

Date: 17th August, 2024

The Secretary National Stock Exchange of India Limited Exchange Plaza, C-1, Block 'G' Bandra- Kurla Complex, Bandra (E) <u>Mumbai – 400 051</u>	The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street <u>Mumbai – 400 001</u>
<u>Symbol - DOLLAR</u>	<u>Scrip Code :541403</u>

Dear Sir / Madam,

Reg: Intimation of availability of transcript on Analyst(s)/Institutional Investor(s) meet – ‘Earnings Call’

In continuation to our letter dated 7th August, 2024 and pursuant to Regulation 30(6) and 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Earnings Call held on Tuesday, 13th August, 2024 at 4.00 pm (IST) as organized by Emkay Global Financial Services Limited, on the interaction of the Company’s representative(s) on the Un-audited Financial Results of the Company for the quarter ended 30th June, 2024 and/ or any other matter as discussed, is as enclosed.

Please note that the same is also available on the Company's website at <https://www.dollarglobal.in/earningscall>.

This is for your information and record.

Thanking you,

Yours Sincerely,

For Dollar Industries Limited

Abhishek Mishra
Company Secretary & Compliance Officer

Encl: As above

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(AN ISO 9001:2015 CERTIFIED ORGANISATION)

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CIN NO. : L17299WB1993PLC058969



“Dollar Industries Limited
Q1 FY '25 Results Conference Call”
August 13, 2024



**MANAGEMENT: MR. ANKIT GUPTA – PRESIDENT, MARKETING –
DOLLAR INDUSTRIES LIMITED
MR. AJAY PATODIA – CHIEF FINANCIAL
OFFICER – DOLLAR INDUSTRIES LIMITED**

**MODERATOR: MR. VISHAL PANJWANI – EMKAY GLOBAL
FINANCIAL SERVICES**

Moderator: Ladies and gentlemen, welcome to the Q1 FY '25 Results Conference Call of Dollar Industries hosted by Emkay Global Financial Services.

We have with us today, Mr. Ankit Gupta, President of Marketing; and Mr. Ajay Patodia, Chief Financial Officer. As a reminder, all participants' lines will be in the listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vishal Panjwani from Emkay Global Financial Services. Thank you, and over to you, sir.

Vishal Panjwani: Thank you. Good evening, everyone. I would like to welcome and thank them for this opportunity. I shall now hand over the call to Mr. Ankit Gupta for his opening remarks. Over to you, sir.

Ankit Gupta: Thank you. Good afternoon, everyone, and a warm welcome to you all. Before we get into the financial results and operational highlights for Q1 FY '25, I would like to take a moment to thank our shareholders, analysts and stakeholders for joining us today. Your continued support and interest are vital as we navigate the opportunities and challenges in our industry. I'll walk you through the key business and operational highlights for this quarter and the year, followed by our CFO, Mr. Ajay Patodia, who will discuss the financial metrics.

Quarterly total income stood at INR334 crores, increasing by 1.7% year-on-year basis. Net profit for the quarter grew by 5.3% year-on-year to INR15 crores. Our efforts to propel e-commerce channel has started bearing fruits and the e-commerce revenue surged by 161% year-on-year in value terms and 156% in volume terms, now accounting for 5.5% to our total revenue.

Meanwhile, export revenue grew by 17.5% year-on-year in value terms contributing 3.9% to our overall revenue. In terms of product categories, Rainguard contributed 4% to our revenue with a value growth of 46% and a volume increase of 78%. Our newly introduced men's accessories demonstrated strong demand.

Focusing on Project Lakshya, we onboarded 11 new distributors into the initiative during Q1 FY '25, bringing our total distributor count to 301, up from 290 in March 2024. We are pleased to report that project Lakshya's contribution to our domestic sales has grown from 26% in FY '24 to 31% in Q1 FY '25. Looking ahead, we are targeting Project Lakshya distributors to contribute 65% to 70% of our revenue by FY '26.

