"Dollar Industries Limited Q1 FY-24 Post-Results Earnings Conference Call"

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MODERATOR: **MR. SAURABH GINODIA – SMIFS LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Dollar Industries Limited Q1 FY24 Post-Results Earnings Conference Call hosted by SMIFS Limited.

As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Saurabh Ginodia. Thank you and over to you sir.

Saurabh Ginodia: Thank you. Good evening everyone present on the call today. On behalf of SMIFS Limited, I welcome you all to Quarter 1 on FY24 Post-Results Earnings Conference Call of Dollar Industries Limited.

We are pleased to host the senior management of the company today and we have on the call Mr. Ankit Gupta – President (Marketing) and Mr. Ajay Patodia – Chief Financial Officer of Dollar Industries Limited.

We will start the call with some initial comments on the results from the management side and post which we will open the floor for question and answer.

I will now handover the call to the management. Over to you sir.

Ankit Gupta: Good evening, ladies and gentlemen. Thank you for joining us today to discuss the "Financial Results" for the Q1 FY24. I stand before you to provide an update on our company's performance amidst the current conditions impacting the hosiery industry.

The financial results for the 1st Quarter of FY24 indicates that the company has given favorable margins as compared to previous quarter Q4 FY23. The year '22-23 was very challenging for hosiery industry due to volatile raw material prices and high-cost inventory. It had a domino effect on our Q1 FY24 Financial Results as well. But things have started to stabilize now and the effect of the same can be seen in our margins which has improved and will be improving further in the coming quarters.

Despite these challenges, your company showed improvement in GP margin of 2.72% in Q1 FY24 as compared to FY23 which was around 29.63%. On year-on- year basis GP margin is down by 1.5%. In terms of volume year-on-year basis the growth was 4% which helped us in maintaining EBITDA margin and PBT margin. But overall, ASP has declined by 15% year-on-year.

We expect FY24 to be good with good demand for the products and controlled raw material prices which will help us maintain our net margins. Our strategic move to rope in Saif Ali Khan as Brand ambassador for Dollar Always which is economy range of product helped us in getting 11% volume growth in Q1 FY24. The newly launched product Dollar Rain Guard has received good response from the market and has given sales contribution of around 2.8% of our total domestic sales in Q1 FY24. Further, we have started the supply of Force NXT activewear and women's athleisure in Q1 FY24 for which we have received overwhelming response from the market. We are sure that this will help in gaining more shelf space in the market.

Our advertisement expenses for the Q1 FY24 stood at Rs. 26.53 crores, whereas it was Rs. 34.89 crores in Q1 FY23. However, our yearly target for advertisement stands at around 6% to 6.5% on an yearly basis. Our premium segment brand Force NXT gave a volume growth of 52% for Q1 FY24. We are confident that premium segment will help us in achieving this volume growth in future as well.

Now coming to Project Lakshya; so Q1 FY24 we have added 20 distributors under this particular project and currently we are sitting with 249 distributors which was 229 distributors in FY23. We are happy to share that Project Lakshya contribution in company's domestic sales increased from 19% in FY23 to 27% in Q1 FY24. Company has already started rolling out of distributors in the state of Tamil Nadu. Till date company has opened 17 EBOs and company aims to have 125 EBOs by FY25 to cater the demands of consumer and generate sales, increase the brand awareness at the same time. Our consistent effort and strategy to grow modern trade and e-commerce sales has proved to be successful as we have seen continuous growth in this channel. In Q1 FY24 we have seen a growth of 10%. Currently our modern trade and e-commerce sales contributes around 4% to our total sales and we aspire to take this number to around 7% to 8% in a period of 2 years.

Our commitment to sustainability remains a top priority. We continue to implement environment friendly practices throughout our operations, focusing on reducing our carbon footprint and promoting responsible manufacturing processes. For this company has planned a capital expenditure of Rs. 35 crores towards power generation capacity through solar power which would generate 6 MW of power. This capital expenditure would help us in reducing our overall operational costs and will also help us in improving margins. We are confident of our long-term growth on the back of Project Lakshya, technology, launching of new products, industry and economic growth drivers. Thank you all. Now I would hand over the call to our CFO sir, Mr. Ajay Patodia.

