

Date: 19th February, 2024

To,
The Listing Manager
Department of Corporate Services
Bombay Stock Exchange
P. J. Towers, Dalal Street,
Mumbai – 400001

To,
The Manager
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza"-C1,Block G
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Scrip Code:532841

SYMBOL: SAHYADRI

Sub: Transcript of Analysts / Investors conference call

Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Mam,

Enclosed herewith transcript of the Analysts / Investors conference call held on Tuesday, 13th February, 2024. The same is also available on the Company's website i.e. www.silworld.in

You are requested to kindly take note of the same.

Thanking You.

Yours Faithfully,

FOR SAHYADRI INDUSTRIES LIMITED

RAJIB KUMAR GOPE
COMPANY SECRETARY & COMPLIANCE OFFICER
M. NO: F8417



“Sahyadri Industries Limited
Q3 & 9M FY’24 Earnings Conference Call”
February 13, 2024

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MANAGEMENT:

**MR. TULJARAM MAHESHWARI – CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND WHOLE TIME DIRECTOR –
MR. ARVIND GARG – FINANCIAL CONTROLLER –
SGA, INVESTOR RELATIONS ADVISOR**

Moderator:

Ladies and gentlemen, good day and welcome to Sahyadri Industries Limited Q3 FY24 Earnings Conference Call. 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 touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Tuljaram Maheshwari, Whole Time Director, CEO and CFO. Thank you and over to you sir.

Tuljaram Maheshwari: Good evening everyone and thank you for the joining us on the Sahyadri Industries Limited Q3 and 9-month FY24 Earnings Conference Call. I hope everyone had a chance to view the financial results and investor presentation which were posted on the company website and stock exchanges. I am accompanied by Mr. Arvind Garg, Financial Controller and SGA, Our Investor Relations Advisor on this call today.

Let me begin with the overall industry dynamics. According to the EY report, the roofing industry market in India is projected to expand to US\$5.6 billion by 2028 up from US\$3.9 billion in 2022 with a CAGR of 6%. Currently, there are a variety of roofing options available for the consumers.

Having said that trading asbestos roofing sheet continues to remain a preferred choice for the rural area customer due to its low cost, high durability, and multiple other benefits. During the quarter gone by rural India continues to witness subdued demand coupled with pricing pressures and adverse weather conditions including floods in Tamil Nadu. On one hand, the input cost is on the higher side on the back of elevated raw material prices. On the other hand, the company faced challenges in passing on these prices to consumers due to the demand scenario.

Although the raw material front, we do not foresee any further increase especially in the imported raw material asbestos fibre prices. Despite such challenging times, we are pleased to report that our building material segment performance has witnessed growth of 15% sequentially and 13% on a YoY basis. EBIT for the same period also grew by 150% on the QoQ basis and 29% YoY, respectively.

The overall capacity utilization has improved from 66% in 9-month FY23 to 76% in 9-month FY24. The utilization level stood at 68% for the quarter. Our goal is to achieve higher utilization level in Q4 for this financial year.

Going forward, as the demand scenario improves, we endeavour to achieve better sales momentum in the coming quarters. Now moving on to the financial performance, Q3 FY24 performance consolidated total income stood at INR136.3 crores for Q3 FY24 as compared to INR123.7 crores in Q3 FY23 growth of 10.2%. EBITDA of the company for Q3 FY24 stood at INR13.8 crores with EBITDA margin of 10.1%. Profit after tax stood at INR3.2 crores in Q3 FY24.

Coming to the 9-month FY24 performance, the consolidated total income stood at INR483.7 crores for 9-month FY24 grew by 12.6% as compared to INR429.5 crores in 9-month FY23. EBITDA for 9 months FY24 stood at INR55.8 crores with EBITDA margin of 11.5%. Profit after tax stood at INR22.1 crores in 9-month FY24.

At Sahyadri, we will continue to focus on developing scale and providing a compelling value proposition to our customers and envisage to become a pan India player. The company's non-asbestos business is gaining traction and we are hopeful that it will continue going ahead.

We remain committed to cost management, continuous improvement, innovations, and customer centricity. We are committed to driving future-ready value-adding enterprises that help to create a more equitable world. With this, I open the floor for questions and answers.