To further enhance our reach and product range, we are excited to announce that in FY '24-'25, we will be expanding Project Lakshya into 3 new states, Madhya Pradesh, Himachal Pradesh and Jharkhand. We are also pleased to report that the successful implementation of Project Lakshya in the southern region of India has resulted in a 6% year-on-year increase in revenue from this region in the current quarter.

To further increase our company's penetration in the South Indian market, we have onboarded actor Mahesh Babu as our brand ambassador for Dollar Big Boss. In addition, the integration of

SAP advanced technology will provide the crucial boost to the implementation of Project Lakshya with SAP will -- we will have access to end-to-end data enabling more effective and efficient execution of our strategies.

Modern trade and e-commerce sales accounted for approximately 6.5% to our total sales in Q1 FY '25, as against 3.4% in Q1 FY '24. Our goal is to raise this figure to around 8% by FY '26. In our commitment to our greener future, we are continually expanding our renewable energy capabilities. As of June 2024, our total power generation capacity has reached 8 megawatts, reflecting an increase of 2 megawatts in this quarter alone. This growth underscores our dedication to sustainability and reducing our carbon footprint.

Thank you all. Now I would hand over the call to our CFO, Mr. Ajay Patodia, to talk about the financial metrics.

Ajay Kumar Patodia:

Thank you, Ankit Ji. Good afternoon, ladies and gentlemen, and thank you for joining the quarter 1 FY '25 earnings call. Before we open the floor for question and answer, I would like to provide a brief overview of our financial performance for the quarter. I trust that everyone has had the opportunity to review the earnings presentation and press release. While Ankit Ji has already discussed the macro outlook, I will delve into the financial performance of the past quarter in the greater detail.

Our revenue from operations rose by 1.7% year-on-year to INR333.73 crores in quarter 1 financial year '25 from INR328.24 crores in quarter 1 FY '24. The growth in the current quarter was slightly tempered due to the go-live of our new SAP HANA S/4 ERP system, which has replaced Oracle financial ERP system. While this transition is crucial for enhancing our long-term efficiency and accelerating the Lakshya project, it has temporarily impacted our sales as the new stock and billing system was still stabilizing. We have diligently worked to minimize any sales impact resulting from the SAP implementation and we are confident that any revenue spillover will be resolved in the upcoming quarters.

Consequently, we are on course to achieve our growth target of 12% to 13% in operating income. Gross profit for quarter 1 FY '25 reached to INR118.87 crores, witnessing a year-on-year growth of around 12.1%. Gross profit margin for quarter 1 FY '25 stood at around 35.6% against 32.3% in quarter 1 FY '24, expanding by 330 basis points year-on-year basis. Operating EBITDA in quarter 1 FY '25 increased by 31.3% year-on-year, reaching to INR35.61 crores. Operating EBITDA margin for the quarter expanded by 241 basis points year-on-year to 10.7%.

Profit after tax for the quarter witnessed a 5.3% year-on-year growth, reaching INR15.13 crores with the profit after tax margin at 4.6%.

I will quickly run you through the brand base contribution for the quarter. Big Boss contributed around 41%, Missy contributed around 9%. Our economic segment Dollar Always contributed around 40%, Dollar Protect that is our rainwear product contributed around 4.1%, and Dollar Socks around 2%. We remain fully committed to our strategic priorities and growth pillars as we pursue our long-term objective of sustainable growth and profitability, we are confident that our focus on premiumization, the success we are seeing in Project Lakshya and deeper