Ajay Patodia: Thank you Ankit ji. Good evening, everyone and thank you for joining the call. Hope all of you are well. I will detail the financial performance starting with Q1 FY24. The revenue as you some of you would have been read that it is around Rs. 320 crores compared with year-on-year basis is Rs. 364 crores, a degrowth of 12.26%. Our EBITDA is stood at Rs 25.45 crores as compared to 39.77 crores in Q1 FY23, a degrowth of around 36%. Profit after tax for the quarter stood at 14.09 crores as compared to Rs. 29.87 crores, a degrowth of 49.43% year-on-year basis.

Coming to quarter-on-quarter performance; our revenue declined by 21.59% but our gross margin we improved as compared to Quarter 4 FY23. Our gross margin is improved from 25% to 32.5%, a growth of around 7.7% and our EBITDA margin stood at 8% in Q1 FY24 as compared to 3.15% in Q4 FY23, a growth of 98%. In Q1 FY24 our PAT margin stood at 4.41% as compared to 0.90% in Q4 FY23, a growth of 283%.

Now moving on to the brand wise contribution; in Q1 FY24 Big Boss contributed around 42%. Our economic segment Dollar Always contributed around 42%. Our premium segment Force NXT around 4.19%. Our women segment Dollar Woman around 10.18% and Dollar Socks around 1.92% compared to in Quarter 1 FY23, Big Boss contributed around 46%, Dollar Always 39.1%, Dollar Woman segment 9.29% and Dollar Socks 1.27% and our premium segment Force NXT around 3%. With this we will now open the floor for the question and answer.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Ankush Agrawal, Surge Capital.

Ankush Agrawal: Did we take any price cuts in the quarter?

Ankit Gupta: No, we didn't take any price cuts in Q1 FY24.

Ankush Agrawal: So, compared to last year, in last four quarters what would be the kind of price cuts that we would have taken like Q1 FY23 versus now?

Ankit Gupta: So Q1 FY23 versus Q1 FY24 if you see the overall ASP degrowth that we have seen is around 15%. So, it's majorly contributed because of the price cuts that we have taken.

Ankush Agrawal: For the Lakshya project can you give the absolute revenue for the quarter and what was the like for like growth?

Ankit Gupta: Overall at a company level, we have done a volume growth of 4% whereas if we see like to like basis for the Lakshya project, we have done a volume growth of 13%. So, the distributors who were present in the first 3 months of the last fiscal versus this fiscal they grew by 13% in terms of volume.

Ankush Agrawal: What would be the revenue growth like we used to give that certain geography?

Ankit Gupta: Revenue growth was 4% overall whereas at a company level if you see we have a degrowth of 12.26%. But in Laksya project there was a revenue growth of 4%.

Moderator: The next question is from the line of Anik Mitra from Stewart & Mackertich.

Anik Mitra: My question is last year same quarter means Q1 FY23, we have seen cotton prices was almost at the highest level at that point of time. And this quarter it has come down from that level quite a lot. But when we are taking your raw material consumption cost that remains almost at the same level with the previous year, so what is the reason behind it?

Ankit Gupta: I didn't get your question. What do you mean to ask? I'm unable to understand that.

Anik Mitra: Basically, last year same quarter cotton prices were at the highest level. It was historically highest level during like April to June 2022. But by June 23 cotton prices have come down quite a lot. But there is no reflection in the raw material consumption cost in the company. So that I want to understand why it is not getting reflected so far?

Ajay Patodia: Actually, just before this question, Mr. Ankit ji replied that our ASP from Quarter 1 FY23 to Quarter 1 FY24 is down by 15%. So, in FY23 Quarter 1, raw material prices of cotton is around 1,10,000 per candy, which is now 55,000 to 60,000 per candy now. And during FY23, Quarter 2, Quarter 3 and Quarter 4, there is volatility in the raw material prices. And due to decrease in the raw material prices we have to pass on the benefit to the consumer by way of reducing the prices. So actually, it is affected due to ASP cut. The same cost, same GP margin is reflecting in our accounts actually.

Anik Mitra: So that is getting reflected in your top line, right?

Ajay Patodia: Yes, top line. There is volume growth of 4% but there is value degrowth of 12%. If the price is same, then we have the total growth of around 16%.

Anik Mitra: My next question is what is the current condition of channel inventory?

