HI-TECH STEEL PIPES

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08th February, 2023

To

Manager, **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex- Bandra (E), Mumbai-400051 ***NSE Symbol: HITECH***	Listing Department, **BSE Limited** Phiroze Jeejeebhoy Towers, Rotunda Building, Dalal Street, Fort Mumbai- 400001 ***Scrip Code: 543411***

Subject: Q3 & 9M-FY23 Earnings Conference Call Transcript

Dear Sir,

With reference to our letter dated 01st February, 2023 regarding the intimation of Analyst/ Investor Conference Call on the Un-Audited Financial Results (Standalone and Consolidated) for the Quarter and Nine Months ended 31st December, 2022, Please find enclosed herewith the transcript of the conference call being held on 03rd February, 2023.

The transcript of the conference call is also made available on the Company's website viz.: www.hitechpipes.in

Kindly take the above information on record and oblige.

Thanking You

For Hi-Tech Pipes Limited

For HI-TECH PIPES LIMITED

ARUN KUMAR

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Date: 2023.02.08 16:48:56 +05'30'

Company Secretary

Arun Kumar
Company Secretary &
Compliance Officer

Encl: a/a

"Hi-Tech Pipes Limited
Q3 & 9M FY '23 Earnings Conference Call"
February 03, 2023

MANAGEMENT: **MR. ANISH BANSAL – WHOLE TIME DIRECTOR – HI-TECH PIPES LIMITED**
MR. SANTOSH RAI- HEAD - FINANCE– HI-TECH PIPES LIMITED
MR. ARUN KUMAR- COMPANY SECRETARY & COMPLIANCE OFFICER– HI-TECH PIPES LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to Hi-Tech Pipes Limited Q3 FY '23 Earnings Conference Call. 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 star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anish Bansal, Whole-Time Director of the company. Thank you, and over to you, sir.

Anish Bansal: Good evening, and welcome, everyone, to our Q3 FY '23 earnings conference call. I hope everyone has a chance to go through our results and update our investor presentation uploaded on the exchange.

During this quarter, the company has registered highest ever sales volume of 91,000 tons as compared to 65,000 tons in Q3 FY '22, which is a growth of 40% year-on-year basis. Revenue of the company stood at INR 569 crores as compared to INR 440 crores in Q3 FY '22, a growth of 29%. Profitability of the company, which is again our record highest stood at INR 13 crores as compared to INR 10.17 crores in Q3 FY '22, a growth of 28%. The improvement is mainly due to better capacity utilization, overall demand of steel tubes and pipes, and increase in share of value-added products.

EBITDA has increased by 12% to INR 28 crores as against INR 25 crores in Q3 FY '22. On the positive side, now the demand has again started ramping up, reduction in HR coil prices and reduction in the gap of secondary and primary steel products is contributing significantly towards higher volumes. The steel prices are also bottomed out now, with our strong presence and continued spending reach, we will be getting most of the demand and will be further increasing our volumes in medium to long term.

Now I would like to take you through the ongoing projects and other developments. The commercial production of our new colour coating line has commenced in this month. We are happy that this high-margin value-added products will further help in strengthening the company's margin on blended level. With an installed capacity of 50,000 tons, this is a forward integration to our existing cold rolling and Continuous Galvanizing Line facility in Sikanderabad, UP. Hi-Tech is the second player in North India, having this fully integrated manufacturing facility, from HR coils to cold rolled coils -- to color coated coils. The color coated coils are widely used for roofing, wall cladding, white goods, domestic industrial sheds, infrastructure, bus bodies, metro rail, doors and window frames, etc.

The company has started purchasing electricity of 5 MWP from Amplus RJ Solar Private Limited under solar power purchase agreement as a group captive user. Our maximum power needs of the company for Sikanderabad unit has now been fulfilled by solar power. This would help significantly in cost savings and reducing our carbon footprint.

Thirdly, our gas pipes project in Sanand is under commissioning stage. We are expecting it to start from Q2 FY '24. This project will enable us to penetrate in large diameter segment of water and city gas distribution, also construction and other infrastructure-related products. These products will greatly enhance our EBITDA per ton going forward.