penetration in South India market will enable us to deliver a strong quarter ahead. We are poised to achieve robust revenue and profit growth, both in the current financial year and beyond. Thank you all. Now I open the floor for 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 Ishpreet Kaur from Relax Capital.
- Ishpreet Kaur:** Just wanted to understand if you could throw some light on the states where the Project Lakshya is being implemented. What is the kind of growth in those states?
- Ankit Gupta:** So in this particular quarter, the overall growth for the Lakshya distributors in Q1 was around 14% year-on-year basis if we see the -- on the value terms. And in terms of volume, it was 7% growth.
- Ishpreet Kaur:** Sure. And is it that there would be margin difference also where there is Lakshya implementation?
- Ankit Gupta:** So overall, at a margin level, there's not much of a difference between the Lakshya distributor and the non-Lakshya distributor. It's just that the organized way of working, which is helping us to work more efficiently in those areas.
- Ishpreet Kaur:** Right. So if there's a 14%-odd growth in the Lakshya space, the degrowth has far more in the non-implemented space. So any particular reason to that? And how has been the competitors' performance in those states?
- Ankit Gupta:** So it's not that we lost the market share or because the demand was muted. It was not like that. As our CFO sir already told that it's mainly due to the implementation of SAP S/4HANA, which impacted the sales in the first quarter. The demand was there, but we were unable to make this - - like go forward ahead because there were some issues with the sales and the inventory part of it because the system was still getting -- the ERP system was still getting stabilized. So we lost around 20, 25 days kind of a sale.
- Ishpreet Kaur:** Okay. And on a longer-term basis, if you could reiterate what is the kind of margins that we could look at, say, in the next 2-odd years?
- Ankit Gupta:** So, we really aspire to reach at around 14%, 14.5% kind of an EBITDA level in a couple of years. But this year, we are planning 11%, 11.5% we should do.
- Moderator:** The next question is from the line of Prerna Jhunjhunwala from Elara Capital.
- Prerna Jhunjhunwala:** Sir, I wanted to understand, do you still maintain your annual revenue guidance of 12% to 13% growth for the year?
- Ankit Gupta:** Definitely. Like we are very much hopeful and we are very much sure that we'll be able to do a 12% to 13% of growth in this particular fiscal.
- Prerna Jhunjhunwala:** Okay. And which means a very high growth rate in the next 3 quarters. How -- could you help us understand how -- I mean what will drive the growth for the next 2 to 3 quarters then?

- Ankit Gupta:** See, the demand for the -- as the industry, while the demand is good in the market, there are consumers plus a deeper penetration through Lakshya Project, and even all the distributors and everyone is also very much excited and motivated at the moment. It's just because of the implementation of the new ERP system, we were unable to build much in the first quarter. But we are hoping for a very good quarters ahead. And like in Q4, this time the Eid is on 31st March, and it's a very good market for the Innerwear segment, right? So fourth quarter would be quite - will be quite heavy this time.
- Prerna Jhunjunwala:** Okay. Okay. Understood. And on Project Lakshya, do you think that we'll be able to catch up on the addition going forward as our targets were higher for an annual basis, so what led to a little lower addition? And how can we catch up there?
- Ankit Gupta:** So in Lakshya Project, by FY '26, we should reach 60%, 65% kind of a contribution from our distributors. Currently, we have said that only as our target internally also, and that's what has been communicated to the entire team as well. The addition of new distributor is a bit slow in the first quarter, it was slow. But going ahead overall revenue contribution coming in from Lakshya distributors would be higher.
- Prerna Jhunjunwala:** Okay. And how much addition do you foresee for this year and next year?
- Ankit Gupta:** In this particular fiscal, we are very hopeful that we'll add around 70 to 80 distributors in the full -- on a full year basis.
- Prerna Jhunjunwala:** Okay. Okay. And in terms of products, which brand -- which segment is driving growth for you in both Project Lakshya and non-Lakshya network?
- Ankit Gupta:** So I would say that Force NXT athleisure is really doing good. We are seeing a good traction in Force NXT athleisure plus our mid-premium segment, Big Boss is doing real good. And after we have launched Mahesh Babu in the South India region, our overall contribution from South India in the first quarter was 9% for total sales, which used to be somewhere around 7% to 8% each for FY '23 or FY '24, right? So we are seeing a good traction in the South market as well. And this year, we have projected that from South Indian market, we will garner around 40%, 45% kind of a growth.
- Prerna Jhunjunwala:** Sorry, which kind of growth, 40%, 4-0?
- Ankit Gupta:** 40% to 45% because our base are really low, the base is very low. But 40%, 45% kind of a growth is what we should do this particular fiscal.
- Prerna Jhunjunwala:** Okay. And sir, last question from my side on gross margin. The gross margin this year has been -- this quarter has been very good. So do we think that this kind of trajectory will continue or gross margin should -- this kind of improvement will not be there going forward?
- Ankit Gupta:** See, overall, we really aspire to be somewhere around 36%. 36%, 36.5%. I think for now like for 1 or 2 more quarters, it should be somewhere around 35% to 36% only.

