

RAJSHREE POLYPACK LIMITED

Investor Presentation H1 FY2020



SAFE HARBOR

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Company Overview



Business Overview

With more than a decade of experience in operating in plastic packaging products industry, we are one of the leaders in manufacturing of rigid plastic sheets and packaging products to the industry segment we cater to.

- ❖ Started our business in the year 2004, presently we are operating out of 3 manufacturing facilities in Daman
- ❖ Our manufacturing facilities at Daman are equipped with state-of-the-art machinery with annual extrusion capacity of over 10,000 MT and thermoforming capacity of 5,220 MT with more than 100 products
- ❖ Manufacture customized packaging products which are tailored to client's requirements
- ❖ Products range includes packaging for dairy industry, food and beverages, bakery and confectionaries, trays for sweet and snacks, punnets for fruits and vegetables, electronic packaging, etc.
- ❖ Strive to ensure excellent shelf visibility with various decorations/design options like printing and sleeving.
- ❖ Also produce rigid plastic sheets of PP/APET/GPET, HIPS, which are sold for 'form filled sealed' (FFS) application, for box making & vacuum forming applications
- ❖ BRC certified for **Global Standards for Packaging and packaging Materials**

Financial Snapshot

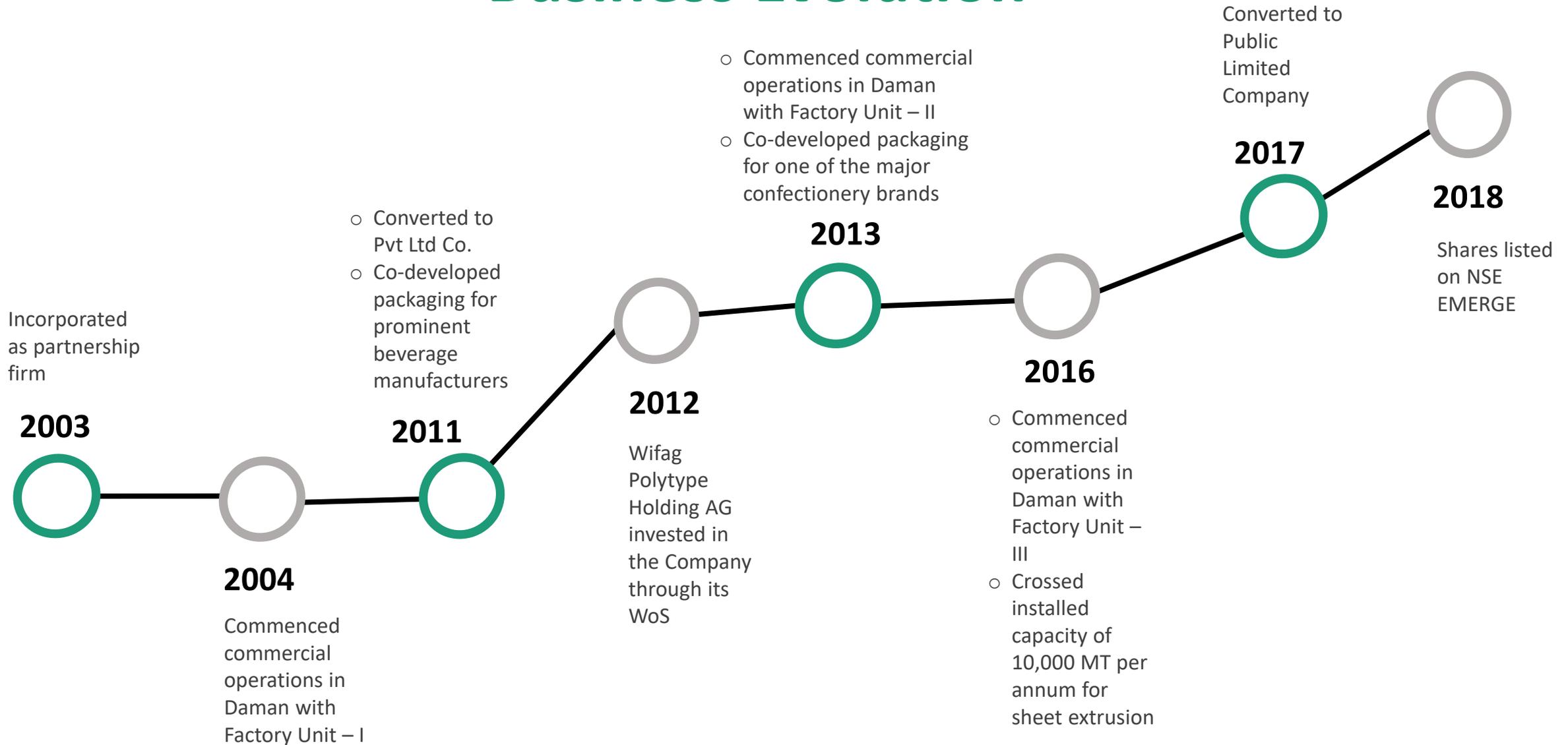
(Rs. in Lakhs)

