionally how much employment will be generated from current Capex plan and can you also update the current liability as a percentage to reserve. I want to express my sincere gratitude to entire secretarial team, Mr. Rushikesh Deole and his team for the efforts for connecting me in this memorable event. I am also impressed with Company's CSR initiative especially those for differently abled people. Thank you.

Operator: Thank you.Ladies and Gentleman that was the last question.Sir you may proceed further.

CS: We have also received some questions through the Question and Answer Box. We are sorting these questions for answering, meanwhile we can proceed with e-voting.

I request the members who have not voted - to vote now via e-voting system provided by NSDL and instructions to the same are given in the notice convening this AGM.

Please note that members who have already voted electronically through remote e-voting are not eligible to vote again. The e-voting at AGM shall remain open for the next 30 minutes. E-voting modules shall be disabled by the NSDL for voting thereafter.

The Company has appointed Shri Sunil M. Dedhia, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Within 2 working days from the conclusion of the meeting, the scrutinizer shall submit a consolidated report, which will be placed on the website of the Company and the NSDL, and also shall be communicated to the Stock Exchanges.

Now we can answer the questions raised by the speaker shareholders and also received through the Question and Answer box.

Adhish Sir Over to You,

CFO:

Thank You. We have received few questions from the Shareholders. We are always glad to answer all of them. So one of the Questions which we have received was what is our Guidance on Profit forecast in coming Years? now I would like to say earlier we felt that the Profitability would be really good for FY 2025 before we started the year but then there were couple of factors which created a drag for that one was very low demand in export market and the kind of flatish demand in the domestic market for the first four or five months to start with the year and also the fact that we just started with one of the very big greenfield project of Salicylic Acid which is totally import substitute product so there are slight troubles in the beginning of the year, beginning of the production so once that is taken care of the profitability will shoot up very fast and because of this few factors which is pulling us behind we feel that the Profit for the year will be flattish but however the second half of the year FY 2025 would be very good. Then one of the shareholders asked us very good question regarding the social part means how are we taking care of our employees. so we have staff welfare funds, we have insurance policies where we not only cover the accidental part i.e. the accidents which take place in the premises but also we give them the group mediclaim policies to cover them and their dependants as well. So we do have sufficient insurance policies to take care of the employees. our domestic and export split are roughly around 62% domestic and

38% export and as far as formulation is concerned our Export percentage is even higher than the domestic sales. then as far as our capex is concerned our current year capex would also be in the tune of somewhere between 150 to 200 Crores because we will be completing the Greenfield projects in this financial year completely and going forward we do have some projects on paper we are doing the financial preservatives studies for the same and we will take up based on the analysis we will take up few projects for the future expansion plan but we will need capex of around 100 to 200 crores in coming 3 years every year. reason being now the Company has became sizeable around 2.5 thousands crores of turnover so to maintain growth a healthy growth rate we will require investment, we will require new production facilities. however we do have enough land so we don't be requiring to invest in land but we will be investing in putting up more production blocks in coming years and we had given a guidance that current greenfield projects after completion of those our consolidated revenues of the Company we should target around 4000 crores of turnover in coming 3 years so we will stick to our target and try to achieve whatever may be the challenges. I don't have the number ready for current liability to reserves right now but what I have is total debt that is entire long term debt as well as the short term borrowings what the Company has, the ratio of that to the total networth is around 0.4 it has gone down significantly over last 10 years. if we compare last 10 years it was 1.5 earlier and it has consistently come down with good profitability so now the ratio is very healthy of net debt to equity around 0.4. Then there were 2 more questions regarding the factory visit for the shareholders so roughly I don't know the exact number your company has around 2.5 lakh of shareholders as of today so it will be next to impossible to arrange visits for everyone but we will be creating videos of our facility to showcase the ability of the Company and we will be placing them on the website so that everyone can access that information. We also are quite regular with the earning calls every quarter to present our financial performance to give updates on the numbers and capex and the Company also has few Mutual funds have also invested in the Company which is also a good positive sign for all the shareholders. As far as the shareholders expenses are concerned no doubt, in fact we feel that we should empower shareholders by having a good shareholder distribution policy so that we don't take the decision of how our shareholders want to spend the money so we would rather give their money in their own hands so that they can take their own decision how to spend their money so that is why our Shareholder payout policy is quite strong and we will continue to be like that but currently also that we all know buyback is going on so we hope that most of the shareholders have tendered their shares so that they will get a good return around 900 rupees per share accepted by the Company.

In view of the time constraint or any technical difficulties faced by the members during the Meeting, the members may please communicate their questions to the Company through email, which will be suitably addressed. We can now proceed further.

Operator: Thank you Very Much Sir. Sir you may proceed with the further proceedings now. Thank You.

CS: Since all the businesses mentioned in the AGM notice are transacted, I request the Chairman to declare the meeting as concluded.

Chairman: With the completion of the above proceedings, I now declare the Meeting as concluded. I thank Shareholders, fellow Board Members, Auditors and the Invitees for joining the meeting through VC and having spared their valuable time for attending this AGM. Once again thank you very much. Please take care and stay safe.

<<Meeting Ends>>