- Prerna Jhunjhunwala:** Okay. Okay. And your other expenses also increased a little higher. What would that be attributed to?
- Ankit Gupta:** It would be mostly the subcontracting expenses and advertisement expenses was there. Plus mostly, it was more of a subcontracting expenses, which comes in the other expenses.
- Prerna Jhunjhunwala:** Okay. So what is leading to that increase of subcontracting expense?
- Ajay Kumar Patodia:** Prerna, mainly subcontracting expenses are related to production only. So when we calculate the overall -- cost of goods sold or cost of production, then it is adjusted with the change in the inventory of finished goods. And in other expenses, mainly we have advertisement expense and like freight and forwarding expenses. So if you compare from the last year, it is only from INR57 crores to INR58 crores. There is no much increase in the other expenses.
- Prerna Jhunjhunwala:** Okay. So it is negative operating leverage impact?
- Ajay Kumar Patodia:** Yes.
- Moderator:** The next question is from the line of Anupama from RatnaTraya Capital.
- Anupama:** I just wanted to know the volume growth for this quarter?
- Ankit Gupta:** So overall, this year -- this quarter like Q1 FY '25, we had a volume degrowth of 5% and a value growth of overall 7%. So overall, we did a growth of 1.7% year-on-year basis.
- Anupama:** Right. And what is the volume growth you -- what is the guidance you've given for the year?
- Ankit Gupta:** So for the -- on a whole year basis, overall revenue growth will be somewhere around 12% to 13%, and out of which around 9% to 10% will be volume growth and the other 2% to 3% will come from the value growth.
- Moderator:** The next question is from the line of Vishal Panjwani from Emkay Global Financial Services.
- Vishal Panjwani:** Just wanted to understand a bit of colour on demand trends, almost Q2 is half the past. And any colour on that versus Q1, how are we seeing this?
- Ankit Gupta:** So demand has been good this particular quarter. And we are seeing good traction in the market as well, whether it be the first quarter or the second quarter is also going good with respect to the consumer demand of the consumer footfall in the market.
- Vishal Panjwani:** And sir, how are you seeing in demand from rural like Tier 2 and 3 cities? I mean...
- Ankit Gupta:** It has increased. The demand from Tier 2, Tier 3 cities have also increased. And we are seeing a good traction in the economy range of products also in Tier 3, Tier 4 cities.
- Vishal Panjwani:** And sir, any colour on the inventory help, like how is the channel inventory in that sense. Whether the pressures that were there earlier in the overall industry, does that still exist? Or it has lowered?

Ankit Gupta: No, the inventory pressure is not there from last 2 quarters, I suppose. But if you talk about the channel partners, we have a controlled inventory at our channel partner as well. So we are focusing more on the secondary than the primary from the company to the distributor. And through Lakshya project, we are also trying to achieve one more thing that the channel inventory is minimized to a very low level so that their ROI, the distributors and the retailers ROI can also increase.

Vishal Panjwani: Okay. And sir, how has been the competitive intensity in recent trends from premium players and from other mass players, like where we are differentiating in that sense. Just wanted to understand that.

Ankit Gupta: So our differentiating factors from our peer groups are like -- so there are quite a few points like first is the brand rearchitecture that we did, which differentiates us from the other peer group. The second is the implementation of the TOC program that we are doing, implementing auto replenishment system, distributor management system, which no other players is doing in the market. The third is the implementation of the SAP S/4HANA with the production module, which is not there with the other companies.

