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Newton Investment Management Limited - Investment Leader of Emerging and Asia-Pacific Equities and Portfolio Manager

Good day, ladies and gentlemen, and a very warm welcome to the Vakrangee Limited Second Quarter and First Half FY 2019 Earnings Conference Call. (Operator Instructions) Please note that this conference is being recorded.

I now hand the conference over to Mr. Dinesh Nandwana, Managing Director and CEO. Thank you, and over to you, sir.

Good day, dear ladies and gentlemen. It is a pleasure to greet you all once again on behalf of our Board of Directors and senior management. We begin by thanking all of you for having spare time for -- in joining us here today to discuss our second quarter earnings for the financial year 2018-19.

I begin with a sense of pride on how our company has involved and grown stronger over the past 2 decades. Our dream of becoming one of the world's largest franchisee network is not an easy one to achieve. On this journey, we are bound to learn some valuable lessons along the way. We also face challenges once in a while that one could never foresee. With the goals that are built for a longer time horizon, I view periodic short-term challenges as just some speed bumps along the way. We are determined to keep taking concrete step towards enhancing our existing franchisee network, producing sustainable performance and focusing on long-term shareholder value creation.

Before taking on the results for the current quarter, I would like to spend some time on our business strategy and the rationale for the same. The highly successful Vakrangee kendra model has been evolving gradually over the years in terms of its format, configuration and capabilities. There were at least 8 to 10 different formats of Vakrangee kendra stores on Pan-India basis, ranging from Kirana store model or room in Gram Panchayat office to an exclusive independent outlet.

We felt that the time is ripe to upgrade or churn these existing stores to a new standard format so that they each become branded stores for delivering consistent consumer experience and consistent service levels. Our vast network will benefit immensely from greater standardization and consistency in terms of the quality of its facilities and service level. We reviewed this through highly reputed global consultants and arrived at a plan to recalibrate and upgrade our Kendras that would provide better convenience, greater comfort and service level to our customers.

With this, we are strengthening ourselves to evolve into an even stronger and more successful company. Continuing the rapid pace at which we have grown, we had reached a point where consolidation and upgradation were necessary to set the stage for the next phase of growth. Our objective is to become the world's largest network of assisted digital convenience store with standardized, unified and one look branding. This will entail the transformation of more than 45,000 of our existing Kendras as the Next-Gen Vakrangee Kendras categorized as a Gold or Silver model formats.

Next-Gen does not only stand for the new standardized look and feel but also includes several unique features to make our Kendras future-ready in terms of service, offering, technology and branding. The Next-Gen Kendra will have a modern format with uniform infrastructure and consumer experience.

They will also include key technological advancements such as PIN pad device to enable all kind of payment mechanisms at the outlet, ATMs that enable the ease of financial transactions, centralized CCTV monitoring system for enhanced store security on a Pan-India basis and a digital advertising feature through a centrally controlled digital signage system for advertisement campaign of our branded -- brand partners. These enhancements will greatly enhance the interaction between our customers and our partners.

By 2019, we aim to transform all the existing 45,000-plus outlets as per the new Next-Gen model. We are working at breakneck speed towards creating the best network ever created globally. Over the last 6 to 8 months, we have spent a lot of time in building the supply chain for such large-scale upgradation and standardization exercise. It has never been done anywhere globally.

Just to give you some insight, the total number of incremental ATMs added in the entire country since demonetization in 2016, only around 6,300 ATMs have been added till September 2018. Our company alone itself is adding incremental around

3,000 ATMs in one single quarter.

Our new format Kendras are already receiving positive response from the existing franchisees, of which a highly -- a high percentage have shown willingness to upgrade. For those who -- that have not, we will be replacing them with the new franchisees who are willing to adopt the new format.

I'm happy to say that we have recently completed and launched 50-plus Next-Gen Kendra outlets in the Mumbai Metropolitan Region and 40-plus Next-Gen outlets in the National Capital Region, Delhi. I'm also pleased to inform you that an additional 4,000-plus outlets are already in advanced stage of completion and will be completed during this quarter, before 31 December only. These outlets are spread across 380 districts and 2,548 postal codes of the country. Out of this group of outlets, more than 3,000 are based in Tier 5, Tier 6 cities.