Moderator: Thank you very much sir. The first question is from the line of Nishi Shah from Star tar Wealth Advisors. Please go ahead.

Nishi Shah: Hello, thank you for the opportunity. I have a couple of questions. In the interim budget, Finance Minister announced 2 crores additional houses under PM Awas Yojana. As a company, how are we looking at it?

Tuljaram Maheshwari: See, actually, this is definitely going to help to the industry like us. But spending, when it is going to happen, then only the impact will come.

Nishi Shah: What are the key trends in the building materials industry?

Tuljaram Maheshwari: As I said, the rural economy is not, you know, still it is subdued. So, let's see how the new budget what they have announced and the other announcement is being done by the government and also the, how the economy, rural economy works. That's what is going to be ultimately the drivers for our business.

Nishi Shah: Okay. And could you provide the revenue breakup for the southern and western markets with a margin, if possible? And how are we looking at the demand scenario over these regions in FY'25?

Tuljaram Maheshwari: We generally maintain that roughly 60% or 65% of revenue comes from the West market. And 30% to 35% comes from the South market, because we are not an all-India player at present. So, generally we are present in the West and the South, and little bit of the East.

And so far the FY'25 is concerned, that all depends on how the new government is going to come, how they are going to announce the schemes, etc for the rural economy. And plus the monsoon, how it is going to behave in this year. That's what are going to be the factors. But we are hopeful for the '25.

Nishi Shah: Okay. That answers my questions. Thank you so much for the opportunity.

- Moderator:** Thank you. The next question is from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.
- Madhur Rathi:** Sir, I just wanted to know, the asbestos prices that get fixed in the November to December month, what is the pricing for FY'24 vis-a-vis FY'23?
- Tuljaram Maheshwari:** See, compared to the '23, in the 24-calendar year, what the prices we have negotiated, which is lower than the '23. However, the impact of fluctuation in the forex may impact that. But as I mentioned, now the fibre prices are bottom out. There is no chance of much increase in the fibre prices, except the fluctuation in the forex.
- Madhur Rathi:** Sir, what is the quantum of decline in the raw material prices and what kind of impact can it have on a decline in our raw material in the FY'24?
- Tuljaram Maheshwari:** See, the quantum for making the asbestos, roofing sheet is around 45% to 50%.
- Moderator:** Thank you. We will take the next question from the line of Surbhi Bhatnagar from Vogabe. Please go ahead.
- Surbhi Bhatnagar:** Very good afternoon. Sir, congratulations on the great results. Sir, I just wanted to enquire that when can we anticipate the imported raw material prices to begin normalising?
- Tuljaram Maheshwari:** It's already normalised.
- Surbhi Bhatnagar:** Okay, sir. And can we expect the gross margin to improve going forward?
- Tuljaram Maheshwari:** As I mentioned, this is all the mix of three things. One is the demand increases. Second is, you know, the forex fluctuation gets normalised. And third is, you know, if the government announces the good schemes, etc, for the rural economy, definitely it will improve. However, as I mentioned, it's going to be better in coming quarters.
- Surbhi Bhatnagar:** Okay, sir. Fair enough. And, sir, what is your outlook on the capacity utilisation?
- Tuljaram Maheshwari:** Capacity utilisation, at present, we are already at 76% for Q3 and the nine months. And hopefully, by the end of Q4, we would be at 80%-82%.
- Surbhi Bhatnagar:** Okay, sir. All right. That's it from my side. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Gunit Singh from Counter Cyclical PMS. Please go ahead.
- Gunit Singh:** What percentage of our raw materials are imported and how much of our raw materials are sourced locally in terms of percentage of raw materials?

Tuljaram Maheshwari: See, for the roofing material is concerned, roofing industry is concerned or the asbestos roofing is concerned, that is a 50%-50%. And in the non-asbestos, it is around 25% to 30% is imported.

Gunit Singh: All right. And, sir, what is the quantum of decline in prices of asbestos?

Tuljaram Maheshwari: It is around 2%.

Gunit Singh: And, sir, regarding the capex that was planned, so are they on schedule, are they on track currently? And by when can we expect commissioning?