The company is getting repeated orders from Jal Jeevan Mission and other infrastructure projects from various state and central state governments. Under the budget 2024, the government has announced to allocate huge capex towards infrastructure, railways, airports, agriculture, telecom, green energy, green hydrogen. Therefore in the next 4 to 5 years, these would surely be the big demand drivers for the company and its steel products.

We are also committed and focused to actively improve our utilization of our existing facilities and also increase the proportion of value-added products. These developments are setting our stage for robust fourth quarter performance.

Now the floor is open for question and answers.

Moderator: Our first question is from the line of Garbit Goyal from Anvest Research.

Garbit Goyal: My question is from the budget side. The focus area -- areas were railways and water infrastructure. How do you see this budget as an opportunity for us? And what can be the other new areas where you can enter into considering this budget?

Anish Bansal: Garbit, this budget was unprecedented in terms of infrastructure capex. As you may have seen, the total outlay towards infrastructure capex in 2019 was INR 3 lakh crores. And in this budget, it has gone up to INR 10 lakh crores and if you take the railway budget extra, another INR 2.5 lakh crores. So almost INR 13 lakh crores of capex, which is unprecedented. And this will be going towards water distribution, highways, green energy, airport infrastructure, telecom and many other projects. So this budget will greatly enhance demand for our steel products and pipes.

Garbit Goyal: That is what I'm asking, means basically, do you see any newer areas like the main emphasis was on the railway side and the water infrastructure side? So do you see these -- any new products or any -- like your colour coated pipe that you have introduced? So do you see any demand traction for this particular product in these areas?

Anish Bansal: Yes, I think the demand will be overall good for all the products that the company is manufacturing. And the green energy is one area where the government is having a keen focus. And I think this sector should come up really, really nicely in coming 2 to 3 years.

Garbit Goyal: How you are looking to target this green growth?

Anish Bansal: So we make one special SKU, which is solar torque tubes, which is specifically catering to the solar power industry. And we have seen traction coming in last quarter. And I think the momentum is there, and we will build up on these volumes.

Garbit Goyal: Okay. And what is the capacity for these solar tubes you are mentioning?

Anish Bansal: So our capacity is fungible capacity, we can shift the capacity towards this in all our existing facilities.

Garbit Goyal: Okay. Understood. And sir, where do you see your overall volume for FY '23? And what shall be the growth rate going forward, sir?

Anish Bansal: So our internal target of FY '23 volumes is around 375,000 tons, and this would be growing by 22%, 25% year-on-year.

Garbit Goyal: And what was the current month run rate, sir, in the January '23?

Anish Bansal: We did a sales volume of 38,000 tons.

Garbit Goyal: And sir, from the margin side, how do you see operating margins to shape up in the next, say, 1 to 2 years' time frame? And it would be helpful if you share the simultaneous number for your current value-added product mix and your targets for that in the future?

Anish Bansal: So our current value-added mix is around 30% as we exit FY '23. And going forward, by FY '25, our target is to take this number to 50%.

Garbit Goyal: And sir, what is the VAP capacity means value-added product capacity out of your total capacity of 580,000 sir?

Anish Bansal: The capacity and our sales volume is the same. So 30% is the capacity we are having for value-add products, which will be going to 50% by FY '25. So capacity and sales volume is directly proportional and the like.

Garbit Goyal: In the additional capacities you will take into -- in those capacities also, there will be partially the value added and partially will be the general products, right?

Anish Bansal: Yes, yes. And we are doing some forward and backward integration, which will help us in reaching a higher EBITDA per ton.

Garbit Goyal: So what is the target for EBITDA per ton, say, by the end of FY '25?

Anish Bansal: So right now, we are at INR 3,000 per ton. So the optimism at the optimal scenario will be INR 4,500 per ton by FY '25.

Garbit Goyal: And what will be this number for FY '24?

Anish Bansal: This will vary between INR 3,000 to INR 4,000 per ton depending on the market conditions.

Garbit Goyal: And sir, you were talking about the Jal Jeevan Mission. Do you see any kind of EBITDA margin compromised because these contracts will definitely be tender-based thing? So how do you look at these things, sir?

Anish Bansal: No, there's no drop in EBITDA on Jal Jeevan Mission because we know only a selected few companies have qualified to supply in this field, and Hi-Tech is one of the main suppliers. The EBITDA per ton is not lower in this market.

Moderator: Our next question comes from the line of Vikash Singh from Phillip Capital.

