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Sub: Transcript of Analyst/ Investor Conference Call

Dear Sirs,

Pursuant to Regulation 30(6) and 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that a Conference Call for the analysts and investors to discuss the financial and operational performance of the Company for Q3 FY25 was held on February 7, 2025.

Please find attached herewith the transcript of the aforesaid call. The same has also been placed on the website of the Company <https://corporate.apolloyres.com/investors/ir-updates/>

This is for your information and records.

Thanking you,

Yours faithfully,
For Apollo Tyres Ltd.

(Seema Thapar)
Company Secretary & Compliance Officer



Apollo Tyres Limited
Q3 FY25 Earnings Conference Call
February 7, 2025

Mihir Vora:

Hi, good afternoon, everyone. This is Mihir Vora on behalf of Equirus Securities. I welcome you all to the 3Q FY25 earnings call of Apollo Tyres. We have with us today Mr. Neeraj Kanwar, Managing Director and Vice Chairman of Apollo Tyres; Mr. Gaurav Kumar, Chief Financial Officer and the IR team.

So, as always, we'll start the call with brief opening remarks from the Management, followed by a Q&A session.

With that, over to you, Mr. Kanwar. Thank you.

Neeraj Kanwar:

Good afternoon, and a very warm welcome to all of you to join the Apollo Q3 FY25 post results conference call. As normal practice, I'll say my opening remarks, and then pass it on to Gaurav.

First of all, despite growing growth challenges and elevated level of raw material costs, we closed Q3 FY25 with consolidated top line growth of 8% quarter-on-quarter and 5% YoY. Helped by cost control, consolidated margins stood at 13.7%, broadly similar to last quarter despite raw material cost pressure. On the positive side, we are seeing green shoots as we go ahead. We expect our operating performance to improve going forward on the back of, (a) recovery in the overall demand momentum, secondly, initiatives being taken internally to significantly uplift profitability, and lastly, due to reduced RM inflation.

Coming to regional performance, I'm happy to share that despite challenging environment, we outgrew the industry and domestic PCR and agri replacement segments resulting in market share gains in the quarter. However, the domestic growth was partially negated by marginal decline in OEM segment.

Coming to Europe, I'm happy to share that we registered a positive growth in topline, helped by a 7% growth in replacement segment revenues. More importantly, we registered more than 400 basis points improvement in our product mix with UUHP segment accounting for 48% of PCLT replacement volumes in the quarter. Earlier it was 43%. In terms of outlook, we expect recovery in operating performance

helped by higher topline momentum across both India and Europe.

Growth in India is expected to be driven by replacement segment where we are seeing further demand momentum in the current quarter. Similarly, in Europe also we expect healthy top-line momentum driven by market growth and new product launches.

Let me now talk about our key pillars for our FY26 vision. Starting with R&D, we continue to secure additional model wins from marquee German PV manufacturers, thereby revalidating our product capabilities. Coming to brands, the teams are working to further strengthen and reinforce our premiumization. In India, current quarter marked our entry into the Asia Book of Records and India Book of Records for the longest road journey by a pickup truck on a single set of tyres of EnduMaxx LT HD. We also launched Vredestein sleeve sponsorship with AS Monaco in Europe. Allopenus, a very well-known French retail -- online retailer, awarded the Vredestein Wintrac tyre as the most recommended winter tyre in their portfolio.

Finally, sustainability has always been a key pillar for us. During the quarter, our AP plant received a zero-liquid discharge certification, highlighting our commitment to recycling water waste and reducing reliance on fresh water. Also, during the quarter, we were recognized across several forums for our continued work in the area of sustainability. I would encourage you all to get in touch with the IR teams for more details on sustainability.

With this, I conclude my opening remarks. Let me reiterate that, as always, we are keeping a close watch on the markets and our costs. At Apollo Tyres, we are working relentlessly to prepare for what lies ahead, and I believe that we are extremely well placed to leverage long-term opportunity across our key markets.

Thank you once again, and I ask Gaurav now to say his remarks. Thank you.

Gaurav Kumar:

Thank you, Neeraj, and good afternoon, ladies and gentlemen. Continuing from where Neeraj left, let me share some further details of the operations for the last quarter. The consolidated revenue for the quarter stood at INR 69.3 billion, a growth of 5% over the same quarter last year, but 8% sequentially, which indicates a certain pickup in momentum. The consolidated EBITDA for the quarter stood at INR 9.5 billion, a margin of

13.7% compared to 13.6% in the last quarter. We've maintained the margins in spite of the cost pressures, though nowhere near the levels of previous year given the steep raw material cost pressure.