So these are a few things which we are doing to differentiate ourselves from the other competitors or the peer group. And if you talk about the competitive aggressiveness in the market, it was always there. It is still there because there are around 5 players at a single level with a similar revenue structure fighting for the shelf space or the visibility in the market.

So the industry is very aggressive, everyone is aggressive to increase their market share. And so we are. But as a long-term precaution on a long-term approach, I would say that what we are doing is very well thought of and it will really help us to excel at a much faster rate than the others.

Ajay Kumar Patodia: In addition to this, Vishal Ji, the last year, our total contribution from the Lakshya project is around 26% of our total revenue. But in this quarter, we have the total contribution around 31%. So we have seen that in whichever area we implemented the Project Lakshya, we increased our market share in comparison to our peers. Mainly if you check the retailer level, so retailer level are very happy with the Lakshya Project because we minimized the inventory at the retailer level also. They can purchase if they require only 2 pieces for our product and within the limited time. So they don't require to invest in our product and their working capital is released.

So due to this reason, our market share at where we implemented Project lakshya, whether it is Rajasthan or either it is Gujarat, we increased our market share. So we are more aggressive. We implement Lakshya, and after current year, we have inside program to implement Lakshya in other states like UP and West Bengal in next year.

Vishal Panjwani: Okay. That's very encouraging. And one last question on this women and athleisure segment, is the pain still there? How are you seeing the trend going ahead? And what kind of marketing spend that you were -- would be going to uplift the turn in the market share? Because clearly, no major player has been able to catch this segment, and it has been very difficult, especially women side. So what is our strategy there to women wear?

- Ankit Gupta:** So see, women's athleisure for us also is very new. We launched it just 2, 3 quarters back. And we are seeing a good traction because the major challenge is to create visibility in the market in terms of acquiring the shelf space at a retailer point, the mom-and-pop store that we deal with. Overall, athleisure men and women taken together is contributing around 12% to 13% to our total sales. So we are currently trying to create more shelf space for this product range. After that, we'll move into some amount of advertisement and everything.
- Because advertising, your product range and if it's not available, then it creates a negative marketing in the market. So that is the plan right now that we are investing in in-shop branding, dealer boards, point-of-sale advertisement, basically, the BTL activities we are doing for the athleisure segment. And we are creating with -- creating visibility at a retail space for our women athleisure.
- Vishal Panjwani:** Okay. What would be current marketing trend as a percentage of sales?
- Ankit Gupta:** It's somewhere around 6%.
- Vishal Panjwani:** Okay. Okay. And just last question. Have you witnessed any deep discounting from economic players in the current quarter or let's say, Q1?
- Ankit Gupta:** We have not seen such kind of a deep discounting happening in our industry because we deal into basic products, and people need basic products and the -- it's not that you have bad inventory in your books. If the people can postpone their purchases, but can't do away with it. It's our second skin, right? So there's no dip discounting as it happens in the textile or the garment industry.
- Moderator:** The next question is from the line of Yog Rajani from MoneyWorks4Me. Please go ahead.
- Yog Rajani:** So my first question is regarding the SAP implementation, did we complete the entire implementation in Q1? Or do we see some spillover in terms of slowdown in growth in Q2 as well?
- Ajay Kumar Patodia:** No. We already completed the SAP implementation in all our branches and depots. And now the system is stabilized. We've only lost the sale for 20 to 25 days. And the demand that was generally lower we carry forward, and we anticipate a reversal of this impact in the upcoming quarters. We have proactively ensured that the issue arising from the SAP implementers are adjusted within this quarter. As a result, we expect strong growth moving forward.
- Yog Rajani:** Okay. That's amazing. My second question is regarding the cash conversion cycle. According to your presentation, it has increased significantly. So do we have any target for a cash conversion cycle for FY '25?
- Ajay Kumar Patodia:** Yes. We certainly reduced the cash conversion cycle. In March, we have the conversion cycle of 150 days. So our target is to around 10 to 15 days to reduce from that level. So current year, our target is to 135 to 140 -- between 135 to 140. This quarter, basically, we have to accumulate the inventory for the thermal product because we have to building the thermal from the July 2nd week onwards. So we have produced from February to June. We produced the winter wear

products. So due to this reason, our inventory is probably -- inventory days are increased and our overall cycle also increased.