Tuljaram Maheshwari: See, there is some delay. If you see the Odisha, which was to go in FY'26, which will go now to FY'27. Similarly, Wada, which was to go in FY'25, which will go to the FY'26. There is a delay of one year in both the capexes. Mainly, still land acquisition is not yet completed.

Gunit Singh: All right. And, sir, you mentioned that in calendar year 2024, we would see a decline in realizations as compared to 2023. Is my understanding correct?

Tuljaram Maheshwari: Yes.

Gunit Singh: So, I mean, would we be able to maintain the current EBITDA margins? Or, I mean, how does the outlook for FY'25?

Tuljaram Maheshwari: I think going forward, if everything is normal geopolitical situation and the market condition, we would be able to maintain this EBITDA margin of this quarter.

Gunit Singh: Around 10%. And, sir, what is the outlook for, I mean, FY'25 in terms of top line and bottom line? Are we seeing any volume growth in FY'25?

Tuljaram Maheshwari: We generally don't give it because that all is a different dynamic. So, we generally don't give an outlook. But, as you have seen how we are growing quarter-to-quarter and year-to-year, you can easily estimate yourself and can work out, please.

Gunit Singh: I mean, looking at the current outlook and the kind of push in the economy, do we look at any volume growth in FY'25? That's what I'm trying to understand.

Tuljaram Maheshwari: I know your question is. But, as you have seen, quarter-to-quarter, we are having an increase in the volume as well as the value. So, same -- you can always estimate and can work out. But, generally, we don't give a forecast what will be in the next year.

Gunit Singh: All right, sir. So, can you give a breakup of volume and value growth in Q3, FY'24 year-on-year?

Tuljaram Maheshwari: We generally don't give a volume. It is a value.

- Gunit Singh:** All right, sir. That's all from my side.
- Moderator:** Thank you. The next question is from the line of Nitin Gandhi from Inoquest Advisor Private Limited. Please go ahead.
- Nitin Gandhi:** Yes. Thanks for taking my question. I just want to have some basic thought process and what's your overall game plan, because the sales have been growing at 15%-16%, but EBITDA growth is very small, 4%-5%, whereas operating leverage benefits and other things should kick in. But, unfortunately, though other building material companies have given substantial upside in that also, but here we are lagging. So, what do you think? What are the learnings of this and where do you think you can start growing EBITDA growth better than the revenue growth?
- Tuljaram Maheshwari:** See, I don't agree that others are doing well and we are not. If you see the industry like us, all the details are there. Already, the results have been published. And if you see, we are among highest in the growth in terms of revenue as well as in the profitability. So, this is all the industry dynamics where the cost of raw material mainly the fiber, asbestos fiber has increased considerably, which we could not pass into the market. So, that is the case with everybody.
- However, we are much, much better than others. So, I don't agree with your statement that others are doing good and we are not. So, I don't agree with that.
- Nitin Gandhi:** That's what I said. Let's ignore others. Let's talk of ours...
- Tuljaram Maheshwari:** You have said about the others. That's why I said it. Otherwise, I would not have raised this point.
- Nitin Gandhi:** Can we talk of ours now?
- Tuljaram Maheshwari:** Yes, please.
- Nitin Gandhi:** How are we proposed too go ahead with where do we see, is it possible EBITDA growing faster than the revenue growth?
- Tuljaram Maheshwari:** EBITDA growing is, as I mentioned in my statement and the few questions earlier, that is a mix of three things. One is that when the demand increases, the rural economy, the government spend in the rural economy becomes more, then definitely it is going to be positive. Plus, the geopolitical situation becomes normal. So, once these three things happen, definitely it has to happen positively.
- Nitin Gandhi:** How much do you spend on these two plants right now?
- Tuljaram Maheshwari:** INR 45 crores