Coming to the balance sheet, we saw about INR 4.5 billion reduction in net debt as of December 2024, compared to end of previous quarter. The net debt to EBITDA for the consolidated operations is at 0.7x at the end of this quarter, pretty much flat compared to where we started the year. In India, we witnessed that the overall volume growth was marginal, where the good growth in the replacement volumes was negated by the decline in the OE volumes. We registered strong growth in both TBR and PCR replacement segment, the two core segments. However, the other areas sort of pulled it down to this marginal growth. The revenue for the quarter was INR 45.4 billion, a growth of 5% over the same quarter last year, and EBITDA for the quarter stood at INR 5 billion, a margin of 11.1% compared to 12.1% in the last quarter. In terms of the demand outlook, we expect the replacement demand momentum to continue to be healthy in Q4. And, in fact, we are seeing signs of a further strong pickup even beyond the current levels.

Moving to the RM outlook, we expect the RM cost to be range bound in Q4, almost around similar levels as Q3, which indicates a certain plateauing out. The net debt to EBITDA for India operations stood at 1.4x, vis-à-vis 1.1x in the previous quarter.

Moving on to the Europe operations, the revenue for the quarter was EUR 181 million, a growth of 3% over the same period last year, and up 6% sequentially, which is seasonally a good quarter for the European operations. The EBITDA for the quarter stood at EUR 32 million, with an EBITDA margin of 17.7% compared to under 15% for the last quarter. In terms of outlook, we expect the demand to continue to recover going forward. We are seeing good market growth trends, especially for the passenger car tyre segment, and we'll continue to focus to outgrow the market. We continue to keenly monitor our Capex outflow, and focus on profitability, free cash flow generation, and improvement in our return ratios.

With this, I will conclude my opening remarks. Thank you, and we will be happy to take your questions.

Questions-and-Answers Session

- Mihir Vora:** Thanks, Gaurav. We will now open the floor for Q&A session. Anyone who wishes to ask a question can please use the raise hand option. Once you are done asking your question, please lower your hand. We'll wait for a couple of seconds for the question queue to assemble. First question is from the line of Aryn Pirani. Aryn, I've unmuted. You can go ahead.
- Aryn Pirani:** Yes, hi. Am I audible?
- Gaurav Kumar:** Yes, Aryn.
- Aryn Pirani:** Yes, hi. Thanks for the opportunity. Actually, my first question was on the interest costs. We have seen balance sheet deleveraging for a while now, and especially in this quarter, but on a consolidated basis, interest cost is still remaining in that stable range. In fact, in the standalone, the interest costs have actually moved up quarter-on-quarter. So, is there anything that we should be mindful of? And when do we see the interest cost number actually trending down?
- Gaurav Kumar:** So, Aryn, you're right. The India interest cost has gone up mainly on account of working capital borrowings, which is largely a combination of the profitability challenges and a slightly weaker market, and the Europe interest cost has come down. Moving up on the working capital borrowings, etc., is fairly a temporary measure.
- Aryn Pirani:** Okay. Okay. So, this reduction in debt should start reflecting in the interest cost number in the coming quarters.
- Gaurav Kumar:** Yes.
- Aryn Pirani:** Okay. Okay. And secondly, you also mentioned that RM should be range-bound in 3Q versus 2Q. So, how should we interpret it? Because I'm guessing that some price hikes have happened and maybe more are planned or not, I would love to hear from you. So, if RM is flattish, then should gross margin actually improve quarter-on-quarter because of the impact of price hikes, or how should we think about that?
- Gaurav Kumar:** Aryn, just one correction, the RM Q3 versus Q2 still went up slightly.
- Aryn Pirani:** Sorry, I meant -- I think, I actually meant Q4, sorry.

Gaurav Kumar: Q4 to Q3, it is, we expect it to be flattish, and to that extent, some rollover impact of price increases should play a little bit into the gross margins.

Amyr Pirani: Okay. And anything on price hikes recently done or planned that you would want to call out?

Gaurav Kumar: Currently, given the market situation, etc., and the overall scenario, absolute near-term, no price increases planned. We'll continue to assess that situation and then take a call.

