

Operator

Ladies and gentlemen, good day and welcome to the Agro Tech Foods' Q4 FY13 earning conference call, hosted by Anand Rath Research. As a reminder, for the duration of the conference, all participants' line are in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. Please note that this conference is being recorded. I would now like to hand over the conference over to Mr. Aniruddha Joshi. Thank you and over to you, sir.

Aniruddha Joshi, Analyst

Yeah. Thanks, Chitrapu. On behalf of Anand Rath Research, we welcome you all to the 4Q FY13 results conference call of Agro Tech Foods Limited. We have with us Mr. Sachin Gopal, the President and CEO and Mr. Hemant Kumar Ruia, CFO & Head of Legal. I will now hand over to Mr. Sachin Gopal for his comments on the Q4 performance. Thanks and over to you, sir.

Sachin Gopal, President and CEO

Okay. Thank you, Aniruddh, and good afternoon everybody. Thank you for taking the time out to be with us today. As usual, what we'll do is, we'll work through the highlights of the P&L. Since it also happens to be the end of the year, therefore, we'll comment on the year, but I'll give you a perspective on the quarter as well, as we go along. And then there were a couple of advance questions which have been raised, so we'll answer those and after that it can be open to Q&A. All right.

So overall, as you would have seen from the results, we reported about a 12% growth in net sales for the year and about a 15% odd growth in profit after tax in earnings. How this breaks up is that on our Sundrop oils business, for the year we've seen about a 5% odd volume growth. So we've always said that anywhere between 98 to 104 is really from our perspective a sort of flattish volume trend, which is in line with the strategic priority that we've set for the segment. And so it's a little more than that, but only marginally more at about 5% odd and with a net sales growth of about 11% for the year. So double-digit growth, about 5% coming to volume and the balance about 6 or 7 points thereabouts coming from pricing and mix.

In terms of our foods business, which we are committed to growing at a rapid clip, this has now increased for the year. So for the year, now it stands actually at about 17% of net sales, which is in line with our strategic direction to grow it from 3% to 15%, 15% to 25% and 25% to 50%. And we saw good growth in the ACT II business and as well as Sundrop Peanut Butter. Obviously, this is largely ACT II at this point in time.

So the -- in terms of growth, therefore, on the ACT II brand for the year, we had a volume growth which is in excess of 20% odd, in fact excess of 25% and a net sales growth which is in excess of about 35% [ph] odd. So a good growth there both in terms of volume and net sales. And we also have seen a reasonably good growth in peanut butter, which has grown for the year at about, volume up about 12% and net sales north of 50%.

Specifically, for the quarter, we saw robust performance across all product lines. Sundrop oils grew by double digit in terms of volume and by plus 15% in terms of value. ACT II as well grew very, very strongly in terms of both value and volume, topping in that 50% odd region, which obviously therefore brought up the year's figures as well. And peanut butter is well growing in both volume and value, though just a portion at least more so in value, right.

And for the quarter, therefore, our total foods business is up more than 40% -- 40%, 45% over prior year and in value therefore is another 10 points because the balance being main pricing and mix. So overall, I think a good end to the year, a good -- a strong quarter four and a good growth ever as far as the total year is concerned.

The second key priority that we have, from a strategic standpoint, is the continued improvement in gross margin. So for the year, and gross margin here is the way we define it, which is net sales less cost of goods, has moved up. It was about 23.6% in FY12, it's moved to about close to 24.5% in FY13. So overall, a good growth in gross margin as well, with all the right things happening in each of the individual segments.

The other thing is that A&P investments continued to deliver good returns. We were able to grow our A&P investments, behind media and sales promotion, by more than 30% during the year. So we feel also that we made the right level of brand investments. SG&A growth, as we measure, it's limited to about 8% during the year. So that's again reasonably good and that enabled us to increase profit before tax. Profit before tax has increased for the year by about 20% odd and profit after tax by about 15% odd.

Those are really the highlights of the P&L.

There were a couple of questions which you had asked me to cover off, so I'll take those, right. The first is there were some questions regarding the recent buyback announcement that we had made. From a regulatory perspective, really there are two things that Hemant and his team are working on right now. The one is that we've made the share buyback offer and -- or we are in the process of working through it, right. So we'll be doing whatever is required from that perspective.

The second is, as you would be aware, SEBI has issued a set of guidelines requiring that all ESOP trusts, which purchase stock from the secondary market, it cannot continue to hold these beyond 30th of June, right. So both of these are important from a regulatory perspective, so all the necessary actions are being taken, right, to ensure that we maximize shareholder interest, right. So that's the piece specifically on the buyback.