Ankit Gupta: So, it's been good. Like if you would have seen our Q4, FY23 was really good as compared to the Q2 and Q3 of last fiscal and this year 1st Quarter also the sales were not up to the mark, I would say. But yes, still we managed to do a volume growth of 4%. So overall we see that channel now has started buying the product and it is going in the market. Overall, the consumer demand is also not that affected which was a bit muted. If you talk about maybe for the month of February or March, it was a bit muted at that point of a time at a consumer level. But yes, the demand has been picking up in the market.

Anik Mitra: Couple of days back, one of our peers, Page Industries, has conducted their con-call and the management said they are carrying 100 days of inventory. And their peers, I don't know to whom they have referred to, so they are saying their peers are carrying 9 to 12 months of inventory. What is your opinion in this context? Are they referring premium segment or what is the current channel condition, inventory condition in the premium segment? What is your take?

Ankit Gupta: The thing is that Page operates in a very different market segment. The consumer segment is very different. It's into the premium market and we are into mid premium and masses. I don't know to which player he was referring to as his peers not performing as per the market or carrying 10 to 12 months of inventory. As you can see, our balance sheet in March 23, we were carrying our overall inventory days was 108 days. So, it is like almost 3-3.5 months inventory that we were carrying. And in June as well, we are carrying a similar amount of inventory till now. I don't know to whom he was referring but it was definitely not us.

Anik Mitra: My final question is in the overall inner wire market in India, what is the contribution of organized share means? What is the size of the pie of the organized sector?

Ankit Gupta: It's really very difficult to estimate the overall size and give a particular number. As I was saying that no proper study has been done with respect to the size of the market organized versus unorganized. But what we feel is that in men's innerwear market, 50% is still unorganized and 50% is organized. First of all, we are extremely sorry about the technical glitch which is happening. I don't know what's causing it. Coming to the question that men's 50% is unorganized and 50% is organized, that's what we feel and if we talk about women segment, it's about 60%-65% which is unorganized and the rest belongs to the organized sector.

Moderator: The next question is from the line of Akshat from Sameeksha Capital.

Akshat: Has the Unorganized sector gained share in the last 6 to 8 months with decline in cotton prices?

Ankit Gupta: Not really. We don't think that the unorganized sector has declined a lot, but yes, we have seen some movement which happened last year. Like maybe they have curtailed their overall operations and that's what helped us gain the overall volume. But overall, we don't think that the number of players have reduced in the market.

Akshat: I meant that this decline we have seen in cotton prices do you see them coming back and gaining shares because of the decline in cotton pricing?

Ankit Gupta: So, cotton prices started increasing from a point of 40,000, when it was 40,000 per candy and currently it is at somewhere around 55,000 to 60,000 per candy. We don't really think that it will go to 1 lakh per candy again like it was last year 1st Quarter and currently we feel that the cotton prices are not moving much. Now we really don't know how the new crop will pan out in the month of October.

Akshat: Secondly on the CAPEX plan, what would be our status of the CAPEX, if you could share what would be the current status of our CAPEX plan, capital expenditure?

Ajay Patodia: With regard to our CAPEX plan, our investment in warehousing project is already completed and we get the completion certificate within one or two months. And with regards to our spinning plant in Tamil Nadu, by March it is commenced and starting commercial production.

Akshat: Lastly on the EBOs, what has been the performance these 17 EBOs in terms of if you could share any numbers there on revenues?

Ankit Gupta: We have 17 EBOs at the moment and for a company like ours who have always been into distribution model, general trade, it's really difficult in the initial stages to come to a proper retail channel or a modern retail channel. So yes, since our overall ASP is also low, we are seeing a good traction. The footfall has been good in the store and even the average ticket value is coming to around Rs. 1200 per bill. We are very hopeful about the project. But yes, it will take some time to actually come to a proper result since we have always been known a brand for general trade and not EBOs, people are not expecting that and slowly and steadily the business is growing.

Akshat: Initially you mentioned that the gain from the raw material side is over. Just wanted to understand overall on the ASP side, if we have certain more decline left because raw material price is down 50% and the ASP cumulative last two quarters, we've seen 4th Quarter and this quarter its around 40%....

Ankit Gupta: So overall, if you see the cotton gets transformed to yarn and then we purchase yarn from the market from the spinning mint. It's not that we procure 100% of the cotton and then transform it to yarn. So, we purchase yarn, the yarn rates have been down by somewhere around 30% odd in the market and it only contributes 50% of our total cost, 45% to 50%. If you go by that calculation, it's getting matched. I don't see there's any kind of difference over there on that part.