Amyr Pirani: Okay. Thank you. I'll come back in the Q&A.

Mihir Vora: Reminder to the participants: anyone who wishes to ask a question, please use the raise-your-hand option. And the next question is from the line of Siddhartha Bera. Siddhartha, you may now ask your question.

Siddhartha Bera: Yeah. Thanks for the opportunity, sir. Sir, first question on the India business, possible to highlight, at an overall level, what is the volume growth across replacement, OE, and exports?

Gaurav Kumar: Yes, Siddhartha. So, the volume growth overall for replacement this quarter was 5%, and OE was almost minus 10%.

Siddhartha Bera: And, sir, exports?

Gaurav Kumar: Exports was flattish.

Siddhartha Bera: Okay. Okay. So, on replacement, we do expect further improvement in the momentum like you initially commented in your opening remarks. Is that the right understanding?

Gaurav Kumar: Yes, that's correct. What we have seen in the first month of the current quarter, we are seeing stronger signs, and even through the last few quarters, the TBR replacement, passenger car, and even farm has been showing good signs. We expect this growth to further improve as we go forward.

Siddhartha Bera: Got it. Sir, on the export side, we had been seeing very strong numbers in the first half, but suddenly we have seen a very soft growth, while if I look at other peers' data, generally I see that the growth has been good. So, anything here, why has the growth been suddenly slowing down for us, and are there any initiatives we are taking to sort of improve that in the coming years?

Gaurav Kumar: So, Siddhartha, one is the particular segments or the markets where we were addressing in product categories. There, the demand has been big. In some cases, it's also been impacted by the strong fluctuations in the logistics cost or the freight cost, in which, in some cases, it did not make sense to push business aggressively. But you are correct; some of our peers have done better than us in their exports vis-à-vis us on our growth, and we are looking into that.

Siddhartha Bera: So, going ahead, sir, any new markets like the US or any new markets we are thinking of adding or growing our network and volumes there?

Neeraj Kanwar: Should I do that?

Gaurav Kumar: Yes.

Neeraj Kanwar: So, clearly, Siddhartha, we are looking at the US as our next growth market, and you'll see, we will be growing slow and steady. As I mentioned, PCR Vredestein is doing good in the US market. Apollo TBR has also started growing. So, the US is a clear growth market. The next market that we are also looking at is the Middle East, specifically in Saudi Arabia. Like you know, India and Europe continue to be our domestic markets, so these are the two key areas that we are looking at.

Siddhartha Bera: Got it. On the financials, there are some housekeeping questions. Can you share, for the last nine months, what would have been the Capex and FCF, because I see that it's only mentioned for the first half in the presentation? So, if you can share that number, as well as the gross debt, also at a standalone and consol level.

Gaurav Kumar: Siddhartha, the Capex number for India for the first nine months is INR 350 crores. The gross debt number is INR 3,200 crores for India. At a consol level, the total Capex for the nine months is about INR 500 crores, and the gross debt number is about INR 3,500 crores.

Siddhartha Bera: Okay. So, does that mean that we still hold on to our INR 1,000 crore Capex for this year or given the spends, there can be some moderation there? How to think about that?

Gaurav Kumar: There would probably be some moderation. It is highly unlikely that we'll spend INR 500 crores in the last quarter.

Siddhartha Bera: Okay. Okay. So, maybe close to INR 700 crores or INR 800 crores for the full year might be the right assumption?

Gaurav Kumar: Should be a probably more reasonable assumption.

Siddhartha Bera: Okay. And next year, should we again continue to expect similar, INR 1,000 crores of Capex, or how should we look at the coming years?

Gaurav Kumar: Next year, the Capex number will increase. We are extremely tight on passenger car tyre capacity, as we have been talking to you people, and we have initiated small Capex. The exact numbers will get frozen in terms of cash outflow in the next month or so, but the Capex number for the next year would have a certain amount of growth Capex over and above the maintenance Capex.

Siddhartha Bera: Understood. Understood. Sir, lastly, I think if I look at the Reifencom numbers, if you can share those for the quarter?

Gaurav Kumar: For the quarter, the Reifencom operations did EUR 88 million in revenue, with a 7% plus in EBITDA margin.

Siddhartha Bera: Okay. Understood. Thanks a lot, sir. I'll come back to you.

Gaurav Kumar: Thank you, Siddhartha.