The second is that, I think there were some questions raised regarding the loans and advances, which are currently -which are there. If you recall, about two years ago, we'd had a similar question asked because around 31st March is when we tend to bring in popping corn. All of it is not always cleared at a point in time on the specific date, right. So some of it is under clearance at that point in time. So invariably we end up with some amount of money, which is reflecting under loans and advances as of the end of the year. So there were some queries on this piece as to why is it showing up right now. The answer to it is, it's exactly the same scenario as it was two years ago.

Okay. I think those were the two questions, Aniruddh, which I remember. If there's something else I've forgotten, I apologize. But anyway we can open it up to Q&A now.

Questions And Answers

Operator

Thank you very much, sir. We will now begin the question-and-answer session. (Operator Instructions) We're going to take our first question from the line of Amit Vora from TCS Securities. Please go ahead.

Amit Vora, Analyst

Yeah. Hi.

Sachin Gopal, President and CEO

Yeah. Hi, Amit.

Amit Vora, Analyst

Yeah. My first -- do you want me to just run through all the questions or one by one we can do it?

Sachin Gopal, President and CEO

Yeah, if you can give me all the questions at once, so that then we can close it and move to the next question. Okay, Amit?

Amit Vora, Analyst

So the status on the Gujarat plant and any progress there, number one. Second is, your outlook on raw materials and if you can just elaborate a bit on loans and advances, because that was just a bit not clear to me. That's it.

Sachin Gopal, President and CEO

Okay. Thank you, Amit. So status on the Gujarat plant is, as you recall, we would have stated in earlier calls that we intended to start doing a testing of the plants and equipment in the last quarter, that is in quarter four of last fiscal. And we intend that we would be in commercial production in this quarter. That stands. We started online testing of the equipment in the last quarter. So we are currently in the phasing of -- in the process of plant certification and qualification, and machinery is all in place and the swabs are

being taken and many other things that required from a food safety and sanitation perspective. So we are on track for a commercial startup this quarter.

Outlook on raw materials, always difficult to give, so I'm going to restrain from making predictions in terms of which way the world economy will move on commodities, right. I think there are lot of factors right now which are indicating softness, but to be honest it's very difficult to make a prediction for the full year. So much as -- I would love to be able to give you an accurate prediction, I'm afraid I'm going to have to stay away from it, right.

And last is on loans and advances, basically, you can -- you would see from the balance sheet that we had long-term loans and advances last year. At the close of FY12, I think the figure is about 43 odd crores, correct? And at the close of FY13, you'll find a figure which is about -- I think it is 59.4 crores, right. So that's basically the impact, Amit, when we import corn and we import a lot of corn, because there is a deadline on importing the corn at zero duty prior to 31st March because of the -- sorry -- sorry, give me a moment. Sorry. Sorry. I apologize. Okay. Sorry. Hemant is correcting me. I'll just give the perspective.

We import a lot of corn which lands in our ports between January and the month of March. Some of that gets cleared, some of that doesn't get cleared. Last year at this point in time there was no corn because we didn't import any corn in the prior year, right. So the impact of that and I apologize for that, is reflected in short-term loans and advances, which as you can see on a -- either a stand-alone or a consolidated basis in our results, moved up from about 5 crores to about 27 crores this year, okay. Does that answer the question, Amit, or is there still a doubt on loans and advances?

Amit Vora, Analyst

Yeah. I just have a follow-up on the same is that you just mentioned that there is a deadline on the zero duty import on corn. So in this year, is there a duty that will be imposed on the corn?

Sachin Gopal, President and CEO

No, there is -- we are allowed a facility of imports. It's a historical practice, which has been there for several years, okay. So it's time, it's just that you need to get a license to do it and then you bring it in, right. If, however, you are unable to clear it before 31st March, then you have a problem on your hands, okay.

Amit Vora, Analyst

All right. And we have raw materials sufficient for the next how many months, I mean we carry?

Sachin Gopal, President and CEO

See, we don't give a prediction at any point in time. So, however, we feel we are appropriately covered at this point in time.

Amit Vora, Analyst

All right. And one more on the peanut butter plant that you just mentioned. Earlier con calls we have maintained that when the plant starts at Gujarat, the peanut butter and the category will start making profit. So is that so, so we can see in FY14 that reflecting?

Sachin Gopal, President and CEO

Okay. Amit, what I'm going to have to do as a matter of practice is, it will be answer all the questions, then we move on to the next person. And then if there is time permitting I'll try and come back to answer your question on this. Okay? Is that clear?

Amit Vora, Analyst

Thanks. I'll get back in the queue. Thanks.

Sachin Gopal, President and CEO

Thank you, sir. Thank you.