Akshat: And so how has been the performance for the month of July on the volume growth side? Is it picked up further?

Ankit Gupta: Yes, we are getting good traction in the market and we had our winter conference also where we did a good booking for our thermals also. And we are hoping for a good winter also because last year as you see our thermal sales were down by somewhere around 25% to 30%. And this year the channel is also empty. It's not that they are overloaded with the inventory of thermals, so we'll see a good traction for thermals also this year.

Akshat: Just lastly, on the outer wear segment, that seems to be the shift with the women's and that part of premium, that's 10%-15% of your revenue. That shift seems to be a bit slower. Would we have more ad campaigns on that side? Can we see a shift in the advertising budget more to the outer wear?

Ankit Gupta: During the IPL, we have already advertised about our athleisure product, outer wear product and we use the Rajasthan Royals team players for the advertisement for the TVC which is there. Overall, Athleisure is contributing 12% to 13% of our total sales which has been good. The growth has been good in the athleisure segment as well. Maybe going forward when it comes to a particular level, at a certain level we'll start advertising it more. But overall, we have started rationalizing. Like, initially we used to spend 90% on our flagship brand, Big Boss, but now we have started rationalizing towards Dollar Always, Dollar Woman, Force, NXT and athleisure segment as well. So, yes, a bit of rationalization is happening.

Moderator: The next question is from the line of Nirvana Laha from Nirvana Capital.

Nirvana Laha: My question is, this quarter the sales dropped a lot compared to Q4 and sales growth you're seeing at a YOY level was around 4%. If I remember correctly your guidance was that we should be able to a double-digit volume growth this year. What exactly happened in this quarter in terms of volumes and how do you see it in the next 9 months?

Ankit Gupta: Generally, in our industry Q4 is a bit heavy. It would be unwise to compare Q4 versus Q4 in terms of revenue. Also, what happened was due to the festival of Eid which shifted to 20th April instead of the month of May which used to happen in the month of May. That was one of the reasons, why most of the sales got shifted to the March month instead of April and May which we used to see years before like in FY23 also, the Eid was in the month of May. It constitutes a good volume. Basically, this particular festival wherein people do buy new vest and vest sales really boomed during this period. So that was one of the reasons why it happened. Overall, in our industry Q4 is actually heavy than the other quarters and for this particular fiscal also, our guidance does not change. We'll do a double digit somewhere around 13% to 14% kind of a volume growth and overall, 11% to 12% growth. We are trying to achieve that. We really aspire to achieve that by the end of the year.

Nirvana Laha: And in terms of the high-cost inventory that was hitting us in the previous quarters, has that problem now gone away? Now all the inventory in our books is at lower cotton or yarn prices.

Ajay Patodia: Yes, with regard to high-cost inventory, it is already completely out from the system and due to this reason, our gross margin level is also increased. From Quarter 4 FY23 our gross margin increased around 25% to 32.5%, growth around 7.71%. So now it is stable and the cotton prices is also stable. So, we look for the good demand and the good attraction in the current financial year.

Nirvana Laha: One follow up question on that. Since you're saying that gross margins is now normalized, what kind of EBITDA margins can we see? I'm not asking for the guidance, but because it's been very topsy-turvy for the last few quarters. So, it'll be helpful if you can comment on what kind of EBITDA margin one can expect, maybe on a normalized basis if cotton prices or yarn prices don't go down further?

Ankit Gupta: So, if there are no external factors affecting the gross margins or anything. At a normal situation, we think that 13% to 14% gradually is very much doable. But for this particular fiscal, what we are aiming for is 11% to 12% EBITDA.

Nirvana Laha: For the full year?

Ankit Gupta: For the full year.

Nirvana Laha: And the last question from my side, in terms of cotton candy and yarn prices, do you think as far as you have visibility right now that they have bottomed and that going forward, how do you expect your ASP to behave now on a QOQ basis? Because let's forget last year. Now you're saying that this year there was a 15% YOY dip. Now from these price levels for the next nine months, how do you see yarn prices and how do you see your ASP moving?