Vikash Singh: Sir, I just wanted to understand one thing. We have already grew at 29% in the 9 months and looking at our yearly target of 375. This year, growth is pegged at 35%. Given you are very, very positive on the increased capex spend by government, why we are only talking about 20%, 22% kind of the volume growth from further here? Is there any bottleneck or is the product mix, which is basically a hindrance right now?

Anish Bansal: Sir, right now, we are standing at 5,80,000 tons installed capacity, and you know the 70% is the peak utilization that is possible. So from this quarter onwards, we are hitting our peak utilization of 70%. And this Sanand project will come in Q2 of next financial year. So based on this, we will be hitting minimum 20% volume growth, let's be optimistic and hope for the best, if we do anything further than 20%.

Vikash Singh: Sir, so does that also mean that now we would start another big round of capex cycle because we are targeting 1 million tons of capacity? So by when do you think that you would be able to reach 1 million tons?

Anish Bansal: Sir, our internal target is FY '25 for 1 million tons, and work is in progress in this direction, and we are fairly confident of reaching that by FY '25.

Vikash Singh: Understood. And sir, lastly, on the preferential share allotment money, how much you have received? What was the use of that money and the remaining portion by when you are expecting to receive?

Anish Bansal: Sir, we have received INR 96 crores in this preferential, and we have utilized this to retire some long-term debt and balance towards working capital requirement.

Vikash Singh: And the remaining money you would be calling for by when?

Anish Bansal: The total time line is 18 months. So I think it will come in regular installments.

Vikash Singh: Okay. So next, leg of the capex could be used for this?

Anish Bansal: Absolutely. Absolutely.

Vikash Singh: And lastly, in terms of our product mix price, on a strategy wise, basically, what are the products where which we would be targeting? Because obviously, in value-added segment or even for new categories like solar panels, the margins are -- in some product segments are pretty high, but maybe a little bit smaller market. So just wanted to understand whether we would be chasing the volume growth or a value mix as per our strategy going forward?

Anish Bansal: So for us, both are important. The volume is also important and the value-added business is also important. And we have focus towards both because we do not want to lose our market share also while having a very, very sharp focus on the value-added segment. So we are having both the -- we are focusing on both the things, volume as well as value-added growth.

Vikash Singh: Understood. And lastly, what is our net cash status right now? And how do you see it moving forward?

Anish Bansal: Sorry, can you repeat your question?

Vikash Singh: Our debt position as of now because you have paid some money from the potential investment, right? So what is the debt position right now?

Anish Bansal: So as on H1, we were on a total long-term and short term, we were at around INR 325 crores. And we'll be exiting this financial year with almost INR 260 crores, so a reduction of more than INR 65 crores, INR 70 crores.

Vikash Singh: Understood. And lastly, in terms of our distribution strategy-wise, if you could just elaborate what is -- how we are thinking of growing our distribution and which side of the India now we are targeting because obviously, we would have captured the market closer to our mills. So in order to continue for the volume growth, what are the markets we would like to capture going forward and our distribution strategy with respect to that?

Anish Bansal: So sir, companies having almost 400 dealers and distributors across 15 states in India. And there is ample room to grow volumes within the existing distribution channel. And up to -- like for next financial year, we are fairly confident with this existing distribution channel, we'll be able to push at least 20% to 30% higher volumes. So our focus remains in North, West and South of India.

Moderator: Our next question comes from the line of Garbit Goyal from Invest Research.

Garbit Goyal: Sir, you were mentioning your new capacity will come from quarter 2 of FY '24, right? So what is the volume that capacity will add to?

Anish Bansal: Garbit that volume will be close to 1.2 lakh tons.

Garbit Goyal: And sir, since you are having a target of -- by the end of '25 around 6 lakh tons as far as I know, sales volume. So that will be achieved from the newer capacity acquisition because your current run rate is, I think, is already -- you are on peak utilization, right? You mentioned you are doing INR 38,000 this last month?

Anish Bansal: Yes.

Moderator: Our next question comes from the line of Nikhil Jain from Galaxy International.

Nikhil Jain: I just wanted to understand a couple of points, specifically with respect to the EBITDA per ton. So what are the factors on which the EBITDA per ton is, let's say, kind of decided or we get the EBITDA per ton in the market. And how do we kind of derisk over, sir, to get a minimum EBITDA per ton? Or is it like going to be volatile with the steel prices going up and all the other things?