We have already started the process of upgradation exercise for rest of the 41,000 outlets. All outlets have been notified to upgrade or churn. Accordingly, franchisees have been given 6 to 9 months to complete the upgradation process. The financials for the current year, including the revenue as well as the profitability, would be materially impacted as these outlets undergo refurbishment or upgradation process.

With respect to quarterly results for second quarter of financial year 2018-19, our total revenues come into -- in at INR 320.06 crore as compared to INR 1,027.69 crores on the quarter-on-quarter basis. This decline is primarily due to the upgradation exercise which we have initiated.

During the quarter, we encouraged our partners to only focus on the Next-Gen format outlet and have that sales push active only at the Next-Gen outlet. This in turn impacted the service activation and sales throughput at these outlets, which in turn has been motivating for the franchisee to go for an upgradation -- upgrade. Therefore, the financials for the current quarter have been significantly impacted. And also December quarter and March quarter would get materially impacted accordingly.

I would also like to highlight that the entire upgradation CapEx requirements shall be funded through internal approval, and there would not be any requirement of debt funding. We continue to be fully debt-free and self-funded with robust balance sheet in place. With respect to capital allocation policy, the board shall decide on the same post the successful rollout of the pilot phase of 4,000 outlets.

By financial year 2020, as we complete this large-scale upgradation exercise, I expect the company to show robust growth, thereby delivering value to our shareholders through strong financials and operating performance and the more than 40,000 -- 45,000 completed Next-Gen Vakrangee bearing fruits.

Further, during the quarter, we added more partners such as Eko for money transfer services, Aditya Birla Finance Limited for personal and business loan distribution, Aditya Birla Housing Finance Limited for home loan products. These tie-ups would further expand our bouquet of services available for our customers through the Next-Gen Vakrangee Kendra.

I would also like to update you on our recent MCA order. Ministry of Corporate Affairs has ordered inspection of our Books of Accounts for the period of 3 financial years to be conducted in terms of Section 206(5) of the Companies Act 2013. Ministry of Corporate Affairs has started the inspection of the Books of Accounts for a period of 3 financial years. The scope shall, inter alia, include resignation of Price Waterhouse & Co Chartered Accountants LLP as Statutory Auditors of the company, Income Tax Assessment order and Tax Audit Report for the last 5 years, number of Vakrangee Kendras located in India and deposit amount, if any, collected from the franchisees, shareholding structure of the company.

We have welcomed the decision by MCA as it would help us clear all the doubts and rumors with respect to our financials and Books of Accounts. We are fully cooperating on this and would try to complete this exercise at the earliest.

As for the future, we maintain our long-term target of setting up 75,000 Next-Gen Vakrangee Kendra by 2020. With a unique franchisee-driven business model developed over a period of time, we are extremely confident of achieving our vision.

I would like to take this opportunity to thank our shareholders for their support. We can now open the floor for question-and-answer session. Thank you very much.

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Questions and Answers

Operator [1]

(Operator Instructions) The first question is from the line of Balthazar Florentin-Lee from Sloane Robinson.

Balthazar Florentin-Lee, [2]

Can you just confirm these numbers? So the 4,000 Kendra are in the late stages of upgrade. These haven't been upgraded yet despite being 6 months into this process. We expect those to be available by the end of December. Is that correct?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [3]

Yes, Balthazar. Yes, correct, yes.

Balthazar Florentin-Lee, [4]

And can you give us an update then on where we stand with the other 41,000? I know you've set a deadline of Diwali for everybody get their responses. But can you give us an update on where you stand now? How many responses you've had? How many have said yes that they'd like to proceed to the Next-Gen? And how many have said no?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [5]

So Balthazar, basically, the November is the final deadline for all of them. So that is still like 7 November to 8 November is the final deadline for all of them to commit accordingly. So by end of this month or maybe by mid of December, we'll have full clarity on this how many have exactly said yes and how many have exactly said no. So I think that rather than giving any data, which is not concluded as such, it's better we give a number 1 month after that and give a clear picture on that.