Ankit Gupta: Given the current scenario as of today, we don't see any price cuts happening and we definitely don't see any movement in the raw material prices as well. But these things happen very suddenly, so it really depends. It might so happen that in next month onwards, the yarn prices have increased a bit by 5%. So, we will be increasing our prices by that percentage as well. It might so happen that it gets decreased as well and everything is dependent on the new crop that would be coming in the month of October. So currently as of today, we don't see any movement happening in that aspect.

Nirvana Laha: And one last thing. You said that you don't expect Rs. 1 lakh candy prices anytime soon. So just want to understand, was that price abnormal due to some supply situation and where do you see in that context the prices settling? I know it's also a prediction thing for you, but just to help us understand what were the dynamics at that time and how is it now and where do you think it will settle down?

Ankit Gupta: At that point of time there were a lot of exports that were happening in the market and plus there was a huge gap in the supply and demand. So that led to the increase in the prices of the yarn and the cotton candy which went from 36,000 to 40,000, which was at a normalized state and moved up to 1,10,000. That was the peak and it's one of a kind of a situation which has happened. No one has seen such kind of increase in prices in decades. This is one-off situation which should not occur again.

Nirvana Laha: Current prices are 55,000 and you expect prices to sort of, so what is the normal price range, 55,000 to 70,000 just to help us out?

Ankit Gupta: I think now the normal pricing would be somewhere around 55,000 to 65,000. It will range within that only.

Moderator: The next question is from the line of Subhankar Ojha from SKF Capital & Research Private Limited.

Subhankar Ojha: Two quick questions in terms of, can you comment on the competitive intensity now? Can you talk about the competitive intensity? Secondly, what is your target for the addition of dealers for the project Lakshya and 24 and also for the channel financing?

Ankit Gupta: The competition in our industry has always been fierce and there are a lot of players in the market, whether it be unorganized, whether it be regional players, whether it be organized players. At our segment where we operate, we have five different homegrown companies at a similar kind of a level and always aggressive for the gain of market share. So yes, the competition is always there and everyone wants a good amount of pie in terms of market share. So, this is one part. And the second thing in Lakshya project, we have started rolling out in Tamil Nadu, we have started, Orissa is already going on, northeast is going on. Some amount of distributors have been enrolled in Bihar as well. So, by the end of this fiscal we see this number going to somewhere around 300 to 325 kind of a number.

Subhankar Ojha: Which is right now 249?

Ankit Gupta: Yes.

Subhankar Ojha: And finally, in terms of any guidance on the new product launches for this year?

Ankit Gupta: So, currently we are working on some products but won't be able to comment right now. But in this particular fiscal, we have already launched Activewear for men in our brand Force NXT. We have launched women's athleisure. Last year we launched brassiere segment, kurti for women and raincoat. This year we launched raincoats also.

Subhankar Ojha: Actually, asking about raincoat, how has the response been for that product?

Ankit Gupta: So, the initial response was really good. In fact, in terms of repeat orders also we got a very good response from the market. But yes, this year was the first year that we did, and it contributed around 2.8% to our overall sales. Next year it should be much better.

Subhankar Ojha: And do you have any target for this new product as in like, specifically raincoat, as you said, you got a great response. Are you setting a target for yourself?

Ankit Gupta: See, it's again a seasonal product, right? Just like thermals that we deal into, it really depends upon the kind of rain that we have. So, this year the rain was good, last year it was not good. So last year a lot of companies who deal into raincoat suffered. Yes, the profit margins are good in this particular product range, and it is a very seasonal product. And whatever we did this year, next year we are trying to do 3x of that minimum.

Moderator: The next question is from the line of Drisha Poddar from Carnelian Capital.

Drisha Poddar: Wanted to understand that we have seen a very good growth and volume growth of 11% in our **(Inaudible) 38.09** segment. So, how does this translate for the premium and the semi premium segment? How has the volume growth and demand been there?

Ankit Gupta: We saw good volume growth in our economy range of products which was to the tune of 11%. And apart from that, in Force NXT, due to the new product launch of Activewear, we saw a volume growth of 52%. So yes, the growth has been good overall. Whether if we talk about economic range of product or premium product, the demand has been good in the market because this is the time when most of the purchases happened from the consumer side, like in the 1st Quarter itself due to the summers being there everywhere and it was quite hot this time.

Drisha Poddar: Secondly, also Athleisure has seen a backseat because obviously because of post-COVID where it has gone down a bit. So how do you see the demand coming back in the Athleisure segment?