Operator

Thank you. We're going to take the next question from the line of Sameer Raj from Reliance Mutual Fund. Please go ahead.

Sameer Raj, Analyst

Hi, good afternoon.

Sachin Gopal, President and CEO

Good afternoon.

Sameer Raj, Analyst

Sir, two questions, in particular. I just would want to know from you whatever are your plans for food business for the current year, whatever you can share from that. And secondly, the increasing noise in competition in the oil business, so what is going to be impact on our business?

Sachin Gopal, President and CEO

Thank you, Sameer. So as far as our food business is concerned, Sameer, obviously that is the -- that's the core of our business. That's what we are driving and that our near-term objective is to make our food business about 25% of our total turnover. That growth I've explained in earlier calls will come through the growth in popcorn.

But also now that ACT II is a reasonably strong brand in the foods business and in the snacks category, we believe it has the potential for us to actually expand into categories, which makes sense. Now brand diversification is a very challenging task, because there are a lot of, shall we say, bones spread across the country of different companies, which have tried to extend it have done so unsuccessfully. So we need to be very, very careful about it, but that's something that work is underway. And as I've said in the last call also, we will share with you as the year progresses on what we are doing.

But growing foods is absolutely imperative to us. I think I had said about two quarters or three quarters ago when we were growing at about 10% or 15% that we needed to get growth up to about 40% odd, I think the good news is that we have actually managed to do that this year. Obviously, there is some amount of base impact on that, but right now I think we are tracking close to the 40% odd. It's possible that there could be -- I mean, that we're not always in every quarter at it, so we need to be able to provide reinforcements to be able to grow at that rate. So that's one part.

In terms of noise in the marketplace in terms of competitive activity, oils is basically a fairly competitive activity and a lot of that is price driven. So you would have noticed that we tend to stay with our consumer proposition, right. So we have strong consumer propositions. They are based on wherever we feel we have a right to win. We don't spend advertising money where we don't know that we have a clear right to win.

So there will always be challenges in a category like this, where there will be a -- one more new player, there will be a claim, there will be counterclaims, so on and so forth. You have to hide your backing with the consumer and you have to be clear about it and consistent about it. So that is something that we are doing. So, yeah, I mean there will be competitive activity, there will be discounting by competitors in the marketplace and that's okay, that's a part of the reality of a competitive marketplace.

Sameer Raj, Analyst

But will it anyway change of -- our object of growing by the 98% to 104% band?

Sachin Gopal, President and CEO

If we are -- our strategic objectives are based on what we believe is realizable, right. This is our assessment of what is our brand worth and what are the significant competitive advantages that we have. So we don't see any impact on that, right.

Sameer Raj, Analyst

Great. Thanks. I'll let someone (technical difficulty). Thank you.

Sachin Gopal, President and CEO

Thank you, sir.

Operator

Thank you. We're going to take the next questions from the line of Kunal Rakshit from First Voyager. Please go ahead.

Kunal Rakshit, Analyst

Yeah, hi. Thank you for taking my question. My first question is on loans and advances. You clarified the short-term loans and advances. But I just wanted a further clarification of long-term loans and advances that have gone up from 43 crores to 59 crores. That's the first question.

Second question is, I wanted to understand on the corn import, are our gross margins now taking into account raw material from new imported corn, which I understand is at a higher price compared to a stock inventory? And third question is, what is the outlook on peanut butter and what kind of revenue targets are we looking at for the current year with the smaller SKU sizes?

Sachin Gopal, President and CEO

Okay. I guess on the third question, you've already taken into account Amit's point -- okay or second. Okay. The first part -- thanks, Kunal. The first part on long-term loans and advances, that, yes, as I mentioned earlier, has gone from 43 crores to 59 crores. The details of that is that our investment in our ESOP Trust currently has gone up from 25 crores to 38 crores, right. And our investment in CapEx advances has gone up from 4 crores to 6 crores. So just 2 crores in CapEx advances and about 13 crores in ESOP. So that's a total of 15 crores. So that accounts largely for the 43 crores to the 59 crores movement, okay.

Second point on corn imports, the answer is yes and I think I had mentioned this in last call that we have obviously been aware of the northward movement last year, right. Right now it doesn't look like a south, northward movement in the current year. But the northward movement last year in corn prices and therefore, we have over a period of time been able to trying to move our pricing to a situation where we could accommodate the price, we can manage the pricing to a practical level. I think we are in a good position now. Obviously, you need to manage the consumer carefully, Kunal. So we need to be able to pass on cost increases, however, we need to do it a manner that it retains the fundamentals of the business.