Balthazar Florentin-Lee, [6]

Okay. So your revenue fall has been quite dramatic and saying that it's down, so just partners being focused only on the new Kendra could explain why growth in these existing Kendra would be down. But it's hard to understand why the after sales figure itself would fall so much without partner focus, as you put it. Can you help explain that and give a bit of color? It looks like possibly more than the 4,000 that are in the late stages of being upgraded have said yes and are upgrading as we speak. Can you just help us understand the sales fall a bit more clearly?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [7]

So basically what is happening is that all our partners have been asked to focus only on the Next-Gen format stores. So we are not encouraging any offers, any new things or any marketing to be done at the old stores. So that is because we want to

motivate or encourage them to upgrade to the Next-Gen format. And I think that is the pain which we are going to see for the next 3, 4 months because of the -- so because what we have been saying to the franchisees is that we are going to give you ATM machines in the Next-Gen format as well as all the support, which is the support with respect to the services and the offers and the sales push and the sales training would be provided only in the Next-Gen format and all the additional services will also be getting activated only at the Next-Gen format. So all the -- like we are not providing any Amazon services at the old stores incrementally. So we are not pushing for any activation at the old stores. So whatever activation or offers are running, it is only running at the Next-Gen format stores. So in a way, it is to push them to upgradation. That is the overall strategy for doing this upgradation exercise. And that is what we are seeing the impact of that. And that is where sales have fallen accordingly, as there has been no major push, either from our side or from the side of the partners -- brand partners. So that is the impact which we are seeing. And as these 4,000 outlets will go live in this particular next 45 days to 50 days, as they will go completely go live, we will start seeing the improvement in the numbers as more and more outlets get into the Next-Gen format over the next few months. So that is what our strategy is there, that for the next 6 months, we will see some pain to continue, but we'll see the curve moving around maybe post March. That is the guidance, what we are trying to provide.

Balthazar Florentin-Lee, [8]

So having some services off then for those who haven't agreed to upgrade?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [9]

So in some cases where the franchisees have categorically said that they don't wish to upgrade, then selectively, we are closing few of the services.

Balthazar Florentin-Lee, [10]

Okay. And upgrading now, going through the process where the Kendra is closed and can't generate revenue, are there more than the 4,000 that are in the late stages? Or was it only the 4,000 that were closed and upgrading as we speak?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [11]

As of now, basically, the 4,000 are in the phase of getting upgradation. The outlet will be closed down in this month. Basically, the outlet which are going for the upgradation will be closed down in this month so that they will start the process for the upgradation over the next few months.

Balthazar Florentin-Lee, [12]

So currently, at the moment, every Kendra that was previously on your network is up and running and generating revenue?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [13]

Yes. So they are active, active where at least a transaction is taking place. But overall, revenues have fallen because of the lack of the sales push that was happening always from the field team, from the brand partners, from the entire network.

Balthazar Florentin-Lee, [14]

Okay. And then if I can ask one more question, if that's okay. Regarding the MCA investigation, what is the time line for this as far as you can see? And once it is included, how will we, as investors, hear about these results? Will you be allowed to publish the results? Will the MCA inform you? Will the MCA published their results? Or do we simply have to wait and see?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [15]

So right now, we are in the middle of that. So that investigation is going on currently. We expect that it will take few weeks. Or within this quarter, basically maybe we'll be able to get that process completed. Once the process gets completed, that report would be getting published or would be getting to us. And then we would be publishing. Or you can also get through the RTI, Right to Information, like we will be getting access to that report.

Balthazar Florentin-Lee, [16]

Not directly, but you also will publish the findings?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [17]

Yes, yes.

Operator [18]

The next question is from the line of Robert Marshall from Newton.