Fiscals	2019	2018	2017	2016	2015
Turnover	12,501.37	11,232.73	9,506.03	9,503.14	6,484.38
CAGR (%)	17.83%				
EBITDA	2,116.99	2,119.00	2,145.59	2,010.26	889.58
CAGR (%)	24.20%				
PAT	1,050.93	955.77	826.40	794.13	67.58
CAGR (%)	98.58%				

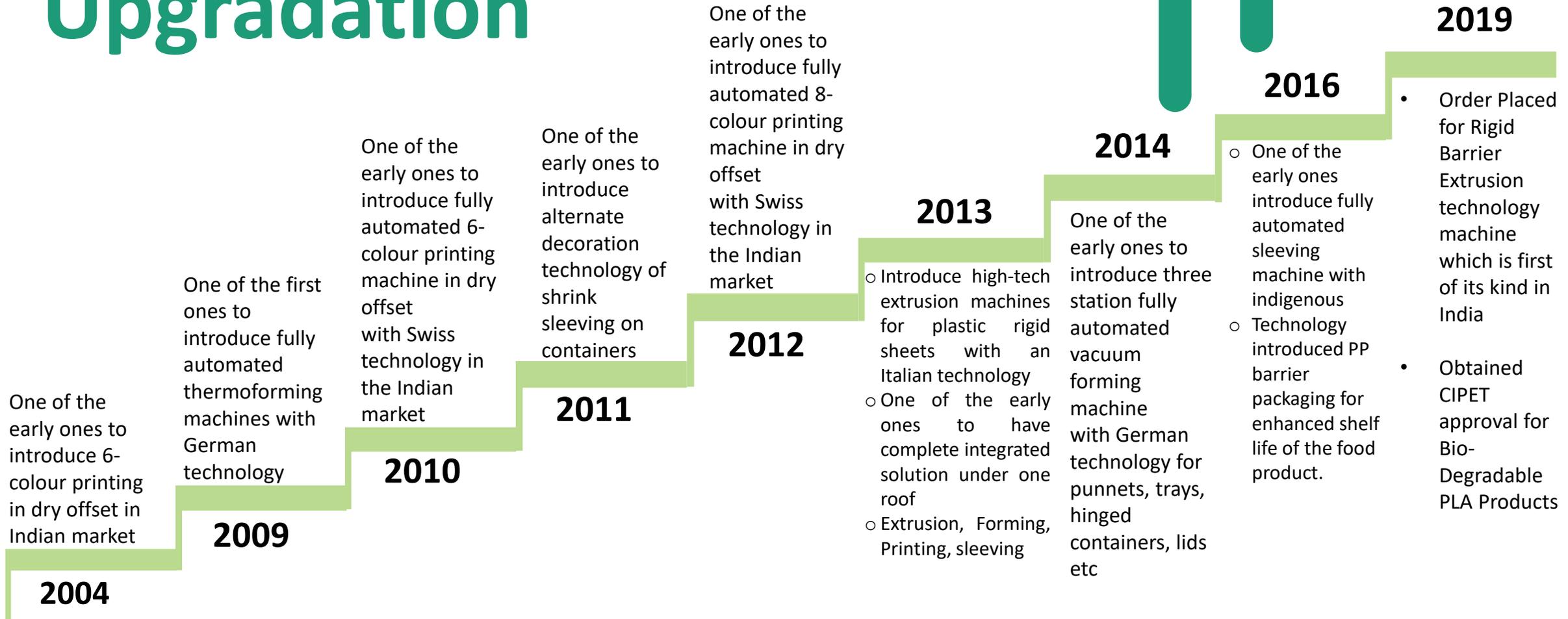
Installed capacity

Fiscals	2019	2018	2017
Extrusion (in MT)	10,200	10,200	10,200
Thermoforming (in MT)	4,320	4,320	4,320
Printing (pieces in Lakhs)	6,200	5,148	5,148
Sleeving (pieces in Lakhs)	1,275	1,275	825

Business Evolution



Technology Upgradation



Products

Our business and products

Packaging is a vital communicator with the customer/consumer, it plays a major role in giving a distinctive look and preserving the flavours and hygiene of the products which also protects the contents

- *Rigid plastic packaging products (along with lids) in various shapes and sizes.*
- *Diversified range of products that cater to the dairy, beverages, food, FMCG, QSR, retail, pharmaceuticals and the electronics sector*
- *We produce rigid plastic sheets of PP / APET / GPET and HIPS, which are sold for 'form filled sealed' (FFS) application, for box making and for vacuum forming applications*

PACKAGING PRODUCTS FOR

- Dairy
- Yoghurt, Ice cream, Spreads, Butter etc.
- Juice and Beverage packing
- Ready to eat meals
- Sweets and snacks packing
- Bakery, Chocolates and confectionaries
- Barrier trays and containers for shelf life enhancement