Mihir Vora: The next question is from the line of Mumuksh Mandlesha. You have been unmuted and can go ahead. Mumuksh, you can go ahead.

Mumuksh Mandlesha: Yeah, sorry. Thanks for the opportunity, sir. Firstly, on the India standalone numbers, q-o-q gross margin have contracted in Q3 quarter almost like 300 bps. Just can you explain what has happened to the gross margin here?

Gaurav Kumar: Mumuksh, some part of it is due to the inventory getting consumed, and that's how it gets treated from an accounting perspective. And the IR team can walk you through it in detail, because what happens is that if the previous quarter of raw material consumption goes into inventory, there is a higher than just the raw material cost reduction on the raw material charge that is taken, which reduces the gross margin in the previous quarter and results in a slight increase in the following quarter.

Mumuksh Mandlesha: Okay, so the next quarter, once it normalizes, that number can change, right? The 300 bps itself?

Gaurav Kumar: Yes, I would not have a normalized number immediately at hand, but yes, there is some impact of the inventory consumption in that.

Mumuksh Mandlesha: Got it, got it. Secondly, on the Europe demand outlook for next year, how do you see? There's a good pickup happening last few quarters. Do you see the momentum to continue? And just on the outlook for Europe?

Gaurav Kumar: Europe, in fact, for the last quarter or so, and even going into the current quarter, the demand on both the passenger car and truck tyres replacement is very strong. As of now, no signs as to why that growth should taper off, and the good thing for generally tyre makers, even for us, is that within that, the UHP and the UUHP segment is growing even faster. So the mix continues to improve.

Mumuksh Mandlesha: Got it, sir. And just lastly, can you help us the RM basket for the Q3 quarter, sir?

Gaurav Kumar: Sure. So for the current year, Q3, the RM was roughly about INR 175 a kg, up 15% vis-à-vis the same quarter last year, but sequentially up 2%.

Mumuksh Mandlesha: And can you give the natural rubber and other sub-component prices?

Gaurav Kumar: Natural rubber was around INR 215 a kg, synthetic rubber at INR 195, and carbon black at INR 120 rupees a kg.

Mumuksh Mandlesha: Got it, sir. Thank you so much for this opportunity.

Gaurav Kumar: Thank you, Mumuksh.

Mihir Vora: A reminder to the participants, please use your 'Raise your hand' function for the questions. We have our next question from Jinesh Gandhi. Jinesh, your line has been unmuted. You can go ahead.

Jinesh Gandhi: Yeah, hi. Am I audible?

Gaurav Kumar: Yes, Jinesh.

Jinesh Gandhi: Yeah, hi. Just one question from my side on the India business, we have been relooking at our strategy of margin over market share. We still continue to underperform some of our peers who have reported so far on the revenue side. Any update on that side about how are we thinking about our market share versus margins now?

Gaurav Kumar: Jinesh, it's not just a clear black and white in terms of either/or. It has to be chosen as a prudent strategy of market share or

growth vis-à-vis margins. The priority to profitability margins will continue to be there, and yes, a couple of our peers have definitely done better than us. But if you see sequentially vis-à-vis Q2 to Q3, our numbers are coming in line with some of our peers and ahead of some of our peers, so we are addressing that issue in terms of not lagging behind on growth either.

Jinesh Gandhi: Okay, got it. So incrementally, clearly there is a tilt towards growth as well. That would be a fair way to look at it. Great. Thanks and all the best.

Gaurav Kumar: Thank you.

Mihir Vora: We have a next question from the line of Amar Kant Gaur. Amar, you can go ahead.

Amar Kant Gaur: Yeah, hi, thanks for taking my questions. Good afternoon to you both. My question was similar to what Jinesh was talking about. I mean, in the last couple of calls you had at least talked about the peers having a higher growth than us and going back to the drawing board and figuring out what the reason for those have been. If there's something that probably you could highlight in terms of where that work needs to be done and where you guys are working upon, if you could shed some light on that?