So, as I said in the last call that we might see some impact in quarter one, but nothing that we should be too overly worried about and probably in a quarter or two, we should be able to be back to the level that we need to be, right. So we really manage it practically and efficiently. All right.

The last point on peanut butter in terms of local -- yes, the moment we move to local production, it will clearly be a more profitable business than importing the product. At the same time, however, the moment we move into local production, full cost of the operation will kick in, things like depreciation, SG&A, manufacturing, overhead with the plant, so on and so forth, right. So all of these will have to be balanced out, but yes, clearly starting the plant is a big deal for us because it'll enable us to accelerate the movement of the category. Moment we are into local production with small packs, we will also start advertising behind the category and that should hopefully give us a significant momentum on the category. Okay?

Kunal Rakshit, Analyst

Okay. Just as a follow-up on the first point that you made that you've invested 13 crores in the ESOP Trust.

Sachin Gopal, President and CEO

Yeah.

Kunal Rakshit, Analyst

Simultaneously, you're mentioning that SEBI rules suggest that you can't hold the shares beyond 30th June. So now I'm kind of wondering why the investment in the ESOP Trust is going to be made, if in any case you can't hold the shares beyond 30th June.

Sachin Gopal, President and CEO

Correct. So the pieces that the Trust -- the stocks which are being held by the Trust have to be, shall we say, sold by the Trust prior to the 30th of June, okay, right? And that's I said earlier, there are two pieces from a regulatory perspective, right. So the ESOP Trust and its management relates to the cost, right. The buyback and also the sale of shares relates to the future, okay.

So, let's say, as of 30th June, there should be zero investment in the ESOP Trust, since at that point in time whatever we have purchased on account of secondary market will become zero because there will be -- we would have been fully compliant with the guidelines. Okay?

Kunal Rakshit, Analyst

Okay. Okay.

Sachin Gopal, President and CEO

I'll answer your follow-up -- sorry, I've probably already answered this. So I apologize to Amit, but I think his question got answered as well. All right. All right. So we can go ahead to the next question.

Kunal Rakshit, Analyst

Thanks.

Operator

Thank you. We're going to take the next question from the line of Nitin Gosar from Religare Asset Management Company. Please go ahead.

Nitin Gosar, Analyst

Hi, sir, good afternoon. Wanted to understand what's the performance of INR90 SKU in the Sundrop edible oil category. Then second question was pertaining to higher price SKUs in popcorn category, how are they performing? And third one was pertaining to recent news about FDI going harsh on the claim by the oil players that they can help in reducing cholesterol. Where do we stand in that particularly?

Sachin Gopal, President and CEO

Thank you, Nitin. So to answer your question, I think the INR90 SKU is doing very well for us. Its primary role, as we have explained earlier, is to be able to continue to expand our coverage to support our distribution infrastructure, so that over time we can continue to add those 50,000 odd stores that we have been adding as a company on an annual basis. It's certainly done that very successfully.

I think our oils distribution is now around 88,000 stores as per the last ACNielsen report and we picked up, I think, between 10,000 and 15,000 stores over the last 12 to 18 months. So I think it's meeting all the strategic objectives that we had set for ourselves and it's certainly giving the portfolio a lot of muscle from -- in terms of having premium oils in our portfolio, but also having very comparatively priced products.

The other piece is actually that the INR90 SKU does is, it also helps us from a pricing perspective both at the plants and from a transportation perspective, because it starts to give us more efficiencies and economies in terms of transportation and in terms of allocation of manufacturing overheads. So really working very well for us, all objectives I would say fully made.

In terms of the higher priced SKUs of ACT II, which is really the INR15 and the INR20, those have done very well for us, I think very well established. Probably I think the team did a good job in execution and that really accounts for the 10 odd point difference

between the volume growth and the value growth that you see on ACT II popcorn. All of that is because of a higher price. That's important for us because long term we don't want to get trapped into just a INR10 SKU or a INR5 SKU. Again, INR5 and INR10 have a role to play, because that is how we bring in new consumers into the brands. But at the same time, the more we can have in INR15 and INR20, the less vulnerable we are to cash stream issues as a company. So, again, that's gone well.

As far as this -- some news article which had appeared, I think, in some newspaper, really all our advertising is fully compliant. It's all scientifically proven. We've got ASCI to -- the Advertising Standard Council of India to accept that and probably they'll give a written notification or something. So 100%, 100% compliant, if you will, okay?

Nitin Gosar, Analyst

Okay. Yeah, thanks.

Sachin Gopal, President and CEO

Next question?

Operator

Thank you. (Operator Instructions) Mr. Roy [ph]?

Unidentified Participant

Hello, yes.

Operator

Sir, if you have a question, please ask, sir. Your line is unmuted.