Robert James Marshall-Lee, Newton Investment Management Limited - Investment Leader of Emerging and Asia-Pacific Equities and Portfolio Manager [19]

I just wanted to kind of follow up on the previous question in terms of the revenue. I'm still struggling to make sense of the minus 70% in the context of the refurbishment that's on unless you've cut a lot of commissions there or it's thoughtful and it's sort of completely dropped dramatically, and not just from those being refurbished but the whole lot, or you've lost a whole lot of stores in terms of activity. So could you just expand that a bit more and try to break down the drop in revenue somehow?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [20]

Okay. So Robert, basically, a lot of services are actually push-based services. So services such as insurance, it has to be done with a lot of sales push in order to keep those services on an ongoing basis. Services like Amazon, you need to keep on coming up with some offers. Some marketing has to be done on an ongoing basis to do the sales on an ongoing basis. Now what is happening is in the last 3 to 4 months, when we have notified all the franchisees that they have to go under the upgradation, we are not doing any such kind of marketing push or the sales push, either from the brand side or from our side. So neither the field team is pushing the franchisees or getting them the leads or getting them more training for the insurance products, neither -- or during the Amazon sale period, we are putting them any offer, any marketing material or anything. So that push is completely absent right now for the old outlets which are not upgraded to the Next-Gen format. We have categorically asked all our partners to focus only on the Next-Gen format stores with respect to the marketing and the sales push. So even if you see the presentation, if you see the presentation, for example, we have put a slide where basically we have spoken what the kind of branding that is happening at the Amazon stores. So that is primarily only at the Next-Gen stores. That is not happening across all the stores. So whichever outlets are getting converted, basically those are the stores which are getting that kind of marketing. So if you see Slide #41 of our presentation, these kind of activities, which has been done by the brand partner or from our side, is not being done for all the outlets. So automatically, what is happening is lot of their sales are getting impacted because of the absence of this kind of marketing or sales push or any additional services getting activated. For example, loan products. So loan products, again, has been activated only at the Next-Gen format. So because of these kind of things, we are discouraging the existing franchisees to continue in an as-is model. So we are asking them that why don't you upgrade to the Next-Gen format, and we will be providing you all these benefits, all these platform support from our side as well as with respect to -- in terms of the ATM machine that would be provided from our side.

Robert James Marshall-Lee, Newton Investment Management Limited - Investment Leader of Emerging and Asia-Pacific Equities and Portfolio Manager [21]

So in terms of existing ATMs and existing products, there's no kind of continued revenue from all of these kind of areas or the only revenues that are remaining. And in terms of active sales push, presumably the Kendra owners still want to be making an income. So it's something that they're able to in that kind of context to maintain revenue?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [22]

Sorry, sorry, can you repeat? I'm not able to hear you properly.

Robert James Marshall-Lee, Newton Investment Management Limited - Investment Leader of Emerging and Asia-Pacific Equities and Portfolio Manager [23]

Okay. So there are some of the services which seem to be kind of more day-to-day. So for example, release of ATM...

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [24]

For like banking services -- like banking services, we're just going on an as-is basis, may still continue. But all other services, which are more push-based services like insurance, like e-commerce, like these kind of services, which are more push-based services, we are discouraging the franchisee through this strategy, basically. And we are making them and trying to convince them to upgrade to the Next-Gen format.

Robert James Marshall-Lee, Newton Investment Management Limited - Investment Leader of Emerging and Asia-Pacific Equities and Portfolio Manager [25]

Okay. So basically, you're cutting up their revenue?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [26]

Yes. So we are cutting up their revenues because we want them to upgrade and take a decision whether they wish to upgrade or whether they wish to churn because that is -- our final deadline is still Diwali, which is like in next 10 days. We will -- we should have the clarity on that.

Operator [27]

The next question is from the line of [Satvinder Vohra] from Intercontinental Exchange.

