



KAMDHENU VENTURES LIMITED
Regd. Off. : 2nd Floor, Building No. 9A, DLF Cyber City,
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KVL/SEC/2024-25/63

Date: 18th November, 2024

To,
The Manager- Listing
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400 051

To,
The Manager- Listing
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001

NSE Symbol: KAMOPAINTS

BSE Scrip Code: 543747

Sub: Submission of Transcript of Earnings Conference Call for the 2nd quarter and half year ended on 30th September, 2024.

Dear Sir/Madam,

In continuance to our earlier intimation vide Letter No. KVL/SEC/2024-25/62 dated 12th November, 2024 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Transcript of Earnings Conference Call held on Tuesday, 12th November, 2024 for the 2nd quarter and half-year ended on 30th September, 2024. Further, the said Earnings Conference call was a group virtual meeting over audio call for Public and all Investors/ Shareholders of the Company.

We request you to kindly take the same on records.

Thanking you,
Yours faithfully,

For Kamdhenu Ventures Limited

Nitin Misra
Company Secretary & Compliance Officer

Encl: as above.



“Kamdhenu Ventures Limited
Q2 & H1 FY25 Earnings Conference Call”
November 12, 2024

MANAGEMENT:

- Mr. Satish Kumar Agarwal – Group Chairman & Managing Director
Mr. Sunil Agarwal – Chairman – Kamdhenu Ventures Limited
Mr. Harish Agarwal – Group Chief Financial Officer



Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on November 12, 2024 will prevail.



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Moderator: Ladies and gentlemen, good day, and welcome to Q2 and H1 FY '25 Earnings Conference Call of Kamdhenu Group. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

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. Satish Agarwal, MD and Chairman of Kamdhenu Limited. Thank you, and over to you, sir.

Satish Agarwal: Good morning, and a very warm welcome to everyone present on the call. Along with me, I have Mr. Harish Agarwal, Group's CFO; and Mr. Sunil Agarwal, Chairman of Kamdhenu Ventures Limited and Strategic Growth Advisor, our Investor Relations Adviser.

We have posted our results and investor presentation for the quarter and half year ended 30th September '24, on the Stock Exchanges and company's website. Hope everyone had a chance to go through the same.

Coming to our steel business first. India's steel demand is poised for significant growth, driven by ambitious production targets and robust government support for infrastructure. As per the recent Deloitte India and Indian Steel Association report, India aims to boost crude steel capacity to 300 million metric tons by 2030 and 500 million metric tons by 2047.

In FY '24 alone, domestic finished steel consumption fell by over 14%, mainly fuelled by construction and infrastructure. Future projections estimate demand could reach 275 million metric tons by 2034, underscoring steel's critical role in India's expanding economy and urbanization. After a challenging Q1, we are pleased to report a recovery of revenue growth for Q2 primarily driven by increased construction activities, despite some regional flooding challenges, Q2 FY '25 revenue reached INR190 crores, reflecting a 3% year-on-year growth with our volumes sales saw a robust growth of 11%.

We also witnessed robust sales volume growth from our own manufacturing facility of 8%. Revenue growth from our own facility has been low due to a fall in average sale price of TMT bars. With the government's emphasis on capital expenditure and substantial investment in activities and initiatives like Housing For All and other infrastructure projects, we expect an upsurge in demand for TMT bars in the near future.



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We also achieved significant improvement in PBT margins, which rose to 11% from 7.3% last year. Our brand reputation for quality and reliability continues to set us apart, attracting new franchisees and driving strong growth in royalty revenue, which increased by 11% to INR33 crores. This royalty revenue remains highly capital efficient, delivering substantial returns with major capital investment by leveraging our brand strength. This performance underscores our ability to expand our franchisee network while consistently meeting customers' expectations for reliable products.

We continue to see large growth opportunities due to several industry tailwinds, including a strong government push for infrastructure, which includes schemes like Housing For All initiatives and INR11 lakh crores capex outlay for FY '25. And lastly, a shift of consumer preference towards branded construction material.

To conclude, given the favourable dynamics within our industry, coupled with our robust brand, unique asset-light model and high-quality product offerings, we are well positioned to sustain growth going forward.

Now I would like to hand over the call to Mr. Sunil Agarwal to give you an update on the paint business. Thank you.