Neeraj Kanwar: Gaurav, let me take that. So, we're looking at both the product categories, primarily truck bus radial, and PCR. Primarily in India, to give you an example, we are trying to vacate the 12-inch, 13-inch market, especially with the OEMs, and then going up-sizing of 14, 15, 16, 17, which is where more profitability is concerned. Volume is less, but profitability is there. So it's a journey, it takes time, because you need to -- the whole idea is to go more premium, and therefore, you've seen our balance sheet ratios become much better. And partly, it was because of all this exercise that we are doing. So now, we just have to wait and see. The volume will start coming. As Gaurav has already mentioned to you, if you see quarter-on-quarter, then already we are above the growth curve of our competitive peers. At the same time, we are keeping at the EBITDA margin that we have kept for the past two to three quarters. So it will take time, but you will see, again, signs of growth in Q4, and then next year will be much better than this year.

Amar Kant Gaur: Understood. And my second question was on the other expenses, which have declined quite a bit sequentially. I'm sure there's a component of certain costs that you have rationalized. If you could identify some of them, and how should we think about these other expenses going ahead?

Gaurav Kumar: So some bit of it, Amar, is immediately cutting down on A&P and some of the easy administrative expenses, which was coming down hard given the overall cost pressures. I would say the prior levels are more normalized levels, and one would tend towards that.

Amar Kant Gaur: Understood. So, maybe around INR 800 crores odd that you were doing as a percentage of revenue would be similar going ahead?

Gaurav Kumar: Yeah, and we expect it to come down with growth in revenue, if not increase in the same proportion.

Amar Kant Gaur: Understood. And just a clarification, so you had talked about the RM costs remaining around the similar level to Q4. You were talking about the procurement cost, right? Because of the higher inventory level, the absolute gross margin could still trend lower in the next quarter. Is that understanding correct?

Gaurav Kumar: Yeah, so the inventory part would play into effect, but yes, the procurement cost is beginning to plateau out.

Amar Kant Gaur: Understood. Thank you so much. All the best.

Gaurav Kumar: Thank you.

Mihir Vora: Next question is from the line of Mukesh Saraf. Mukesh sir, you have been unmuted, and you can go ahead.

Mukesh Saraf: Yeah, hi. Thanks. I hope I'm audible.

Gaurav Kumar: Yes, Mukesh.

Mukesh Saraf: Yeah, so my question is on the demand environment. Like, you have mentioned that you expect volume to kind of improve a bit on the domestic business, and so this is particularly looking at the commercial vehicle space, given we have seen some kind of weakness on the OEM demand in CVs. In your experience, do you also kind of see this percolating to the aftermarket because, obviously, fleet operators aren't buying new trucks, so they're seeing probably a lack of visibility on freight demand, and that would eventually probably trickle down to the aftermarket as well for you. So, in your experience, how have you seen this lead-lag between aftermarket OEM, and is also especially the question is because I have seen some of the fleet operators, the listed ones as well, the transportation companies, they're talking

about not being able to kind of increase freight rates. So, all of this put together, how do you see this scenario?

Neeraj Kanwar: Well, I think in Quarter 4 we see CV coming back, specifically for us, even though we are leaders there, we see the TBR, CV going up this quarter. And, primarily now this year has been a little bit volatile in terms of elections, and when elections are there, people are back to cash purchases. Now, all of that is put aside, I hope, and so we see the economy coming back, and we see -- once the economy comes back, the first thing that goes is CV. CV will start going up, and now we are getting into season, generally...

Mukesh Saraf: Right, so expecting OEMs as well to improve.

Neeraj Kanwar: Yeah, yeah, OE is also showing signs of recovery, and PCR is -- passenger car is also showing signs of recovery. Now, you're getting into a season of February, March, April, May, June. So, hopefully the season will pick up and both the product categories of vehicles will start picking up. Okay, Mukesh? Then we are done here. Please go on.

Mihir Vora: He dropped. So, I'll take the next question. Next question is from the line of Mumuksh. Mumuksh, you can go ahead.

Mumuksh Mandlesha: Yeah, hi, sir. Just a follow-up. Since RM basket prices are around INR 215 per kg, now, natural rubber and the current price is around INR 190 in the natural rubber prices, just want to understand will there be any benefits seen, say, in the Q1 quarter with the lower natural rubber prices?

Gaurav Kumar: Marginal only, Mumuksh, because what you are saying on the natural rubber then the entire freight cost, etc., gets added. So, the prices that I gave is our consumption price, not the basic price what you would be seeing. So, natural rubber has only slightly tapered off.

Mumuksh Mandlesha: Okay.

Gaurav Kumar: Not much. So, that's why the Q4 outlook is flattish vis-à-vis Q3 on the raw materials front.