- Yog Rajani:** Okay. My next question is about the Lakshya Project. So as I see, we increased our percentage of contribution by around 5%. How much do we expect to complete by FY '25?
- Ajay Kumar Patodia:** Current year, our target is to reach to 35% to 36%, overall 10% increase in this year.
- Moderator:** The next question is from the line of Shreya Baheti from Anand Rathi Institutional Equity.
- Shreya Baheti:** So my first question is that, so in Q1, there were heat waves across the country. So did we benefit in any way due to that?
- Ankit Gupta:** Yes. So, nothing as such, because our Q4 and Q1 are quite heavy for the industry and it's favourable because due to heavy summer, there's a lot of wear and tears that also happens to your innerwears that you wear, right? So from the consumer perspective, Q1 is the main season time when the product picks up from the retail outlet to the consumer like the tertiary sale happens.
- Shreya Baheti:** Okay. And sir, also, what kind of -- with the implementation of SAP HANA, so what kind of benefits are we expecting to our overall business? Like how will that help our business?
- Ajay Kumar Patodia:** Like, Shreya, we have implemented the 4 modules, MM, SD and FI, HR and also production planning -- five models, sorry. So production planning is a unique model, which we implemented in the industry. In industry, our peers, we are the first to implement the production planning. After production currently in the hosiery industry or in innerwear industry, we project, our production planning as per our old database and as per our old expertise, so there is sometimes excess inventory at every level.
- But after implementing the production planning, and we have the 3-year data from the Lakshya Project also, where we have the exact data, which type of product or which type of colour is required at which pincode. So we integrated the Lakshya server with our SAP S/4HANA server, and through production planning, we can exactly find out which size is required to produce and which colour to be produce.
- So due to this, we can reduce inventory at every level at the time of procuring yarn, at the time of planning for the dyeing purpose or knitting purpose. So why this? Our inventory is minimize -- optimized, and we can release the working capital.
- Ankit Gupta:** And also the kind of reporting and the kind of robust system this SAP is, we were unable to do the same in the Oracle-based platform that we were using it for a longer time. So a lot of data inputs, a lot of reporting systems, a lot of efficiencies will be created on that front as well.
- Shreya Baheti:** And sir, also, how are our primary and secondary sales doing? Are we seeing like since the focus is majorly on secondary sales. So are we seeing better secondary sales compared to primary sales, how was it?