Unidentified Analyst, [28]

So you mentioned that the sales have fallen with the active center (inaudible). I wonder if you can just update us, how many franchisees in the quarter were active? And what do you expect for this next quarter, which will end on December? What will be the (inaudible)?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [29]

Yes. So basically, that is what very clearly, we have also mentioned as a guidance, is that for the next 2 quarters, we will see this kind of the financial impact because as we undergo this entire upgradation excise, the outlets which are not agreeing for the upgradation would also be getting churned by the next 2 months -- next 2 to 3 months, basically. So therefore, we are going to see the impact on the financials till February, till March. The curve that we'll start seeing moving would happen maybe from April onwards because that is where our 4,000 Next-Gen plus, whatever new outlets which would be getting converted into the Next-Gen, that incremental number will keep on adding, and we'll see the benefit of this entire new store revenues coming in. And the response for the next-generation stores is much more positive and very promising from our perspective.

Unidentified Analyst, [30]

I understand that. What I was interested in is, how many Kendras at the moment are (inaudible) growth right now (inaudible) for next -- let me complete that. So for next quarter, what do you expect, this figure to go down substantially from (inaudible) also? Or do you expect this 4,000 Kendras that you are adding by Diwali or so before December, they will start contributing? So the sales should be (inaudible)? Or do you expect this to go down even from here?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [31]

See, the 4,000 outlets are getting operationalized by the end of this quarter. That is within the month of December. They will take at least a month to get stabilized. So we'll start seeing the proper revenue coming from them maybe in January, February onwards. It's what we see. Second thing is with respect to the existing stores which are the rest, 41,000 stores, which were there, there, as we reach the Diwali and whatever deadline we get targeted, and those outlets which are not agreed to upgrade, will get churned, will get closed down. So there would be a revenue loss because of that as we close down those stores. The stores which agree to for the upgradation, it is a 6-month process for them to get into the upgradation. 6 to 7 months is the time line because even if -- in that 4,000 sample, if you see, we have taken around 5 months in order to do this entire upgradation. Now there are better learnings because the supply chain management has already set and the entire process is streamlined. But still on a conservative side, if I take 6 months to 7 months, that is the time line, which would be required for these outlets to get upgraded. So the financials, what we are talking about in the current quarter has been impacted, and the similar impact would also be there in the December quarter. From March onwards or April onwards is where we will start seeing the growth improving on a quarter-on-quarter basis.

Unidentified Analyst, [32]

Is it possible for you to give guide on your sales estimation for next 2 quarters?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [33]

So we have not given any financial guidance. It would not be right on my part to give any number to that.

Unidentified Analyst, [34]

I have one more question. As you mentioned in the reports, you have the mandate of around 15,000 ATMs right now. And you're talking about..

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [35]

I'm not able to hear you.

Unidentified Analyst, [36]

Am I audible right now? Am I audible right now?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [37]

You're audible. You can go a little slow.

Unidentified Analyst, [38]

Yes. My question is, you have a mandate for 15,000 ATMs as per your last report, which you have filed. My question is like, you say that all these 45,000 centers will have ATMs, so how do you (inaudible)? You have a mandate for 15,000 and...

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [39]

Mandate is...

Unidentified Analyst, [40]

You were talking about 45,000...

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [41]

Mandate is minimum 15,000. Mandate does not have any upper cap.

Operator [42]

(Operator Instructions) The next question is from the line of Tom Wills from Martin Currie.

Tom Wills, [43]

Just one question from me. In terms of the 4,000 Kendras that are currently undergoing the upgrade, are you able to kind of characterize what those Kendras look like in terms of your historic revenue? In other words, are those 4,000 the best 4,000 Kendras that were in the network before so having them out of the network at the moment have a disproportionate impact on revenue? Or would you say that they are a typical mix of what the overall Kendras look like before?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [44]