PLASTIC RIGID SHEETS

FFS Packaging

Fabrication and Boxes for Display

Industrial Packaging



Our Esteemed Customers



Financial Analysis



Profit & Loss Statement

(Rs. in Lakhs)

Fiscals	H1FY20	H1FY19	Y-o-Y	H2FY19	H1FY20 vs. H2FY19	FY19	FY18	Y-o-Y
Revenue from operations	6,772.32	6,712.21	0.90%	5,789.15	16.98%	12,501.36	11,232.73	11.29%
Operating Profit	1,561.94	1,516.21	3.01%	1,333.64	17.11%	2,832.00	2,753.25	2.86%
Operating Profit Margin %	23.06%	22.58%		23.04%		22.65%	24.51%	
EBIDTA	1,191.88	1,102.65	8.09%	1,014.33	17.50%	2,116.98	2,119.00	-0.09%
EBIDTA Margin %	17.60%	16.43%		17.52%		16.93%	18.86%	
PAT	559.68	508.94	9.96%	542.00	3.26%	1,050.93	955.77	9.96%
PAT Margin %	8.26%	7.58%		9.36%		8.41%	8.51%	
Earning Per Shares (EPS) (Rs)	4.98	5.24				10.83	11.98	

Financial Analysis

Balance Sheet

(Rs. in Lakhs)

Fiscals	H1FY20	H1FY19	FY19	FY18
Shareholders' Funds	9,678.11	8,890.66	9,186.14	4,698.44
Long-term borrowings	407.60	1073.44	730.81	1,384.88
Non-current Liabilities	737.53	1,529.33	1,091.87	1,820.60
Fixed Assets (Gross)	8,237.74	7,251.85	7,395.68	6,868.24
Fixed Assets (Net)	4,982.89	4,573.63	4,454.96	4,462.80
Other Non-current Assets	335.57	299.35	764.05	395.97
Net working capital (Without cash and bank balance)	1,694.69	1,612.63	1,562.32	1,331.00
Cash and Bank Balance	3,402.49	3,934.38	3,496.70	329.26

Shareholding Pattern

Particular	% of holding
Promoters	51.18%
Wifag polytype	19.82%
Institutional Investors	11.37%
Public/Other Investors	17.63%
Total	100.00%

Operational Analysis



Sales

Fiscals	H1FY20	H1FY19	FY19	FY18
Domestic sales	87.06%	83.09%	85.31%	90.11%
Export sales	12.94%	16.91%	14.69%	9.89%
Total	100.00%	100.00%	100.00%	100.00%

Sales Mix

(Rs. in Lakhs)

Fiscals	H1FY20	H1FY19	FY19	FY18
Packaging Products	4,685.35	4,408.77	7,913.95	6,807.78
Growth %	6.27%		16.25%	
Plastic Rigid Sheets	2,017.53	2,202.40	4,233.24	3,987.75
Growth %	-8.39%		6.16%	
Others	69.42	101.03	354.17	437.20
Total	6,772.31	6,712.21	12,501.36	11,232.73
Growth %	0.90%		11.29%	

Ratio Analysis

Fiscals	H1FY20	H1FY19	FY19	FY18
Debtors Turnover (Days)	59.66	60.54	60.65	66.44
Creditors Turnover (Days)	51.48	39.57	52.62	65.70
Fixed Assets To Turnover (X)	2.72	2.94	2.82	2.52
Raw Material Inventory Turnover (Days)	31.40	32.70	37.12	33.56
WIP/FG Inventory Turnover (Days)	12.44	13.37	15.51	17.26
Debt Equity Ratio	0.05	0.15	0.10	0.32

EBITDA Per Tonne

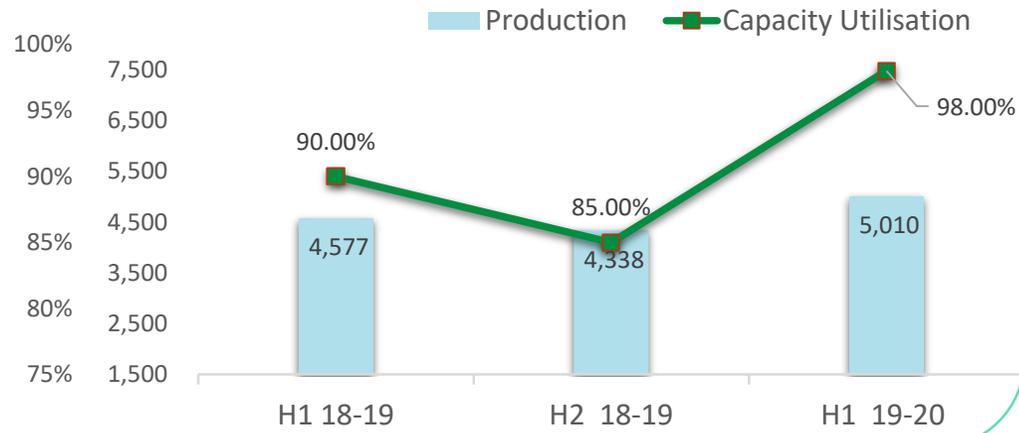
(Rs)