Sunil Agarwal:

Thank you, and good afternoon, everyone. I would like to give you a brief update on the paint business for the year gone by. India's paint business industry is set for a steady growth, driven by increasing urbanization, rising disposable incomes and a shift towards home and interior improvements across both urban and rural market. Valued at approximately INR75,000 crores, the industry is projected to expand a CAGR of 9.4%, reaching an estimated INR125,000 crores by financial year FY'29.

This growth is supported by demand from residential and commercial projects, along with government initiatives in infrastructure and housing. Additionally, rising preference for premium product is gaining traction, alluding to the industry's potential for sustainable growth in the year ahead.

During H1 financial '25, our revenue reached to INR109 crores, reflecting a year-over-year degrowth of 14%. EBITDA de-grew to INR7 crores from INR9 crores in half H1 of '24 with EBITDA margin of 6.7%, while we navigate challenges such as the shift in the Shradh period from Q3 to Q2 and a heavy monsoon in the Eastern region impacting demand, we anticipate a robust recovery in the upcoming season.

Growth in rural demand spurred by a well-distributed monsoon, and our strong distribution network is expected to drive the sales momentum. Our expansive dealer distribution network remain critical to our growth and strategy, ensuring product accessibility across various



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markets, building strong partnerships with our dealers remain a priority as these relationships are essential for enhancing the market penetration, particularly in semi-urban and rural areas.

Our commitment to premiumization continued to fuel performance as reflected in the increase of our average selling price per kg or per litter from INR58 in the financial year '15 to INR79 in H1 of financial year '25, a growth of 37% over the year. Expanding our portfolio with premium and differentiated product allow us to meet evolving consumer preference, particularly the demand for quality and ecofriendly options. The strategy is not only strengthened revenue, but also enhance margin performance.

With a comprehensive portfolio of quality products at competitive price, we are well positioned to meet diverse customer needs. Our sustained expansion, focus on innovation and dedication to sustainability equip us to navigate the current demand environment and support our growth trajectory.

Coming to way forward, we will achieve growth through both higher values and increased volume. To drive value, we are working on raising our average selling price by focusing more on premium value-added products. For volume growth, we will expand further into regions where we have been building a strong dealer network. We are confident we can scale quickly by combining our unique dealer-driven model with the ability to offer high-quality product at affordable price.

We remain dedicated to serving smaller underserved towns through our wide-reaching network of over 4,300 dealers. With the economy growing and strong government support for rural development, we expect rising demand for paint products due to new infrastructure projects. We are excited about the path forward and are committed to delivering growth-driven improved profitability and cash flow conversion.

To conclude, with a comprehensive portfolio of quality products at competitive prices, we are well positioned to meet diverse customer needs. Our sustained expansion focus on innovation and dedication to sustainability equip us to navigate the current environment and support our growth trajectory.

With this, I will hand over the call to our group CFO, Mr. Harish Agarwal for the financials. Thank you all.

Moderator:

Ladies and gentlemen, the management line has been reconnected. Over to you, sir.

Harish Agarwal:

Thank you, sir. I would like to take you through the financial of our steel business. I would like to share the highlights for Q2 FY '25. Our steel volume from franchise route had stood at 8.3 lakh metrics ton in Q2 FY '25 compared to 7.5 lakh metric ton in Q2 FY '24, the year-on-year growth of 11%. Our steel volume from own manufacturing stood at 31,778 metric tons sales



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compared to 29,398 metric tons, a year-on-year growth of 8%. Royalty income from franchisee stood at INR33 crores in Q2 FY '25, as compared to INR30 crores in Q2 FY '24, a growth of 11% year-on-year.

Operation revenue stood at INR190 crores in Q2 FY '25 as compared to INR185 crores in Q2 FY '24, a growth of 3% year-on-year. Our profit before tax stood at INR21 crores in Q2 FY '25 as compared to INR14 crores in Q2 FY '24, a growth of 55% year-on-year. Profit before tax margin stood at 11% for Q2 FY '25, which was 7.3% in Q2 FY '24. Profit after tax stood at INR16 crores for Q2 FY '25 as compared to INR10 crores in Q2 FY '24, a growth of 56% year-on-year.