Unidentified Participant

Yeah. My first question is on the rural and urban demand, if you could tell us you have seen any change in the trends. And if you could speak on the distribution expansion brand-wise. That's the second question.

Sachin Gopal, President and CEO

Okay. I'm afraid I won't be able to really give you a lot of input on rural and urban split or demand. Look, I think we're still primarily a urban company. We still have some distribution in rural areas, probably about 10,000 stores or thereabouts for oils and a little bit for popcorn. But I would say pretty much we are an urban company and we still have a long way to go. The runway is very long. So as we become bigger and we reach probably a million stores in terms of distribution, which we will, then probably I'll be able to give you a better perspective on that, right.

For now, everything is good. Urban India is doing fine. Consumer demand trends are great, and there's absolutely no letup that we see.

In term of distribution expansion, we're -- basically we've been growing and adding about 50,000 stores in terms of our coverage every year and that was to last year as well as it was for the year before that, right. And we expect that we should be able to continue to add these 50,000 odd stores on an annualized basis.

The only difference versus last year between last year and the prior year is that in the prior year there was a reasonable amount of distribution expansion that we have done and that year, in fact, even the year before that by using subsidized distributor sales goods. In FY13, most of the distribution expansion that we've done has been through what we call are volume drivers, which is the INR90 oil, the INR5 ready-to-eat popcorn, which on their own are able to sustain the returns that are required for our distributors to give us the feet on the street that we require.

So to give you a context between FY12 end and the FY13 end, we would have added close to about 350 distributor salesmen. So we moved up from under 1,400 distributor salesmen through about 1,700 odd distributor salesmen by the end of the FY13. And we

expect that since all parts of the product line are doing well, we expect that we should be able to sustain this on an ongoing business, okay.

Unidentified Participant

Okay, sir. Yeah.

Sachin Gopal, President and CEO

Thank you.

Operator

Thank you. We're going to take our next question from the line of Priyank Singhal from Bajaj Allianz. Please go ahead.

Priyank Singhal, Analyst

Hi, Sachin, and congratulations on a good quarter. I have three questions. One is -- on the popcorn side, wanted to understand the 60% or 50% plus kind of volume growth that we've seen, how much of that would be on account of distribution expansion and how much would be for the same outlets where it was earlier present as well, so those outlets is showing growth if you track that number? So that is one.

Second, on the ready-to-eat popcorn side, how's the scale up happening? You earlier mentioned that you're working on increasing the shelf life of the product, so what are the developments? Any further development that has taken place on that front?

And lastly on the peanut butter side, wanted to understand what is the kind of potential we have seen now that the plant is more or less ready in terms of the scale up depth [ph] and potential you take place in that business, because I think there are still certain apprehensions in the market that, that is the product that is not very widely consumed as far as Indian population is concerned, but I don't know whether that's really the reality and what -- would like to love to get your thoughts on the same? Thank you.

Sachin Gopal, President and CEO

Okay, all right. Okay, so thank you, Priyank. Yeah, I think on the first question, our popcorn, I would say this year a larger part of the growth has come through the existing stores rather than new stores, okay. And the reason for that is something that we've taken -- we've ensured that the bulk of the new store expansion that has been done has been done through non-subsidized feet on the street, if you will, right. And second, obviously, is the fact that we have focused a significant amount on the INR15 pack and because we focused on the INR15 pack, the -- and that also received the advertising benefit, the throughput per store would have actually had the maximum benefit, all right.

So I would say largely, in this case largely due to throughput per store and less due to distribution expansion. That doesn't mean there's none due to distribution expansion. It just means that it has a smaller role to play, right. The balance of how much should come from distribution expansion and how much should come through throughput per store is a tough question to answer. Actually you need a bit of both and you need to ensure that over time you continue to have both.

If you just go for growth through distribution expansion, once you get to a level of about 3 lakh to 4 lakh stores, you may not be able to get the volume throughout or the total volume growth that you require, right, and we are not the only company which has to find this. Almost anybody who is managing -- building a category at different price points has to answer this. So I would say we need both. In some years, it could be a little bit of one; in some years, it could be a little bit of the other. But certainly we will need both in the years going forward.

In terms of ready-to-eat popcorn, I think it's doing very well. We've now recently launched the white cheddar popcorn. We started advertising it, I think, only about a week or so ago. That come in at a higher price point at about INR10. Over time, therefore, we'll be moving to seeing how to make this category more profitable for us, not just providing the volume or the SKU that we require to make a productive call at the retail store, but as well also to make money for us.