Fiscals	H1FY20	H1FY19	FY19	FY18
Plastic Rigid Sheets	41,500	42,000	42,000	44,000
Packaging Products	33,838	30,500	30,500	33,500

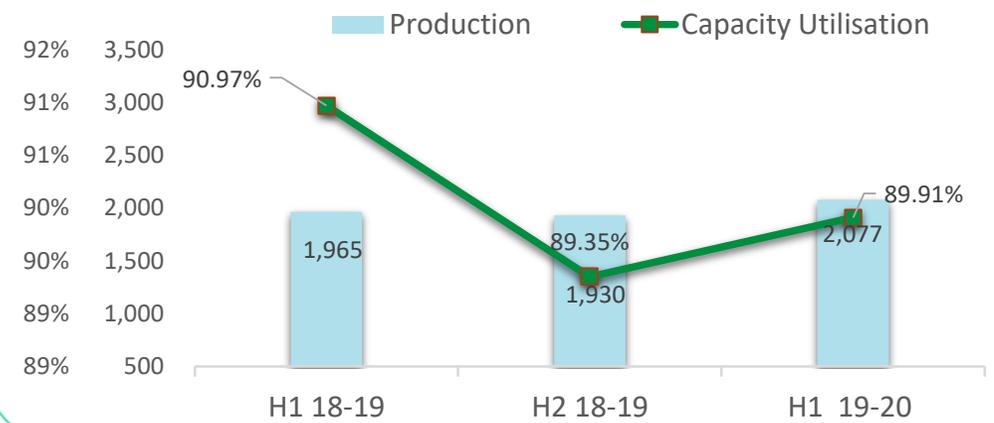
Operational Analysis

Capacity Utilization

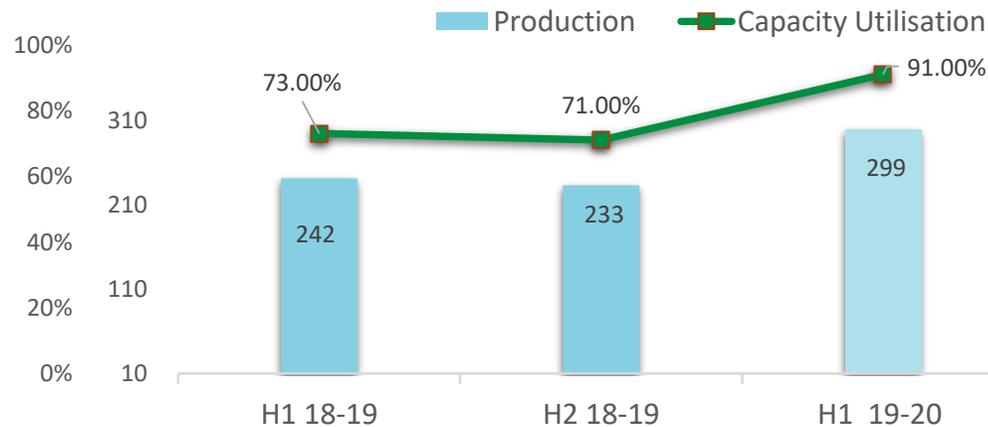
Extrusion (in MT per year)



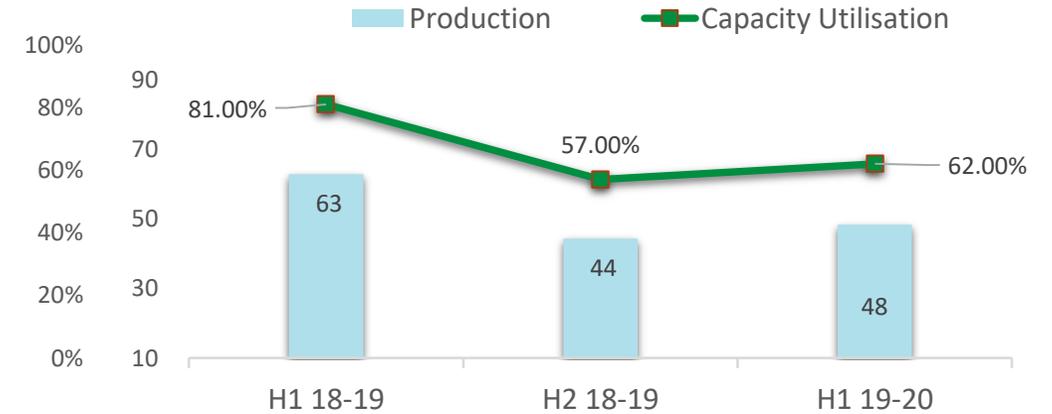
Thermoforming (in MT per year)