Now I would like to share the highlights for H1 FY '25. Our steel volume from franchisee route had stood at 17.1 lakh metric tons in H1 FY '25 as compared to 15.7 lakh metric tons in H1 FY '24, a year-on-year growth of 9%. Royalty income through franchisee stood at INR68 crores in H1 FY '25 as compared to INR62 crores in H1 FY '24, a growth of 10% year-on-year. Total revenue stood at INR375 crores in H1 FY '25 as compared to INR394 crores, a degrowth of 5% year-on-year.

Our profit before tax stood at INR41 crores in H1 FY '25 as compared to INR30 crores in H1 FY '24, a growth of 38% year-on-year. Profit before tax margin stood at 10.9% for H1 FY '25, which was at 7.5% in H1 FY '24. Profit after tax stood at INR31 crores for FY '25 as compared to INR22 crores in H1 FY '24 with a growth of 41% year-on-year.

We continue to remain debt-free as on 30 September 2024. ROCE and ROE on an annualized basis stood at 28.9% and 22%, respectively. Let us go through the numbers of Kamdhenu Ventures Limited now. First, we will give you the highlights for Q2 FY '25. Revenue for the quarter stood at INR55 crores as compared to INR66 crores in Q2 FY '24, a degrowth of 17% year-on-year. EBITDA stood at INR4 crores as compared to INR5 crores in Q2 FY '24, a degrowth of 29% year-on-year. EBITDA margin stood at 6.3% for Q2 FY '25. Profit after tax stood at INR1.2 crores for Q2 FY '25 as compared to INR3.4 crore in Q2 FY '24, a degrowth of 65% year-on-year.

Coming to the highlights for H1 FY '25. Revenue for the H1 '25 stood at INR109 crores as compared to INR128 crores H1 FY '24, a degrowth of 14% year-on-year. EBITDA stood at INR7 crores for H1 FY '25 as compared to INR9 crores in H1 FY '24, a degrowth of 18% year-on-year. EBITDA margin stood at 6.7% for H1 FY '25. Profit after tax stood at INR3 crores for H1 FY '25 as compared to INR6 crores in H1 FY '24, a degrowth of 50% year-on-year. Average selling price per kg or liter for H1 FY '25 was stood at INR79.

With this, I would like to open the floor for question and answer.

Moderator:

Thank you. We will now begin the question-and-answer session. The first question is from the line of Rajesh Mangal Agarwal from Rajesh Mangal & Co. Please go ahead.



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Rajesh Mangal Agarwal: I have some couple of questions regarding this paint business. You told during this presentation, the paint business -- you told that this paint business industry India is INR75,000 crores, okay? And our turnover in March '24 is only INR292 crores. That is less than 0.5% of the total industry demand. So my question is what all we are taking -- what course of actions we are taking to improve this sale amount?

Second question is regarding this, we have the dealer network of 4,364 in H1 '25, in your presentation, you have told that the total number of dealers is 4,364. And whereas in financial year 2010, it was 3,230. Only 35% we have increased the dealer network, only 35%. Hope this figure will not lead us for a better result.

And third thing, in your presentation, you have given this, the total tinting machine is 1,450 only, 1,450, only, okay? We have dealer network of 4,364, whereas our tinting machine is 1,450, that is near about 35%. So -- and last but very panic thing is on 26 September, our share market price is INR58. And today, it reaches to INR20, a degrowth of 67%. How I can -- myself like an individual investor will see, how can we think about the company that our company can give us some profit? Please elaborate?

Harish Agarwal: Okay, the questions you raised, an overall industry, you were given a feature. And where is the overall industry today? There are many people in this industry. There are Asians, there is Burger, there is Nerolac, there is Indigo, there is Shalimar, there is Kamdhenu. Everyone has their own market share. You will calculate the percentage of that. If Kamdhenu is worth INR292 crores from 75,000, then this percentage is calculated. If you go down further, then like this, companies whose turnover is 200, 150, 100.

So, overall, we can only estimate the scope of the market to increase ourselves. So, our target for the next four years is to make it INR1,000 crores. And as far as your Tinting Machine and Dealer Network is concerned, Dealer Network is increasing gradually. Tinting Machine is also increasing gradually.

All dealers don't have any companies that install a Tinting machine today. They are installing it wherever there is scope. Secondly, cost is also involved in the Tinting machine. So, we install the Tinting machine where the remaining is expected. And in the coming time, we are increasing the Tinting machine. And as far as the share price is concerned, the share price is market driven.