Ankit Gupta: We are seeing good growth in our Athleisure segment as well. And last year also the growth was really good. It contributed around 14% to our total sales. And this year we are targeting to have a growth of somewhere around 30% to 35% as compared to the last fiscal. So, we are projecting good growth in that particular segment as well.

Drisha Poddar: And in the women's segment, like you mentioned, new products have been introduced. So how has the response been and how has the growth been in these new product segments that we have introduced?

Ankit Gupta: It is just the first lot which went to the market for women's Athleisure and Force Nxt active wear, and the market response has been good. The feedback that we have got from the retailers and the distributors is really appreciable. Regarding the lingerie segment which we launched last year, it's doing really well. And I think this year we'll see not less than 2x-2.5x kind of a sale. The rain guard also is quite good. For its debut year, I think we did a good job in creating good market awareness, and we did an in-film branding with the movie Bhola, wherein Ajay Devgan also promoted this product. And we really got a good response from the market, from the channel partners as well. And next year, we are targeting at least 3x kind of a sale in this particular product range as well.

Drisha Poddar: And lastly, sir, on the thermal segment, last year due to delayed and shorter winters, I believe there was a little channel inventory pile up there. So how is that currently and how is the offtake because I believe that orders would have started for the next season. So how is the demand and offtake on the thermal side for the upcoming season?

Ankit Gupta: Last year was a period where all the distributors emptied their godowns or cleared their inventories, and that's the reason why our sales were down by 30% in terms of thermal sales. So, this year, we are very-very hopeful that our thermal sales will get back to its normal level, and we are hoping for good growth in our thermal sales as well.

Moderator: The next question is from the line of Kaustav Bubna from BMSPL Capital.

Kaustav Bubna: I was wondering, what is your average raw material inventory days?

Ajay Patodia: It is around 107 days.

Kaustav Bubna: So then is it fair to assume that, and correct me if I'm wrong, this is this for basic understanding that when cotton prices fell, you immediately passed on the pricing to consumers, but you were still holding high-cost inventory? So, the actual effect of margins will come with a lag and it's yet to come in the coming quarters? Is that understanding correct?

Ankit Gupta: Your understanding of having a high inventory on our books is correct. And that's the reason why we saw a margin decline in the last fiscal year, and some of its effect was also there in Q1. But now, going ahead, proceeding ahead, if everything goes well, if there are no changes in the raw material prices, the margin should get better and better.

Moderator: The next question is from the line of Surya Narayan Nayak from Sunidhi Securities.

Surya Narayan Nayak: So, just to understand, we have added the distributors along states and added two states also. So, despite volume growth of 4% we saw the realizations dropping and the revenue fell 21%-22% QOQ and 12.26% YOY. So, in this context, have we dropped the prices compared to last year and QOQ, what is the sense?

Ankit Gupta: We took a price cut over two to three quarters. So, we took a price cut around three to four times in the last fiscal year and that's the effect we are seeing. So, in Q1 FY23, towards the end of Q1 FY23 we started taking the price cut. So, the kind of ASP degrowth that you are seeing right now is the highest ASP degrowth that is there.

Ajay Patodia: Actually, the ASP bottomed out in the March quarter itself and in last year Q1 FY23 we take the price increase in the month of April by 5% and after that when the raw material prices decreases then we have to pass the benefit in quarter two, quarter three and quarter four is the bottom out. Because in quarter three December the cotton prices is stable and it is bottom out to 60,000 only. So, quarter four is the last bottom out prices for our ASP. The same ASP is continued in our quarter one and we hope that now the price is stable, and it may be possible that we take the price hike in the next one or two months.

Moderator: The next question is from the line of Nirvana Laha from Nirvana Capital.

Nirvana Laha: My question was just answered. I was going to ask the same question. Thank you.

Moderator: Thank you. As there are no further questions, I will now hand the conference over to Mr. Saurabh Ginodia for closing comments.

Saurabh Ginodia: Thank you everyone for joining the call and sincere apologies for the line disconnection. Sir, would you like to add any closing comments?

Ankit Gupta: I take this opportunity to thank everyone for joining this call. I hope we have been able to address all your queries. For any further information kindly get in touch with us. And thank you once again and I'm extremely sorry for the technical glitch that happened today.

Moderator: Thank you on behalf of SMIFS, that concludes this conference. Thank you for joining us and you may now disconnect the lines.