So I think it's early days on that and we are very sure that it's absolutely the right thing to do and it's got wings, right. And it's not the only one, there are another three or four probably new ready-to-eat popcorn products which are already ready. So the constraining factor is now not a lack of availability of products, but is more just a time to actually execute them in the field, right. So ready-to-eat popcorn done well, I would say, and certainly will enable us to scale up faster.

In terms of the shelf life at this point in time, I don't have a data to give you to say that, no, we've successfully moved up beyond the eight weeks. We'd like to do it. I think we will be testing very soon the feasibility of moving up from the two months odd that we currently have. Probably by the next call, I'll be able to give you a better answer. But at this stage, I don't want to prejudge the test results. So let's do it and we'll understand it.

Priyank Singhal, Analyst

Sure. Sure.

Sachin Gopal, President and CEO

Having said that, in any case, some of the projects that we are working on are providing us contingency to this, which is that we have other products available which should certainly give us a four months or a four months plus shelf life in the snacks portfolio. So what is underway on those, if that succeeds that in itself will also give us the additional wings that we need at the bottom of the pyramid to be able to have a widely distributed support to our distribution system.

Last on peanut butter, well, I think we'll be able to give you more data only after some time and I don't think it's even going to be two or three months, it would probably be -- once we've been a year into local production and the smaller SKUs have started going in, right. Our viewpoint of peanut butter is more different from what it also -- it has been. We believe it has the potential to be a large category. We believe that India needs protein and we believe the Sundrop brand fits perfectly on it. This is already proven. I mean there is data on the table to support the rules. So what role will the small SKUs play? They'll play the role -- exactly the role that they do for any other company in terms of acquisition of new consumers, management of lower cash stream, right.

We see the category certainly as having a lot of wings, right. And we should be able to do with the category what we've done with popcorn. The only question I'd suppose is in how much time and over what period of time do we do it. I think rather than that there are no doubts in our minds, yeah. Okay?

Priyank Singhal, Analyst

Sure. Just a follow-up on peanut butter actually, which is -- that is one product out of the various other products that you might have been considering that you decided to scale up. So is it possible to just share the thoughts with us on what you found in peanut butter that you decided to scale up that particular product and go for local manufacturing versus something else?

Sachin Gopal, President and CEO

Sure. So, Priyank, can I take the feedback just as I requested Amit, can I take that in the follow-up once all the Q&As close and I'll come back to this. Is that okay?

Priyank Singhal, Analyst

Yeah.

Sachin Gopal, President and CEO

All right, thank you.

Operator

Thank you. We're going to take the next question from the line of Sameer Bhise from Torero Capital. Please go ahead.

Sameer Bhise, Analyst

Hello?

Sachin Gopal, President and CEO

Yeah, go ahead, Sameer.

Sameer Bhise, Analyst

Yeah. Just wanted to know the volume growth for the fourth quarter for the entire company, as well as for Sundrop oils business?

Sachin Gopal, President and CEO

I think, Sameer, I gave that figure earlier. I think this was about 12% odd for Sundrop and higher than that -- it will be a little higher than that for the total company for the quarter, yeah.

Sameer Bhise, Analyst

Okay.

Sachin Gopal, President and CEO

Yeah. All right. Okay.

Sameer Bhise, Analyst

Yeah, that's fine. Thanks a lot.

Sachin Gopal, President and CEO

Thanks, Sameer. Thank you.

Operator

Thank you. We're going to take the next question from the line of Manish Jain from Axis Holdings. Please go ahead.

Manish Jain, Analyst

Sachin, hi. I just wanted to clarify one hypothesis that the ad spend, the productivity of the ad spend should keep going up as your store size reach keep going up. Now if this hypothesis is correct, the second hypothesis leading to this, does it cut down the time to establish a new product introduction?

Sachin Gopal, President and CEO

Okay. So, I mean, this is very complex, Manish, and this is almost sort of main subject of a thesis. The answer is productivity of advertising, Mani -- Manjo is -- Manish, right?

Manish Jain, Analyst

Yeah, Manish.

Sachin Gopal, President and CEO

Sorry, Manish. Manish, the answer is productivity of advertising is a function actually of a lot of factor. But probably the most important of that is the quality of creatives that you are putting out, right. So then we're testing something which is called Millward Brown, which takes all the different pieces of creatives that you do and puts them into boxes. And if you look at the top right-hand

corner which is really the very good, it gives you a disproportionate input increasing your -- in your uptick and we've seen this over 20, 30 years, right.

Manish Jain, Analyst

Sure.