So, it was INR58 or INR40 or INR20. Look, this is market driven. We don't have any role in this. So, in this, like last day, some shareholders raised this question. We got emails and we replied. That there is no involvement of management in this. There is no direct or indirect involvement in this. We gave exchange clarifications. We wrote two letters. They are also on our website.

So, share price is dependent on the market forces, there are many factors in it. And as far as the performance of this quarter is concerned, and your thought process is concerned, there have been some abnormal situations in this quarter. For example, there has been flooding, this time it rained a lot. And the festive season has also shifted from Q2 to Q3. And the second is that the new entrants in the market also created pressure which has been a factor in the sale.

So these are many factors and if you look at the results of other paint companies, or if you look at sales or profitability of big players, then that too is down in this quarter. So we are also impacted by that. In the coming time, we are trying to recover this, the shortfall in this quarter or the quarter before, we are making our strategy to cover that. And in the coming quarters, we target to comparatively be better.

Rajesh Mangal Agarwal: Sunil sir, you will understand that our industry share is very small and we have a lot of options to grow. You are telling that in 4 years we will reach the target of INR1000 crores. Today we are at 274 crores and in 4 years we are planning to increase our sales to three fold? So, what is your criteria, what is your assumptions? How this figure we will increase?

Harish Agarwal: The target of INR1000 crore that we have worked on, we are considering the available resources with us. The available resources that we have, the growth that we are going to make, whether it is the main power, whether we have financial resources, whether we have a dealer network, we are taking this target according to what we have done in the past. Yes, if such a situation arises, then we can complete this target of four years in three years. But the availability of resources will be a matter of which we will be able to say it until today. So we want to commit to you that we can achieve on is on.

Rajesh Mangal Agarwal: It's really very true. But sir, in my opinion, we should improve our dealer network also, and we are spending too much money in our advertisement also, we have such a huge celebrity for our advertisement. In your presentation, you have given so many actress names, details, etcetera. Despite that, if we are not able to achieve our sales turnover, then it is something to think about, sir?

Harish Agarwal: Definitely, we are worried about this and we are working on it. We are working on different strategies. We are also working on branding. And we have done some recruitment for the dealer network. And we are working to expand the dealer network. Your suggestion is good. And we will study in depth on this as you have pointed out.

Moderator: The next question is from the line of Riya Sharan from DT Capital. As there is no response from the current participant, we'll move on to the next question. The next question is from the line of Rohit from SK Securities. Ladies and gentleman, the management line has been disconnected. Please stay connected. The next question is from the line of Ashish Raut from BSM Securities.

Ashish Raut: So the first question is on the paint segment. So our dealer count has remained stable at approximately 4,360. Are there any specific challenges affecting the dealer network expansion for our business?

Harish Agarwal: Hello. Yes. No, sir, we are not facing any challenges. In fact, we are increasing the numbers of dealers. But the dealers who are not performing well, we are also deboarding them. So, both the onboarding and deboarding processes are going on. But we are carrying the good dealers with them. So, the numbers are almost the same, but the process of boarding and deboarding is going on. We are going to take it till the financial year of 5000.

Ashish Raut: Okay. And my second question is on, can you explain the primary reasons for reduction for TMT bar? Are there any specific markets or supply chain factors driving the same?

Harish Agarwal: Repeat your question.

Ashish Raut: Okay. Can you explain the primary reason for the reduction in our average selling price for TMT bar? Are there any specific market or supply chain factors driving this?

Harish Agarwal: No, no. Pricing, you mean to a pricing are going down of TMT bar, what are the reason for it?

Ashish Raut: Yes, yes, yes.

Harish Agarwal: Look, market forces are there. Whether they take the international market or the domestic market. There are two or three reasons due to which prices are decreasing in TMT bars. First, prices in the international market are decreasing. Second, the prices of iron have also decreased.

So, demand supply is also temporarily facing challenges in Q2. Like the flooding was very high, so there was a little pressure on demand at that time. If you see the trend, I am talking about TMT especially, if you see Q1, Q2, Q3, Q4, then the Q2 sales are always less. Because it is the rainy season, so there is a little pressure on the sales. So, during this time, there is a little impact on the prices. But, it doesn't have a big impact on the price of Kamdhenu.