So Tom, basically, while doing the selection for this entire pilot of the initial 10% of the stores, what we have done was -- the focus was on 2 things. One was the franchisee agreeing to upgrade, and the second focus was that geographic

diversification. So if you see basically, these 4,000 outlets are spread across entire 380 districts where we had the presence. So if you see, that's almost 60%, 50% of the country. Total country has around 650 districts. So presence in almost 380 districts because we wanted to showcase the proof of concept in each and every district where we are present. Because what was happening initially was when we were going to the franchisee and we were showcasing the concept and the model of the Next-Gen format, it was very difficult for all of them to visualize and commit for upgradation. Because they had not seen what we are talking about, they have not realized what infrastructure we are talking about and they are not able to visualize the impact on their financial improvement that can happen because of this. So what we selected was that we would be selecting, on an average, around 8 to 10 outlets per district, go for 380 districts where -- all the areas where we had the presence and set up these model outlets which would act as a proof of concept so that my conversion for the next lot -- the next phase would be much quicker and much faster. So one point was the geographical diversification. And in that, definitely there would be some outlets which are better because they have more conviction with us. They were already doing good amount of revenue, so they had more trust in us. So it is a mix of both. I would not say that was the only thing that we selected, the best-performing 4,000. We selected based on also geographical diversification. But yes, the outlets which went into the first phase were also -- quite a few of them were of good performance because they had the trust with us and they had the conviction with us in terms of the relationship and they were ready to take this chance of upgradation and get into the Next-Gen format.

Tom Wills, [45]

And are you able to sort of apportion the decrease in revenue between those 4,000 being off-line and the decrease in services at the remaining 41,000 that are currently online? Are you able to sort of strip that out in terms of their performance in revenue?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [46]

So Tom, I do not have those numbers off hand. Let me go through it and get back to you or maybe I can get in touch with you and take this off-line.

Operator [47]

We will take the last question from the line of Balthazar Florentin-Lee from Sloane Robinson.

Balthazar Florentin-Lee, [48]

First of all, can you just clarify what you mean by 2019 when you said that the whole network will be updated in 2019? I think originally, we were talking about completing it in this financial year. So what is your expected end date for all the Kendras wishing to participate being up and running and revenue contributing again?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [49]

So Balthazar, with the learning that we had and with the timeframe, what we have experienced and the streamlining of process that has happened, on the most conservative side, what we are seeing is that, 2019 calendar year is what we have put this for the upgradation -- as the year of upgradation. So I think to be very transparent and honest, the 2019 calendar

year is where we are talking about the entire 45,000 outlets need to undergo the upgradation exercise. And we want to have them convert into the Next-Gen format. Our effort would be that we can try to minimize the time frame as much as possible because of the supply chain in place, the vendor management in place and the process completely learned. But I think 5 to 6 months is the average time process. And on the most severe conditions, it might take 7 to 8 months. So on a conservative side, keeping some buffer, we are seeing 2019 calendar year where we would be converting the entire bucket of outlets into the Next-Gen format.

Balthazar Florentin-Lee, [50]

So just to be completely clear, from the start of Diwali, everybody who is going to upgrade should be upgraded about 7 to 8 months later than that. So we're talking mid of 2019?

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [51]

Yes, yes.

Balthazar Florentin-Lee, [52]

That's not quite the same as the end of 2019. So I just want to be crystal clear on that.

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [53]

No. Therefore, I...

Balthazar Florentin-Lee, [54]

That would be middle of 2019.

Dinesh Nandwana, Vakrangee Limited - MD, CEO & Executive Director [55]

Yes, yes. So our endeavor would be to complete it well before Diwali next year, maybe by June, July, August. But to be on a safer side and on a conservative side, we are putting a deadline as a calendar year 2019.

Operator [56]

I now hand the conference over to Mr. Ammeet Sabarwal for closing comments.

Ammeet Sabarwal, Vakrangee Limited - Chief Corporate Communication Officer & Strategy [57]

Thank you all for taking time out and attending our conference call. In case of any further queries, feel free to contact us. We have shared the Investor Relations contact details on our website as well as in the con call invite. So get in touch with us for further details. Thank you.

Operator [58]

Thank you very much. Ladies and gentlemen, on behalf of Vakrangee Limited, that concludes this conference call for today. Thank you for joining us, and you may now disconnect your lines.