Anish Bansal: Nikhil, I appreciate your question. So our EBITDA per ton as on Q3 was about INR 3,000 per ton. And steel prices being volatile and plays a very important role in EBITDA per ton. So H1 was a classic example when the steel prices went like they know a site. And during this period of steep price decline, the company recorded an EBITDA per ton of INR 2,500 per ton, which again is a testimony for the company's fundamentals and the company's operations that despite such a huge volatility, the company was able to make INR 2,500 EBITDA per ton in the extreme case scenario.

And so this EBITDA will move up as our value-added products share go up our -- when our volume will go up, then there will be -- certainly there will be some operational efficiencies that will kick in. And also some reduction in the procurement cost of steel. So all these factors, these will help in company increasing this EBITDA per ton.

Nikhil Jain: Okay. So can we say that this INR 2,500 per ton that you got in the last quarter, so that would be kind of the minimum EBITDA that we would always be able to manage despite, let's say, whatever happens in the steel price?

Anish Bansal: Yes, sir, as per the historic data, this has been the lowest.

Nikhil Jain: Okay. And what would be the sustainable? So if there is no steel price variation, let's say, right, in a particular quarter or 2 quarters, whatever, so steel prices in the narrow range, so what would be your EBITDA margin? So what is the EBITDA per ton that we are looking for, which is kind of sustainable without the impact of steel prices?

Anish Bansal: It should range between INR 3,000 to INR 4,000 per ton in the normal market.

Nikhil Jain: And this should be kind of trending up with the increase of the value-added products, right?

Anish Bansal: Yes, increase in volume and increase in value-added products, both.

Nikhil Jain: Okay. So how does that increase in volume helps us? It helps us to better negotiate the price?

Anish Bansal: Operational efficiency.

Nikhil Jain: Okay. One more question actually. See, we are still -- we are a good player, but we are still comparatively smaller than some of the bigger players in the industry. So do you say or would you say actually that these bigger players will have a significant advantage over us in terms of their price negotiations and in terms of the ability to get a better price on, let's say, the raw materials because of their size and all, so because there may be a couple of metric tons -- million metric tons?

Anish Bansal: Sir, naturally, there will be some advantage. That is why we are also going towards 1 million the target because we see some benefits that we'll get at 1 million ton level. So we are working like -- we are working with the plan that we are having. And execution is the most important thing. So our focus is towards execution at this point.

Nikhil Jain: Okay. And 1 last question, actually. So what would be the kind of difference in EBITDA per ton between the value-added products and at the regular product that we have?

Anish Bansal: INR 1,000 to INR 1,500 per ton.

Nikhil Jain: So let's say, our regular would be, let's say, INR 3,000 and the value-added maybe INR 4,000 to INR 4,500, and that's where we trended between INR 3,500 is around that range, right?

Anish Bansal: Absolutely.

Moderator: Our next question comes from the line of Ronald Siyoni from Sharekhan Limited.

Ronald Siyoni: Congratulations on strong performance. Sir, first thing was any comments on the inauguration on the MOU, which you have signed with the UP government. So I think it's a INR 510 crore core investment. So what kind of capacity? And I think you will be going in phases. So when this MOU would get executed and what kind of time line you are looking at and what kind of funding requirements in terms of net equity you will be requiring for this project? And is it a part of your target to the 1 million ton capacity?

Anish Bansal: Very valid question. So this MOU that we have done with UP, we have kept certain things in mind. Firstly, UP, as we have seen over the last few years, how the landscape has totally changed in UP, the demographics that are paying in UP and the kind of infrastructure that is in place in UP now, whether it's the low network, the new express train, and the new airports, I think UP, which was underdeveloped for last many, many decades, it will be one of the fastest-growing states in the country.

So based on this, we have a keen focus to expand our UP facility costs, we are already there. And we are seeing the demand potential for the consumer products like the new age projects that we have come in like color-coated seats, color-coated door frames and window frames. So all these things, we feel UP will be a big, big demand driver, and we do not want to leave the space.

So this MOU for INR 500 crores, this is in direction for next six to seven years. It will be done in phases, and it will take us to 1 million tons and beyond. The funding will be through this preferential that the company has done and also internal approvals.