- Nitin Gandhi:** Out of INR190 crores, we have already spent INR140 crores?
- Tuljaram Maheshwari:** INR45 crores.
- Nitin Gandhi:** Roughly INR45 crores we have spent. Okay. And first plant will be going FY27, right? Asbestos sheet will be...
- Tuljaram Maheshwari:** Yes, that is going to be FY27 and Wada will go to FY26.
- Nitin Gandhi:** Okay. Thank you very much. Thank you.
- Moderator:** Thank you. The next question is from the line of Aditya Sen from Robo Capital. Please go ahead.
- Aditya Sen:** Hi, thank you for the opportunity. So, you answered my question almost, but I was just looking for an update on the both the capex that we have, Odisha and Maharashtra, at what stage it is as of now?
- Tuljaram Maheshwari:** As I said, still land acquisition is not completed. So, once the land acquisition get completed, then particularly the asbestos will go to the public hearing and other lot of activities for getting a NOC from the pollution board. So, that's the process. So, that will go in FY'27. And so for the Wada plant is concerned, once the land acquisition is completed, then we will start construction and those things. That will go to FY'26.
- Aditya Sen:** Till FY26. All right. All right, sir. Thank you.
- Moderator:** Thank you. Thank you. The next question is from the line of Saket Kapoor from Kapoor Company. Please go ahead.
- Saket Kapoor:** Yes. Namaskar, sir. And thank you for the opportunity.
- Tuljaram Maheshwari:** Namaskar ji. How are you?
- Saket Kapoor:** Sir, I am fine, sir. How are you people?
- Tuljaram Maheshwari:** You were not on the call, sir.
- Saket Kapoor:** Yes, sir. Sorry, sir. I missed the last call. Sir, when we are looking at our nine-month number and also if we look at the Q1-Q2 performance also like we are looking at our gross profit margin, that has also declined. In Q2, we had 48.5% and now it is 44.25%. And as you are saying that the prices of raw materials have peaked out, if I have heard you correctly.
- Tuljaram Maheshwari:** Yes.

Saket Kapoor: Sir, how does this 2% benefit translate? We had a gross profit margin of 49% last year, which has now declined to 42%. And last year the average was 46.6%, so, just to understand that this 2% will go to the margin accretion only, and or we have to give the benefits because of subdued economic activity?

Tuljaram Maheshwari: Kapoor ji, there are two things in this. Actually, the 2% raw material prices have gone down, but you always carry an inventory of six-seven months. So exact impact will come somewhere in the third quarter to fourth quarter, not before that. So that is one. And point number two, in the present circumstances, I don't see whatever the saving we are going to do in raw material purchasing will be passed on no.

Definitely, already the margins are so low. So the chance of passing is very low. However, that all depends on the market situation at that time. But I personally feel that chances are very, very less. Because the cost which increased in the last year has already not been passed on. So now, whatever you are going to do, it is definitely not going to be passed on.

Saket Kapoor: Right sir. So the benefit of lower RM will be there. But it will be the buoyancy in demand and the spending that will lead to improved realization. So for that we have to wait for the actual demand to rise...

Tuljaram Maheshwari: Yes, yes. You are right. That's what I mentioned. Because these are three dynamics. One is the demand has to increase. Second is the government impetus on the rural economy that should continue. But post this general election, how the things are going to work out that is also one has to look into. And third, always we have hanging sword of monsoon. We don't know. Because over 80% business depends on the rural economy and the rural market.

Saket Kapoor: And it is also the distribution of monsoon, sir, that is more important today than the amount of water.

Tuljaram Maheshwari: Yes, yes.

Saket Kapoor: So those factors need to be...

Tuljaram Maheshwari: Going forward, we are hopeful. Because whatever has to happen has happened from the cost front already, I don't see much on the cost side. So only the market positiveness and the demand once increased. Because if you have seen the results of other FMCGs and, those things also, are impacted because of rural economy not doing well. So that impact we also faced.

Saket Kapoor: Sir, what is the impact of seasonality also on my numbers? Seasonality, which quarter? I am asking, sir, seasonality, the seasonality factor is also there in our business.

Tuljaram Maheshwari: Seasonality is given in our industry. But generally, if the FMCG is doing good in the rural economy, their data are also available, we go through those data So I have not seen in Q3 any improvement in those FMCG also.

Saket Kapoor: What should be the likelihood to close the year? Means we have seen sales increasing Q-on-Q from September to December.

Tuljaram Maheshwari: See, the point is, you have seen quarter-to-quarter top line increase is there. So hopefully, we will definitely close positively.

Saket Kapoor: That gap is already seen, sir that is true. That gap is already seen...