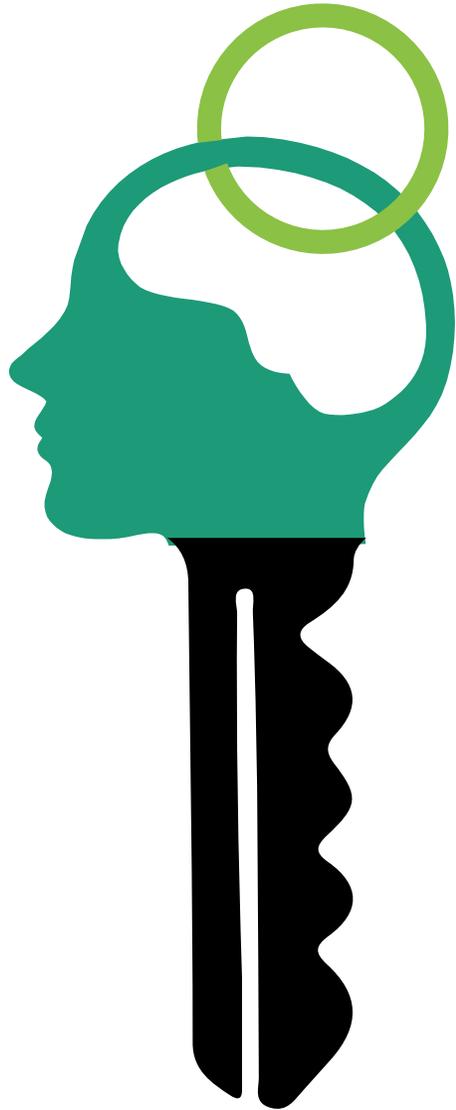
Printing (pieces in Lakhs per year)



Sleeving (pieces in Lakhs per year)



Latest Developments



Design & Development

- Developed packaging for Cheesy Dip for a multi-national dairy



Talent Acquisition

- Advisor – Strategy & Planning to the Managing Director with experience of 38 years in the Packaging Industry having international & domestic exposure
- Vice President (Sales) with experience of 35 years in the field of packaging



Business Development

- Added one of the largest food QSR chain of India to customer list



Infrastructural Development

- Installed Fully Automatic 4-station Thermoforming Machine as part of Unit-IV
- Installed new multi-colour printing machine at Unit – I while replacing old machines

Infrastructure



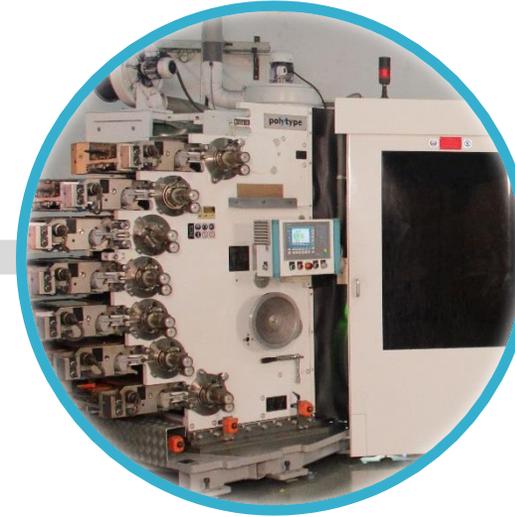
EXTRUSION

Extrusion is initial and a vital process, since it helps us in producing sheets of various materials, sizes and colours. Our manufacturing facilities are equipped with series of extruders, indigenous & imported. Total extrusion capacity is over 10,000 MT p.a.



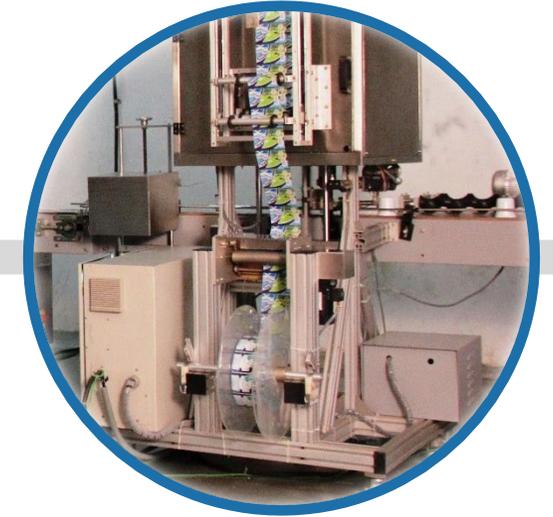
THERMOFORMING

We have series of thermofforming machines indigenous & imported. Our facilities are equipped with moulds that can manufacture products in various shapes and sizes with ability to process PS, PP & PET materials



PRINTING

We are equipped with series of printing machines, indigenous & Swiss, which can print up to 8 colors. Some features of machines include 'no cup no print system', auto-loading & auto stacking of cups, pre registered metal based printing plates & temperature controlled ink stations.



SLEEVING

Sleeving technology is used for better aesthetics and for shorter run products. Our sleeving machines are custom designed and are equipped with auto loading of cup, auto sleeve application, auto stacking and counting of cups.