Sachin Gopal, President and CEO

So I would say that probably the known parameters, right. The rest as far as distribution is concerned, yes, the more the wider the distribution you have, the more will be your return. But again there are lot of caveats to that. So let we assume -- let's say I'm advertising a INR5 pack, right. It could be a INR5 pack of popcorn or noodles or any other products. If I'm advertising a INR5 pack, I will get a disproportionate impact across a wider distribution, right. On the other hand, I advertise a INR15 or a INR20 pack, I'm more likely to get a greater expansion of business through my existing stores, okay.

So there's a large number of factors. You'll have to actually fill in all of those boxes to be able to answer your questions, right. And these are difficult choices. These are choices that marketers make all the time, because they have to balance what they are doing for the long-term and what they are doing for the short-term, because you need the short-term because you need the money to pay the bills to invest behind your business, at the same time you need the long-term so that you bring new consumers into the pool, okay.

Manish Jain, Analyst

Thanks.

Sachin Gopal, President and CEO

Okay. Yes.

Operator

Thank you. We're going to take our next question from the line of Ravvichandran M from Unifi Capital. Please go ahead.

Ravvichandran M, Analyst

Sir, good afternoon, sir. I have just one question. May I know why are you going for a tender buyback instead of market buyback?

Sachin Gopal, President and CEO

Sorry, repeat that. You're talking about the share buyback program?

Ravvichandran M, Analyst

Yeah, yeah, yeah.

Sachin Gopal, President and CEO

Yeah.

Ravvichandran M, Analyst

Why are you doing a tender buyback and why not market buyback? Is there any thoughts on this?

Sachin Gopal, President and CEO

Yeah, I think we checked it out with our consultants on the issue which is, I think PricewaterhouseCoopers. And I think it was concluded that the fairest way to do it was through the tender offer rather than through a open purchase in the marketplace. Hemant, is that correct?

Hemant Kumar Ruia, CFO & Head of Finance

Yeah.

Sachin Gopal, President and CEO

Yeah.

Ravvichandran M, Analyst

All right. All right.

Sachin Gopal, President and CEO

Sameer -- sorry, Sameer -- I just need to come back to Sameer because he had asked this question on total volume growth. So, Sameer, I want to just say I stand corrected because in the quarter actually Crystal volumes, which is the commodity part of our business, were actually lower than prior year's same quarter, right. The commodity business tends to work a little differently. So total volume growth actually for the quarter after taking into account the lower shipments of Crystal was about 7%, okay. So when I told you it was 12% and add to it, yes, you need to add to it for the foods business, but then there is a reduction to be done for Crystal. So the total number is 7%, okay. Sorry, carry on with the next question. I just wanted to clarify that.

Operator

Mr. Ravvichandran? Do you have some more questions?

Ravvichandran M, Analyst

Yeah. No, thank you. No, thank you.

Operator

Thank you. We're going to take the next question from the line of Ennette Fernandes from PhillipCapital. Please go ahead.

Ennette Fernandes, Analyst

Hello, sir.

Sachin Gopal, President and CEO

Hi, Ennette.

Ennette Fernandes, Analyst

Yes, sir. Just a few questions. Sir, I just wanted to understand in terms of Sundrop Peanut Butter, if you could share certain volume growth trends for us in the brand. I understand, obviously, it's a very nascent size brand, but where I'm coming with this question is for what we have seen is that, obviously, the price has appreciated much faster. So is it that we are seeing some loss in the existing base of consumers, is there any trend which is evident like that?

Secondly, for Sundrop you've shared that the volume growth is around 12%. Last quarter I remembered you had shared that for Sundrop Heart, the volume growth was around 7% to 8% and bulk of our ad spends on the Sundrop brand is particularly only on

Sundrop Heart. So what I'm trying to say is that, that means the volume growth in the other variants of the Sundrop oil brand is upwards of around 15% to 20%. So just wanted to understand the sustainability of the same.

Sachin Gopal, President and CEO

Okay. Thank you, Ennette. So, see, the first comments on, I would say no, definitely no. I think Sundrop Peanut Butter continues to perform well. We continue to get volume growth, right, and remember all of this is without any advertising support and without any marketing initiatives. So we definitely don't see any weakness in terms of our assessment of right to win, right.

Ennette Fernandes, Analyst

Okay.

Sachin Gopal, President and CEO

We clearly have a right to win when it comes to making peanut butter. And I think the pricing that we'll of course protect, because of increase in protein prices on a global basis has certainly proved that we have a clear right. So the answer is no softness whatsoever in terms of our overall expectations, right.

Ennette Fernandes, Analyst

Okay.

Sachin Gopal, President and CEO

In terms of Heart, I think no, nothing. We continue to see growth in Heart and we -- yes, we make -- all parts of the portfolio will not grow at exactly the same period. There will be some which will be doing better and there will be some which is -- which may then -- they're not doing so well, right. But overall I think it's been a very good result as far as the portfolio is concerned. They're going to have to though, I would say, master this new ad a little more, because we are probably the only oil company now in the country which has such a broad range in terms of pricing.