Tuljaram Maheshwari: What did you say, Kapoor ji. I didn't get it.

Saket Kapoor: Sir, I am telling you, it is already seen that your top line growth will be maintained. But the impact of the bottom line is still being translated.

Tuljaram Maheshwari: Bottom line, I think it would be more or less in this line only, not going to be the great.

Saket Kapoor: That is right, sir. What is the total debt on the book? What is the net debt?

Tuljaram Maheshwari: Total debt is, we have at present INR140 crores, including working capital. Out of that, INR45 crores is long term debt and INR100 crores is short term, that is working capital.

Saket Kapoor: And what is the blended cost of fund?

Tuljaram Maheshwari: Around 8%.

Saket Kapoor: 8%. And lastly, when is our rating due? Rating rationale?

Tuljaram Maheshwari: That will be after the closure of the year. May be, I think, June-July.

Saket Kapoor: Okay. And last, any updates that we have for the rating? What are our current ratings?

Tuljaram Maheshwari: As it always happens, once we give a result, always that call is accepted.

Saket Kapoor: Okay. But what are our current ratings, sir?

Tuljaram Maheshwari: A-.

Saket Kapoor: Right. And lastly, sir, on this, the Southern unit that we have prepared, how are the utilization levels? What has been the contribution?

Tuljaram Maheshwari: Utilization is good now. I think we are at 60% capacity utilization.

Saket Kapoor: Okay.

- Saket Kapoor:** Okay. And we will be closing the year on that, in this vicinity only 60%?
- Tuljaram Maheshwari:** Yes. That unit will be closed at 60%.
- Saket Kapoor:** 60%. And next year, sir? Is it fair to understand what could be?
- Tuljaram Maheshwari:** Next year, that unit will go to 80%.
- Saket Kapoor:** Okay. And the products, sir, how different are they or are in the same line? So, what is the percentage?
- Tuljaram Maheshwari:** This is a non-asbestos product and it's a normal vanilla product because we don't make there the value-added because value-added we are doing only in the Chinchwad plant.
- Saket Kapoor:** Sir, last point is when we look at this Awas Yojna part of the story, how have the companies like us in this asbestos segment and the board segment benefited?
- Tuljaram Maheshwari:** Definitely, it is going to benefit, because now in the budget only they have announced this and if you see, particularly the two states, the BJP government has come and in the past government most of the work is not done. So, I think before the election they will try to do something but time is very less. So, practically you won't get the benefit of that announcement.
- Saket Kapoor:** Sir, my point was that this scheme has been going on from the beginning and now...
- Tuljaram Maheshwari:** Certain government has not spent on that side
- Saket Kapoor:** Okay, sir.
- Tuljaram Maheshwari:** Because you have seen wherever the state government is aligned to the central government has done. The states which are not aligned, have not done. Whether, it is Awas Yojna or other schemes which is run by the central government. So, that impact you will see everywhere.
- Saket Kapoor:** Okay, so it is fair to understand that...
- Tuljaram Maheshwari:** Now things have changed post the three states election. So, I think definitely because in those three states we are present. So, we will get the benefit of it.
- Saket Kapoor:** Okay, so that means you are referring to the state of Chhattisgarh and other two elections.
- Tuljaram Maheshwari:** Rajasthan and MP there.
- Saket Kapoor:** Okay, right. Thank you for this opportunity, sir. Thank you.