Mumuksh Mandlesha: Understood, sir. Thank you so much for this.

Gaurav Kumar: Thank you, Mumuksh.

Mihir Vora: So, I guess we are -- so we have a question from Basudeb Banerjee, and Basudeb, you can go ahead.

Basudeb Banerjee: Hi, Gaurav. As you...

Mihir Vora: He has dropped.

Basudeb Banerjee: Am I audible?

Mihir Vora: Yeah, go ahead, Basudeb.

Basudeb Banerjee: Yeah, yeah, so PCR, as you said high utilisation, so capex will be for that next year. So, what's the utilisation level of TBR now on an annualised basis, not just quarterly?

Gaurav Kumar: TBR is around 80%, Basudeb, so we have sufficient headroom. But PCR, currently in India, we are high 80% and, in fact, in Europe, in the 90%.

Basudeb Banerjee: So, still, I'll say a consolidated capex of INR 1,200 crores - INR 1,300 crores for FY27 would be fine or can it overshoot that?

Gaurav Kumar: For FY26, I would say....

Basudeb Banerjee: FY26, yeah, sorry, FY26.

Gaurav Kumar: So, if we take a normal maintenance Capex around INR 700 crores - INR 750 crores mark that we talked about earlier, on top of that, very much at the top of the numbers, maybe add around INR 800 crores more. I still don't have the firm figures, but ballpark. And we will come back to all of you with a more firm guidance.

Basudeb Banerjee: And that would add to the PCR overall capacity by how much, India capacity?

Gaurav Kumar: India, it would add about 7% - 8%, Europe, slightly more. So, overall we are looking at capacity addition just about 10% or a little less.

Basudeb Banerjee: And Europe it will be through Hungary?

Gaurav Kumar: That's correct, we don't need any greenfield. We have enough brownfield.

Basudeb Banerjee: And any update on the Netherlands gross block, what's happening, what's the plan down the line?

Gaurav Kumar: Right now, that continues at its current capacity level. Large parts of the passenger car tyre sourcing is from Hungary and small bits from India and small from the Dutch plant.

Basudeb Banerjee: And last question, what part of natural rubber now is currently imported as such?

Gaurav Kumar: Let me see if I have the immediate figure. Broadly, it used to be about 50–50. I don't have an immediate figure, Basudeb. We can get back to you.

Basudeb Banerjee: Sure, so basically, rupee weakening plus logistics cost, so all those things combinedly might be impacting in that way.

Gaurav Kumar: That's correct. That's correct.

Basudeb Banerjee: Okay. Thanks.

Gaurav Kumar: Thank you, Basudeb.

Mihir Vora: We have our next question from Rohit Jain. Rohit, you may go ahead.

Rohit Jain: Hello. Can you hear me, sir?

Gaurav Kumar: Yes, Rohit.

Rohit Jain: Yeah. So, just to confirm on the gross margin piece of it, so the high-cost inventory, is that portion has been consumed or do we expect it to be consumed by the end of Q4?

Gaurav Kumar: Some bit of it has been consumed. There is still some inventory, but not at unusual levels currently in India.

Rohit Jain: Okay. Thank you.

Gaurav Kumar: Thank you.

Mihir Vora: So, I have one question, sir. So, basically, you mentioned that there are no – there would be minimal price hikes going ahead in fourth quarter. Are we doing this because of a competitive intensity or is it that RM costs are covered to an extent? So, what is your lookout on the price hike?

Gaurav Kumar: It is largely because of the overall industry scenario, competitive intensity. Otherwise, these are not the margins that we are happy with. We would definitely want to up the margins and we would keep looking at avenues to do that as we go forward.

Mihir Vora: And, secondly, on the crude derivatives part, do we expect fourth quarter to be sort of softening for crude derivatives?

Gaurav Kumar: I don't have an outlook for each raw material, but overall, as I said, flattish. So, some bit of it coming down on natural rubber would then be negated by some bit of it up on the crude side. So, the rupee devaluation doesn't really work in our favor on the raw material basket.

Mihir Vora: All right. So, that's all from my side and there are no further questions. I would now like to hand it over back to Neeraj sir, for closing comments.

Neeraj Kanwar: I'd like to thank each one of you for coming and attending our conference and look forward to seeing you next quarter. Thank you.

Gaurav Kumar: Thank you.