Our revenue model is that we take the royalty per ton basis. Whether the prices of TMT are less or more, it is our quantity base. Number two, in our own manufacturing, we buy 75% of raw material, billet and ingot from outside. So as soon as the price of TMT is less, the prices of ingot billet are less.

So we are not very impacted by this. And the reason for this is that construction activity, because of the flood, because of iron ore and also because of the international market the price of steel is down. But in the coming time, this is going to improve.

Moderator: The next question is from the line of Anisha Shah from KQ Advisors. Please go ahead.



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- Anisha Shah:** I wish to have two questions on the paint segment. So I wanted to ask what are their targets, split between the value and volume for the growth for...
- Moderator:** The line for the current participant has been disconnected. The next question is from the line of Atul Daga from Daga Securities. Please go ahead.
- Atul Daga:** I just had two questions in the paint segment. Sir, could you share the earnings guidance for the next 2 years considering current market trends and strategic initiatives?
- Harish Agarwal:** For next 2 years? Hello, what you want for the next 2 years about the paint?
- Atul Daga:** Yes. Could you share earnings guidance for the next 2 years considering market trends and strategic initiatives?
- Harish Agarwal:** In fact, we have made a road plan for next 4 years. And we are targeting to achieve the turnover of INR1,000 crores from the present level with a margin of around 15% EBITDA.
- Atul Daga:** Yes. Yes.
- Harish Agarwal:** Will it be sufficient for you?
- Atul Daga:** Got you. Sir, one more question I had, as Kamdhenu Paints grows as a brand, right? So how are you tracking penetration in terms of market share? And what are your goals, can you throw some light on this?
- Harish Agarwal:** For new?
- Atul Daga:** Sir, as Kamdhenu Paints grows as a brand, so how are you talking penetration in terms of market share? And what are your goals -- can you shed more light on this?
- Harish Agarwal:** Yes. Look our steel brand, wherever our steel brand is, we are also moving our paint brand forward. Mostly, our presence is in Tier 2. If you have seen in the investor presentation, then most of the sale, around 80% sale is coming from Tier 2 cities.
- So in Tier 2 cities, we have a lot of presence of steel where people make their own homes. There is a consumption of steel. And our retail segment has a steel business. So we are also advancing the retail segment of paint business. That is our dealer network of steel and paint. So we are penetrating that area.
- Moderator:** The next question is from the line of Puja Mehta from JC Securities. Please go ahead.
- Puja Mehta:** Sir, I have one question. With the government initiatives like the Housing For All and increased capex outlay, how much growth in demand for the TMT bars are we expecting in FY '25?

- Harish Agarwal:** We are expecting 15% growth in the FY '25 in terms of 1 year.
- Moderator:** The next question is from the line of Riya Sharan from DT Capital. Please go ahead. As there is no response from the current participant, we will move on to the next one. The next question is from the line of Anisha Shah from KQ Advisor.
- Anisha Shah:** I got disconnected earlier. I just had two questions from the paint segment. So my first question was, what will be our target split between value and volume for the growth of the paint segment?
- Moderator:** The line for the current participant has been disconnected. We move on to the next question. The next question is from the line of Rohit Mehra from SK Securities. Please go ahead.
- Rohit Mehra:** My question is regarding the steel segment. Could you clarify the main factors contributing to the relatively flat brand turnover revenue? And how do you see this evolving in coming quarters?
- Harish Agarwal:** The pricing that you are seeing, the value of the turnover, you are seeing in the form of rupees in the form of turnover. If we talk about volume, then our volume has increased. Own manufacturing has also increased by 8% in the quarter. And if we look at the franchisee network, it has also increased by 11%. So, volume is increasing equally, but the TMT prices have decreased due to which topline growth is appearing flat.
- Moderator:** The next question is from the line of Yug Modi from AP Capital.
- Yug Modi:** Sir, just had one question. What specific steps are being taken to expand the dealer network further, particularly in the semi-urban and rural areas where demand is projected to grow?
- Harish Agarwal:** This you want to know about paint or steel?
- Yug Modi:** Sorry sir.
- Harish Agarwal:** This you want to know about steel, dealer network expansion or about paint want to understand?
- Moderator:** Sorry to interrupt, the current participant has left the queue. The next question is from the line of Kamdhenu, who is an Individual Investor.
- Individual investor :** Sir, in paint business there a lot of -- there's a degrowth in terms of turnover and profit after tax. So as an investor, we're really worried about the going concern of the company. So, what are the company's plans because share price has broken 70% from the peak and lower circuits happening on the daily basis?