- Moderator:** The next question is from the line of Ravi Shah from Opal Securities. Please go ahead.
- Ravi Shah:** Sir, actually, I had two questions. My first question was on the current market share of the company where we are in the up-key markets where we are present. What are the numbers you can share?
- Tuljaram Maheshwari:** See, as I said, we are the leader in the West. Our market share in the West would be around 35%-37%. And in the South, we would be around 18%-20%.
- Ravi Shah:** Understood, sir. Sir, my second question is, can you provide some updates on the Perundurai plant operations and capacity utilizations? Also, any new developments on the Odisha project?
- Tuljaram Maheshwari:** In Perundurai plant, at present we are at 60% capacity utilization. And going forward, in the next year, we will touch to 80%. And the plant is already stabilized. And all the issues of the initial hiccups have been sorted out. And the product is well accepted by the market.
- Ravi Shah:** Got it. Sir, one last question. I mean, in the initial comment, you also mentioned about the floods in Tamil Nadu. And we have a presence over there. So, was our capacity utilization affected by that? And because of that, our sales could have been affected? Or it was a normalized number for us? I mean, is this a normal number? Or should we look at it differently?
- Tuljaram Maheshwari:** See, as I mentioned, because my market share is better in the West. So, West plants are giving a better capacity utilization. However, my market share is low there. So, that is a little low in particular in both the plants at South.
- Ravi Shah:** So, you are saying there was no major impact by the floods?
- Tuljaram Maheshwari:** No, no.
- Ravi Shah:** Okay, understood, sir. Thank you and all the best, sir. Thanks, sir.
- Moderator:** Thank you. The next question is from the line of Yug Mehta from AP Capital. Please go ahead.
- Yug Mehta:** Hi, thank you for this opportunity. Sir, I just had one question. There is a growing preference for other roofing units like metal roofing. So, what are our endeavours in this area?
- Tuljaram Maheshwari:** At present, we are not looking at those things because we still have to expand ourselves and become a pan-India. So, once we complete that, then we look to other products.

- Yug Mehta:** Okay, sir. That's all. Thank you.
- Moderator:** Thank you. The next question is from the line of Rajesh from Apex Investments. Please go ahead.
- Rajesh:** Hi, thank you for the opportunity. So, my question is that we are noticing that there is a pricing, pressure. And so, do we anticipate a price hike on our products? And if so, then by how much percent?
- Tuljaram Maheshwari:** As I mentioned in my previous answers also that all depends on the demand increases in the market. And generally, the first quarter of the year is always good. So, hopefully in the Q1 of next year, there has to be some price increase. And quantum, I cannot tell you now because that all depends on demand and supply and how much gap is there in the market. And based on that, the price increase will be determined.
- Rajesh:** I understand. Thank you. So, my second question is related to the current quarter because over the past few years, we have noticed that this is seasonally the best quarter for this particular sector. So, what kind of demand do you have seen for the initial? I mean, if we have seen the demand in initial days, what is your comment on that?
- Tuljaram Maheshwari:** At present, we are not seeing the demand in this quarter also. There is still subdued. But still, one and a half months is there. We don't know. Things may change positively. But as you know, there is election and definitely going to impact March-April because these are the two months where lot of election activities will happen. So, definitely that may impact compared to the normal months.
- Moderator:** Thank you. The next question is from the line of Prachi Shah from ABC Ventures. Please go ahead.
- Prachi Shah:** Yes. So, I have two questions. First is, are you looking for any new product development in non-asbestos category?
- Tuljaram Maheshwari:** That's ongoing. We are working on it. We are already in that. If you see our total capacity, out of 69,000, 19,000 is non-asbestos.
- Prachi Shah:** Okay.
- Tuljaram Maheshwari:** So, already we are working towards it. Then the Wada plant is again going to be the non-asbestos.
- Prachi Shah:** Okay, sir. So, my second question is, there is an increase of approximately like INR70 lakhs in finance cost on sequential basis, right? So, can you please help us understand the same?

Tuljaram Maheshwari: The interest cost, you are talking about the interest cost?

Prachi Shah: No, finance cost.

Tuljaram Maheshwari: Yes, that's mainly the interest cost. So, because, you know, the utilization, because of the more utilization of the working capital, so there is an increase. But if you see in totality, quarter-to-quarter if you see, hardly there is an increase because last year it was 3.1 and this year it is 3.3. So, it is only INR20 lakhs, not much. So, it is a normal phenomenon. Generally, Q3 is a subdued. So, we have to create the inventory for season. So, finished goods will still get increased. So, that is normal.

Prachi Shah: Okay, sir. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Tuljaram Maheshwari for closing comments. Over to you, sir.

Tuljaram Maheshwari: Thank you, everyone. I hope we have been able to answer all your questions satisfactorily. However, if you need any further clarification or want to know more about the company, please contact SGA team, our investor relations advisor. Thank you.

Moderator: Thank you very much, sir. Ladies and gentlemen, on behalf of Sahyadri Industries Limited, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.