Factory Units

Survey No. 37/2, Plot No. 32 and 33,
Silver Industrial Estate, Village
Bhimpore, Daman- 396 210

Factory Unit 1

Plot No. 370/2(3), near PSL, Vapi
Road, Village Kachigam, Daman-
396 210

Factory Unit 2

Survey No. 184/1 (39), Panchal
Industrial Estate, Village
Bhimpore, Daman - 396 210

Factory Unit 3

Factory Unit 4
(under process)

Survey no. 370/2(2), near PSL,
Vapi Road, Village Kachigam,
Daman- 396 210



Growth Plans

(Rs. in Lakhs)

Expansion Project

- New manufacturing facility to focus on manufacturing of multi layer plastic rigid sheets & packaging products with latest technology
- Obtained land on long term lease of 16.9 years for constructing & setting up Factory Unit IV
- Already Installed one Thermoforming machine
- Placed order for other Plant & Machinery
- Construction of Building & civil works are in advance stage

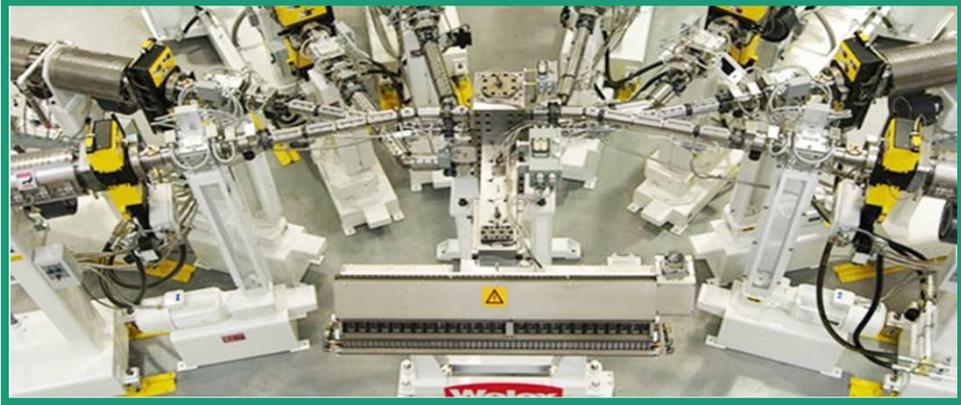
Utilization of Pre IPO and IPO proceeds

Particulars	Estimated cost	Actual cost up to 30 th September 2019
Capital Expenditure for Setting up of Factory (Unit IV at Daman)	3,624.04	621.40
General Corporate purpose	64.05	55.40
Issue related expenses	221.44	221.44
Total	3,909.53	898.24

Factory Under Construction

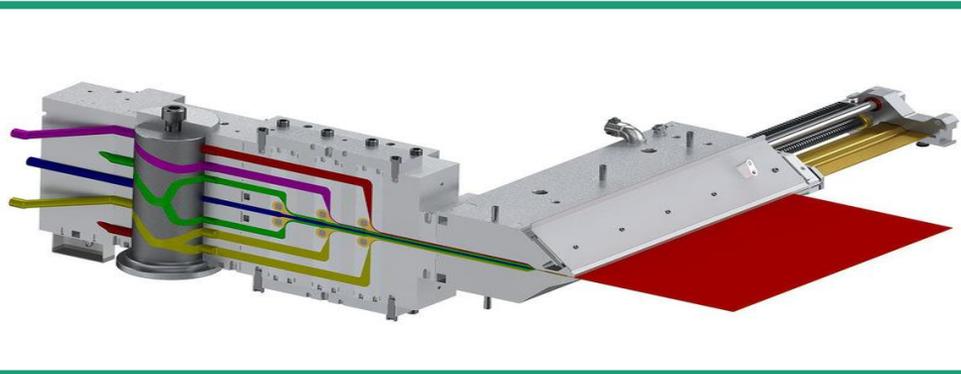


About Barrier Packaging



Multi layer Extrusion

- We will be introducing multi layer plastic packaging which can offer effective barrier against oxygen ingress & provides necessary strength to allow hot filling, pasteurisation, sterilisation & aseptic filling.
- The new extrusion machine will have the most advanced technology with features.
- The barrier packaging protects foods and increases the shelf life, it helps preventing the nutrients and functional properties like taste, aroma, texture and colour.



About Barrier Packaging

Industry Overview

- Global barrier packaging market expected to generate around USD 13.78 billion by 2025, at a CAGR of around 5.4% between 2019 and 2025. Plastic packaging is among the most familiar forms of packaging. There is a rising need for products that can provide a high protection level to products, particularly for the food and beverage industry. (Source: Zion market research)

Application Analysis

- Food Industry
- Healthcare
- Consumer Goods
- Cosmetics
- Pharma
- Others

Market Drivers

- Due to increase in the demand for the packaged good products the demand for the barrier packaging is also increasing and this is one of the important factor for the growth of the barrier packaging market. The highly demanded product segment of barrier packaging market is Stand-up pouches followed by trays, lidding films and forming webs. Also baby food market is transiting to plastic container, Nestle is using barrier packaging for it baby food and such steps by the leading company's leads to increase the demand of the barrier packaging.