- Harish Agarwal:** You said that you are worried about the going concern. So, you don't have to worry about that. We have published the balance sheet yesterday. You can see the financials of the balance sheet. There is no worry at all about the going concern. We have also given a 4-years plan.
- Individual investor:** The plan is fine, but your results are telling something else.
- Harish Agarwal:** Looking at the results, going concern is driven by balance sheet, not by the P&L. You are referring P&L and asking the question on the balance sheet. So going concern...
- Individual investor:** As a retail investor for us the price of the share matters the most. We have invested the money for the growth of it, not for the erosion of it. Now from the peak of the price, it has shattered by 70%, which is a great concern for a retail investor like me.
- Harish Agarwal:** Yes. That's fine. That's fine. The market pricing factor has no role of the company. These are market forces, international forces, economic forces, and companies as well as the sensex. There is no role of the company in this that the price has decreased or the share has increased. The company is doing its own work.
- Suppose the working has decreased in a quarter, then what is the reason for that? We can explain that. For example, in Q2, the turnover has decreased since last year. We have explained the reason for that. New market entrants have come into the market. It has rained heavily this quarter. Flooding has been there. Our main region is in the north. And in the east, where our main revenue comes from, in this quarter, the flooding has been 40% more than last year.
- So these were the reasons why sales have been impacted. But if you look at last year's and this year's work, you can see the turnaround in the company. We had losses in the past, but the company has turned around. After turning around, we had profit last year and this year too. For the market share to be less or more, we are not in a position to answer you. Because these are market forces. The market is driven. And the share price.
- Moderator:** The line for the current participant has been disconnected. The next question is from the line of Yug Modi from AP Capital.
- Yug Modi:** Sir, I just had two questions. Sir, what specific steps are being taken to expand our dealer network further, particularly in semi-urban and rural areas where the demand is projected to grow for our paint segment?
- Satish Agarwal:** In paint, as you know, as per the total market in India, the size of our company is very small. We have achieved a turnover of INR350 crores in the state. And this year we are trying to surpass that and achieve 10%-15% growth. We have a limitation that we have a single unit with which we can cover a finite distance in India and we can give the material to those regions. Since the plant is situated in the north of India, we normally give maximum material to India in the south, in Odisha or central India.



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Especially the company has been strategizing to present itself in Tier 2 and Tier 3 cities and are doing direct sales to the dealers. So in the same area where the demand for Kamdhenu products is increasing, we are entertaining new dealers there. The same dealers are expanding their network. And it is certain that in the last 6 months, there has been a lot of disruption in the market.

Two or three new companies have entered the paint business. I understand that there is a disruption in the market. So this is a temporary phase. I think there is no need to worry about it. The company's target, as Harish ji said earlier, is to plan for a top line of INR1000 crores in the next four years. So, the company is working on that. And we have to make a full effort on that, on how we can achieve that.

Yug Modi: Okay. So lastly, could you share our target for adding franchisee capacity in FY '25? Are there any new partnership in progress that will support this expansion for our steel business?

Satish Agarwal: See franchise also, what you can see nearby 34 lakh metric ton, 35 lakh metric ton TMT bar and other steel products is our target for this year. That in H1 we have achieved. So as I understand in this, the main important, Kamdhenu being a marketing and branding company. We try to keep all my franchisee or stakeholders should be in sub-minimum position all over India,

So what all our premium all over India, that's INR2500 to INR6000 premium Kamdhenu production TMT bar represent. So it is our first preference is to maintain wherever our steel and TMT bar demands there only we entertain franchisees.

Excluding this, there is lot of future capacity having franchisees, they're also increasing the install capacity and in the next 4-5 years, we are working on double the capacity of 50 lakh tons. But that is only through the franchise route.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for closing comments.

Harish Agarwal: Thank you, all. I would like to thank you, everyone, for being part of this call. We hope we have answered your questions. If you need any more information, please feel free to contact us or Mr. Deven Dhruva from SGA our Investor Relation Advisor. Thank you once again.

Moderator: Thank you. On behalf of Kamdhenu, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.