Ronald Siyoni: Okay. So you would require around 60%, 70% debt or a little bit higher debt for this?

Anish Bansal: No. For this facility, we'll not be requiring any debt other than working capital.

Ronald Siyoni: Okay. So you already finance to this preferential and internal accruals?

Anish Bansal: Yes.

Ronald Siyoni: And are you getting any benefits from the state government in terms of...

Anish Bansal: Yes, that is under -- still under negotiation. So we have put in our demand list and the government is actively considering that. And I hope this should be frozen by next month.

Ronald Siyoni: Okay. And one thing was that during this quarter, have you also reported some kind of inventory gain or anything else in the EBITDA per ton or because our steel price might have moved some bit? So does this include some kind of inventory gain in INR 3,000?

Anish Bansal: No, Ronald. The prices have been flattish for this quarter in Q3.

Ronald Siyoni: And you also have commented on post-Q3, what kind of this price gap have you seen with primary and secondary? Now where is it and how we are seeing it?

Anish Bansal: So the gap between primary and secondary has narrowed down significantly in Q3, and in Q4 also, I think the prices should be comfortable for primary steel tubes and pipes players to have an edge over the secondary players.

Moderator: Our next question comes from the line of Vaibhav Kapoor an individual investor.

Vaibhav Kapoor: My question is just linked to the previous question that was asked by the participant. Sir, could you just give us some understanding on going with one large facility in UP vis-a-vis going for smaller facilities in different clusters that you currently have? Could you just run us through the cost benefit analysis between the two approaches? And why have you chosen the UP along with its benefits vis-a-vis putting a small amount of capex in 3 existing plants for capacity expense?

Anish Bansal: Yes. So UP facility costs, we are -- mainly our facility, the flagship plant is already there in UP. And we are present in Gujarat, Maharashtra and Karnataka. This UP project, this is with the vision for next 6 to 7 years til 2030. We strongly believe in UP, the kind of development that has undertaken in last 3 to 4 years, and the future for the state is very, very bright.

The demographics are playing the biggest role because as you all know, like 18% of the country's population, they reside in UP. So UP will be a game changer now, and there are hardly any players who are active in UP. So we want to capitalize on this opportunity. Also, the support from the state government to put up this facility is quite -- if they execute our term sheet, I think the company will make a decent -- will do decent volume and decent profitability from this unit.

Vaibhav Kapoor: Are you saying that the smaller plants and the freight advantage would more -- would be offset with the larger plant and the demand environment? Is my understanding correct?

Anish Bansal: Yes. Now as we have seen the demand for larger sections, larger -- which the sections, which will replace the RCC construction. We see this trend coming into the main fray in the next 4 to 5 years. So with these kind of SKUs, large section, so we'll need big land for us. So going forward, like we have small units, but there will be one hub should be there, which can feed its smaller units. In terms of product offering, the size ranges is ever expanding. Earlier, we were doing like 2 sections up to 150, 150, now 200 by 200. And going forward in the future, we see this product file going up to 500 by 500. So all these things will require a lot of land and a big area to do production.

Vaibhav Kapoor: Sir, the second question would be with respect to your working capital. Could you give some color between the previous quarter and this quarter, what has been the change quarter-on-quarter? And that the link of the debt repayment that you have done?

Anish Bansal: So first, the working capital. So as on H1, our working capital -- net working capital cycle days was 48. Q3 also, it is somewhere between this figure only between 45 to 48. We'll be exiting this financial year with the net working capital cycle is of between 42 to 45. If our volumes go up, then definitely this will come down a bit. So 42, 43 is what we are targeting to exit this financial year in terms of networking up the cycle days.

In terms of debt, our total long term, short term was INR 325 crores as on H1, and we'll be exiting this financial year with a consolidated debt of around INR 255 crores.

Vaibhav Kapoor: This would fully utilize the fundraising that has happened in the...

Anish Bansal: Yes. Yes, totally.

Vaibhav Kapoor: Okay. And sir, the last question is on the pledge. I believe there's a small amount of pledge of the shares. Could you give some understanding there?

Anish Bansal: It's a very, very small -- I think it is under 2%, I think probably 1% to 1.5%. This is taken by SBI who is our lead banker. And we are in discussions with them. I think we'll get these shares unpledged in next 3 to 4 months.