Board of Directors

Mr. Ramswaroop Thard - Promoter, Chairman & MD

- Bachelors degree of Engineering-Pune University having experience of 21 years in plastic industry
- Plays pivotal role in business development, sales, administration & finance

Mr. Naresh Thard – Promoter & Joint MD

- B.com from Mumbai University having experience of 20 years in plastic industry with strong technical strength in packaging domain
- Instrumental in growth of the Company since inception

Mr. Sajjankumar Rungta – Non-Executive Director

- Another Promoter Director of our Company
- Experience of 35 years in textile and transportation industry

Mr. Praveen Bhatia - Non-Executive, Nominee Director

- Chartered Accountant with experience of 24 years in issue management, merger & amalgamations, foreign collaborations, project consultation, loan syndication, audit, taxation, investment advisory

Mr. Alain Berset - Non-Executive, Nominee Director

- Mechanical Engineer from E'ole d'ingénieurs de Fribourg, MBA from Haute Ecole de Gestion de Fribourg & Bern having experience of 21 years

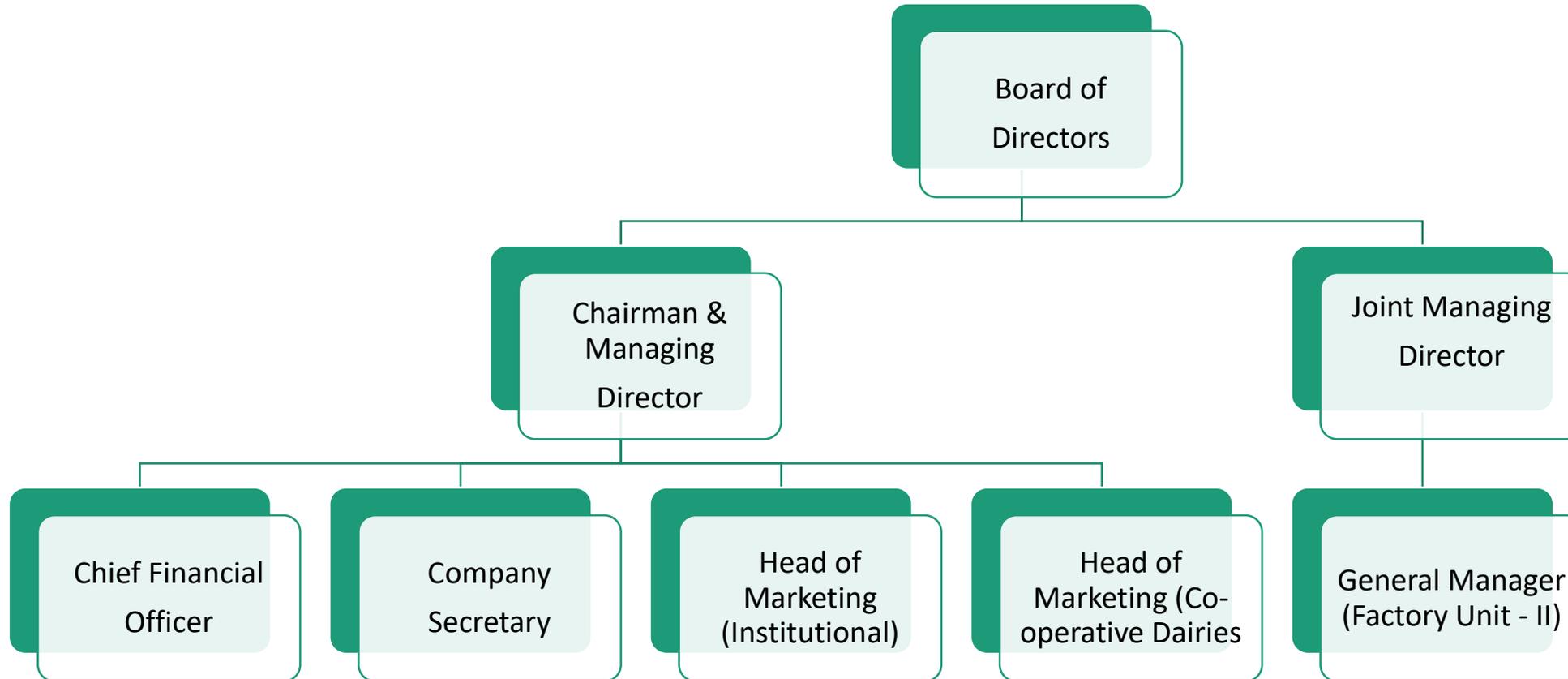
Mr. Pradeep Gupta- Non-Executive, Independent Director

- Mechanical Engineer & PGD- Industrial Management, Operations Research having 38 years of experience in Plant Operations, Business & Market Development and Client Relationship Management