- Ankit Gupta:** So wherever the Lakshya Project has been implemented, the distributors who have been enrolled in this particular project, we are always matching the secondary versus primary because the distributor cannot order anything out of this bill, if the secondary is not happening just because we can get some benefit, he can't just order in. Auto order is being generated for the distributors who are into the Lakshya Project. Whatever the goods are sold from this point to the retailer, that gets replenished on next week. So on a weekly basis, we automatically generate their orders.
- Shreya Baheti:** Okay. And sir, one last question. So sir, are we facing any pricing pressure due to the competition density in the market?
- Ankit Gupta:** No, not as such.
- Moderator:** The next question is from the line of Yash Sonthalia from Beyond Capital.
- Yash Sonthalia:** So my first question is like for the quarter, as you mentioned, we saw some 7% growth in value. So how much of that is contributed to product mix? And how much of it is because of Phase II increase?
- Ajay Kumar Patodia:** We've taken the increase in the first week of April around 2% of our total ASP. So we can say that 2% of increase due to increase in ASP and 5% due to product.
- Yash Sonthalia:** Got it. And like in this quarter, we have saw a very huge increase in the gross profit margin. So are we willing or able to sustain this going forward? Or this is some cyclical or quarterly cyclicity?
- Ajay Kumar Patodia:** No, we are sure, very much sure that we can maintain this level and ultimately our target to achieve 36% at a sustainable level.
- Yash Sonthalia:** So for this year, we can expect gross margin to be at the range of 35% to 36%?
- Ajay Kumar Patodia:** Yes, sure.
- Yash Sonthalia:** And on the cash conversion side, like as you mentioned, cash conversion is higher due to the inventory we're keeping for the winter sales. So do we have a comparable number of last Q1 FY '23 to understand?
- Ajay Kumar Patodia:** Yes. Actually, at that time, our total inventory day is around 107. Currently, it is around 137, which we can reduce in upcoming quarters.
- Yash Sonthalia:** So the reason for this increase is the inventory for the winter season. Is there any...
- Ajay Kumar Patodia:** Mainly thermal.
- Ankit Gupta:** See, from the last -- past 2 years, the winter has not been that great. But this year, we are hoping for a very good winter, plus the winter content that we do with our distributor in the month of July, we have gotten a very good response on the distributor side as well because there's no channel inventory available with them right now. And the sales have already started happening for the winter wear product.

- Yash Sonthalia:** Got it. And the sales we have, we were not able to do because of this implementation. Are we hoping to do that in Q2, so we can expect a huge growth in Q2?
- Ajay Kumar Patodia:** Yes, yes, yes. The demand that was temporary loss will carry forward and we anticipate a reversal of this impact in the upcoming quarters.
- Ankit Gupta:** Based on all that has happened in Q1 will be carried forward to Q2, Q3 and Q4, like 2, 3 quarters it will take. But at the end of the year, at the end of the fiscal, we'll be able to do 12% to 13% for sure.
- Moderator:** The next question is from the line of Anik Mitra from Mitra.
- Anik Mitra:** Yes, sir, my question is, how do you distinguish between mass product at least economy segment, semi-premium and premium in pricing terms?
- Ankit Gupta:** So for the economy range of products, the ASP at a company level would be somewhere around INR48, INR49. For the mid-premium segment, the ASP would be somewhere around INR80 to INR90. And for the premium segment, like Force NXT that we have, the ASP goes as high as INR220.
- Anik Mitra:** Okay. So anything beyond INR220, we will be considering it super premium.
- Ankit Gupta:** So this INR220 is -- it's -- there is a blend of 50% innerwear and 50% athleisure segment. That's why it is INR220. Otherwise, when we used to deal with only innerweares and Force NXT, the ASP was somewhere around INR150, INR160.
- Anik Mitra:** Okay. Okay. And when, like how do -- like we distinguish Dollar products from rest of the peers, let's say, Lux is there, Rupa is there. If I go to the market, how -- like what factor will drive me to purchase a semi-premium category to take 1 Dollar product against Rupa and other -- I'm not naming all the peers, other brands?
- Ankit Gupta:** So sir, the thing is that if you look at our packaging, the overall logo design, the packaging design, the first look will always be enticing. You will be most susceptible that you will purchase a Dollar product only.
- At a product level, if we talk about, until and unless you use our product, you won't be able to understand the better comfort or a better fit than our product gives with respect to the other peers and the competitors. But if you talk about the product ranges that we offer versus the product range that the competitor offers is comparable. It's apple-to-apple, you can compare them. But yes, only if you wear it, you can experience what difference does Dollar make in terms of -- in comparison to the other competitors.
- Ajay Kumar Patodia:** In addition to this, we have the bleaching -- in-house bleaching capacity of 30%. And due to this, we have used chemical at high level. So our bit costing is there, but the quality is very much good. If you take the cloth in your hand, you feel this. So at that point, we can assure that you get the good quality from our peers.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Ajay Kumar Patodia: Thank you all for taking the time to join the earnings call and thanks for the same.

Ankit Gupta: Thank you so much, everyone. Good day.

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