Vaibhav Kapoor: My question was more with respect to the fully convertible equity warrants that are coming, and do you think that this number would change post this -- the conclusion of this fundraising in the next 1.5 years? Or do you think that 2% is the peak that would?

Anish Bansal: No. This is -- we do not want to give any shares for pledging. We want to bring this down to 0.

Vaibhav Kapoor: So this would be 0 post the next 4 months and even after the fundraising that happens, it will terminate?

Anish Bansal: Absolutely. There is no thought of pledging any shares.

Moderator: Our next question comes from the line of Nikhil Jain from Galaxy International.

Nikhil Jain: Just a couple of follow-up questions. So one was, do you do any hedging for, let's say, for the raw material steel and all to kind of blocking the rates?

Anish Bansal: Sir, regarding the steel prices, we are having long-term MOUs with all these steel mills. So whatever fixed price orders we take, we try to procure the material in advance for that is the only natural hedging possible here. There's no like exchange or anything where we can hedge our steel purchase. But we are -- through the experience and expertise over the last many, many decades, we have this expertise of managing the volatilities.

Nikhil Jain: Okay. And the second question was that I've seen that you have built up some 12 brands for your different products, right? So I just wanted to understand what percentage of our sales is actually going to, let's say, the retail channel or where this brand building would be useful. Because most of the product, I think, as you are saying, is going to the government schemes and maybe to B2B buyers. So I just wanted to understand -- and is there any thought process of an organization to increase our shares in the retail side?

Anish Bansal: So Nikhil, our total -- our B2C is almost 65% of our total sales. This is done through our 400 dealers and distributors across India, and only 35% of the business is coming from the B2B or B2G segment. And going forward -- yes, and going forward, I think this 65% should remain intact. Branding plays a very, very critical part in the B2C segment. We are marketing our products as solutions and not just commodities.

Nikhil Jain: No, that's good to hear, actually, and I understand. I was not aware. And the last question actually on my side is that -- so see, as compared to some of the bigger players despite our huge experience, so what would you kind of first characterize as our right to win, right? The key strength of the organization, which help us, let's say, word of the competition coming in from some of the bigger pipe companies and gain market share and maybe improve our profitability as we move along, right?

Anish Bansal: Nikhil, so we believe in execution. I think execution is the only key to win in this sector. So that is of the prime importance, executing your projects and getting -- and sweating your assets to the maximum. Our supply chain is sorted and our distribution chain is quite robust. So it is about executing whatever we have talked about.

Nikhil Jain: Not so much the cost difference, not so much the price difference. So it's more about execution and focus on...

Anish Bansal: It's only and only about execution.

Moderator: Our next question comes from the line of Emresh Kumar from Geosphere.

Emresh Kumar: So can you give me some idea about the capex numbers for this year and next year? Last year, we did INR 45-odd crores. First half, we have done about nearly INR 20 crores. So I want to understand where will it be spent and how you're going to fund it?

Anish Bansal: So sir, this financial year, our capex has been done. Most of the capex has been incurred. Next and financial year, we'll be doing a capex of around INR 60 crores to INR 65 crores, and this will eventually take our capacity to almost 7 lakh tons.

Emresh Kumar: Okay. INR 60 crores to INR 65 crores in FY '24. What is the FY '23 numbers that you have already done?

Anish Bansal: About INR 50 crores.

Emresh Kumar: Okay, and this INR 50 crores, how much has gone into the new plants and how much is the maintenance pit?

Anish Bansal: 80% is towards the new capacity and only 20% was through maintenance.

Moderator: Thank you. Ladies and gentlemen, we have reached the end of the question-and-answer session. I would now like to hand the conference over to Mr. Anish Bansal for closing comments.

Anish Bansal: Thank you so much, everyone, for spending time to attend our earnings conference call. To sum it up and going forward, I would like to say that the steel demand has started ramping up now. The demand for our products has also started increasing a lot. Government capex in infrastructure, railways, telecom and various other projects is shaping up. The company is well poised to cater any kind of demand that comes from any geography in this sector. With all these things, it is quite positive for the company's quarter 4 and also in the coming years. So that is all from my end. Thanks once again.

Moderator: Thank you. On behalf of Hi-Tech Pipes Limited, we conclude this conference. Thank you for joining us, and you may now disconnect your lines.