Mr. Rajesh Murarka - Non-Executive, Independent Director

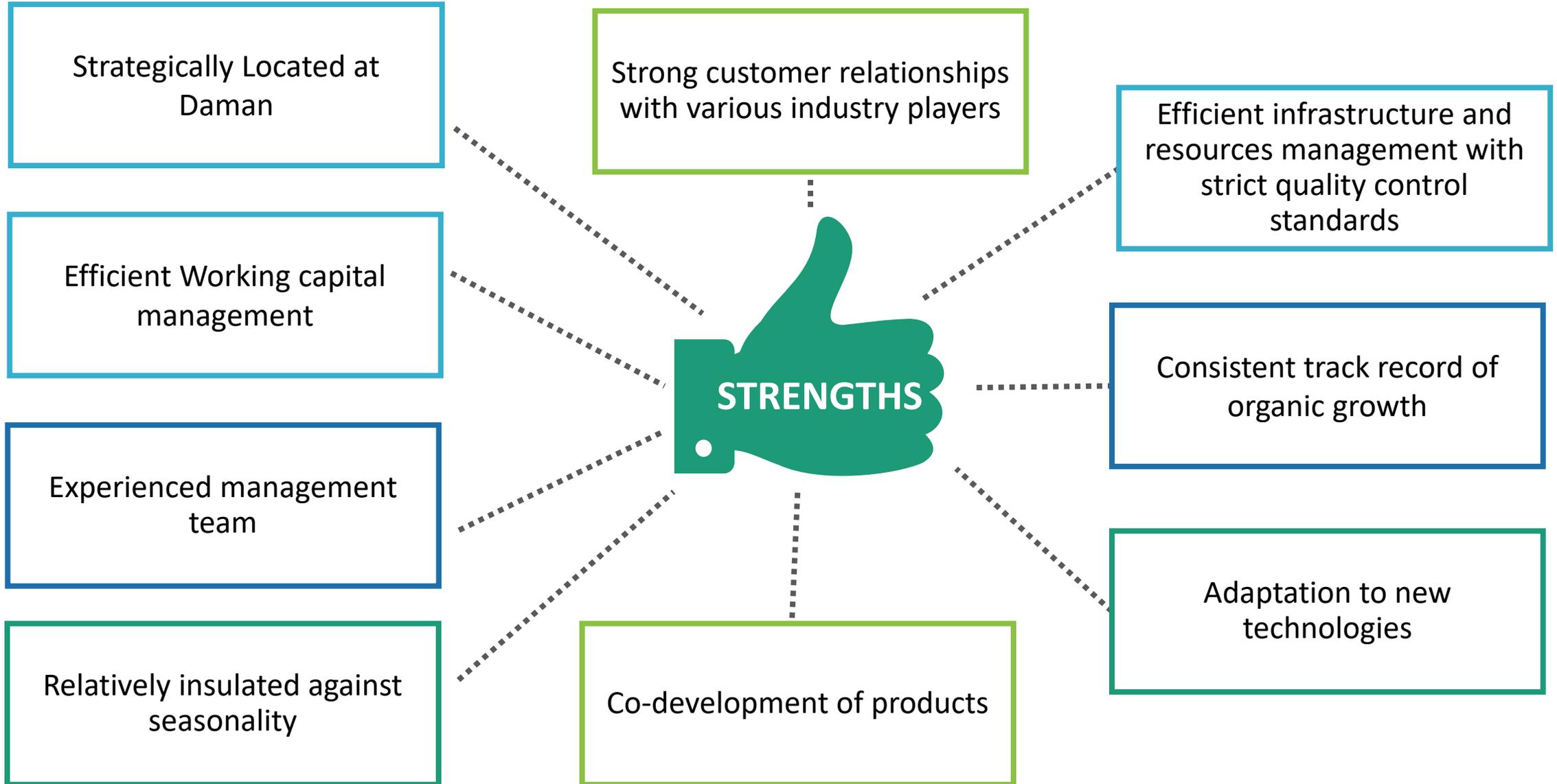
- Chartered Accountant with experience of 21 years in debt syndication, debt structuring/ re-structuring and debt advisory services

Management Organization Structure



**The in-charge of Factory Unit - I and Factory Unit - III report directly to the Joint Managing Director*

Our Strengths



Industry Overview

- Global Rigid Packaging Market size was valued at \$496.72 billion in 2016. The rigid packaging market is projected to grow at a CAGR of 5.8% and is forecast to reach \$729.14 billion by 2023.
- Food & beverage segment dominated the market in 2016 and is expected to grow at a CAGR of 5.4% and is forecast to reach \$439.49 billion by 2023. Rigid packaging plays a key role in food and beverage industry as these packaging materials provide longer shelf life to the food items.
- Market size of the country's packaging industry is expected to touch USD 72.6 billion by FY20 on account of rising population and income levels.
- India rigid plastic packaging market stood at around \$ 7.7 billion in 2018 and is projected to grow at CAGR of 10.8% to reach \$ 14.4 billion by 2024
- Sub segments of the food industry- dairy, bakery & confectionery, and ready to meals are expected to develop in market size at an impressive growth rate.

Contact Info

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