So how do we manage it and how do we ensure that while we advertise our lead products, we also get the benefit across the portfolio. These are complex questions which the brand team has to manage on a day-to-day, on a quarter-on-quarter basis. So far I think we've done well, but I think we still have to work hard to be able to do this.

Ennette Fernandes, Analyst

Sir, just a follow-on question. The INR90 SKU would be available in how many of the retail outlets that we are currently present in?

Sachin Gopal, President and CEO

Okay. Ennette, can I take the follow-up when I come back on all the other follow-ups? I promise to do that.

Ennette Fernandes, Analyst

Okay. Okay, fine, sir. Sure.

Sachin Gopal, President and CEO

(inaudible).

Operator

Thank you. (Operator Instructions) We're going to take the next question from the line of Chintan Modi from SMC Global

Securities. Please go ahead.

Chintan Modi, Analyst

Hello?

Sachin Gopal, President and CEO

Yeah. Go ahead, Chintan.

Chintan Modi, Analyst

Yeah. Sir, most of my questions have been answered. Just one that what is the status of the Bangladesh plant, what we are putting up for ACT II? And secondly, the buyback program, if you can share some purposes of the management behind this initiative and how would you arrange the cash, because the balance sheet does not seem to reflect the required cash currently?

Sachin Gopal, President and CEO

Absolutely, Chintan. Thank you so much. I think -- thank you for asking both those questions. Status on the Bangladesh plant is we've completed the foundation and we follow a -- we're following a Kirby structure there. So the Kirby structure really needs something called I-beams. I'm sorry, but you asked the question, but these are technicalities, where I-beam is basically a beam which is vertical, but which has a base. You see it in all the electrical pillars, so on and so forth.

So right now the I-beams have just reached and they are in the process of installation, okay. So once the civil is completed and we'll start to move the equipment from -- not only from India, but from some other parts of the world also from where it will come, okay. So I would say, I think it's on track in terms of our expectations, in terms of when we want the plant to start, okay.

In terms of the buyback, the cash, correct, well, not a big deal, because as I said earlier there are two pieces to this regulatory work that Hemant and his team are working on. One is the share buyback and the second is that the ESOP Trust has to liquidate its entire investment on purchases from the secondary market before 30th June. So as I mentioned earlier in terms of our long-term loans and advances, we have about 38 crores odd in the ESOP Trust, which is currently there. Our share buyback is to the extent of about 52 crores. So net debt, actually the bulk of the cash that will be used or made available for the share buyback program will be released in any case over the course of this quarter by the liquidation of the shares with the ESOP Trust we'll do, okay?

Chintan Modi, Analyst

Okay. Thank you.

Sachin Gopal, President and CEO

Okay.

Operator

Thank you. (Operator Instructions) We're going to take our next question from the line of Prakash Kapadia from Ialpha Enterprises. Please go ahead.

Prakash Kapadia, Analyst

Yeah. Thanks for taking my question. Sachin, two question broadly; one on the edible oil business and one again on the buyback. If you could give us some sense on the edible oil mix between Sundrop Heart, Crystal and the other variants? And in edible oil specifically you mentioned about competitive intensity and you shared your thoughts. But if I look at Sundrop Lite, which historically has been our largest contributor to the edible oil sales, any pressure due to this rising competitive intensity, because that portfolio could be wonderful because the value proposition in terms of the cholesterol reduction is missing. So that was the edible oil part.

And historically you've always maintained to grow the business. We would go step-by-step, so vis-a-vis is the buyback, isn't it?

Maybe medium to longer term grow the business faster now, given that we've had good profits in two years in a row. So some thoughts on that please.

Sachin Gopal, President and CEO

Okay. Thanks, Prakash.

Prakash Kapadia, Analyst

Yeah.

Sachin Gopal, President and CEO

So, to your question on the edible oil market, yes, the answer is that whenever you are advertising and you make a choice that you will advertise a single brand, which in our case is Sundrop Heart, where you have a clear headwind, you will always have vulnerabilities in the rest of the portfolio, right?

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

Those will be offset largely due to two things. One is, to what extent does the advertising of the lead brand actually help the others, right. And the second is, what are the distribution gains that you are making on the others, right.

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

So these will be good months and bad months. There will be months that will do well, others where it will not do well, but you have to make these strategic choices, right. So the answer is, your question is spot on. The non-advertised parts to the business, they'll always be more vulnerable because they're not receiving their direct media support, right.

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

So they may not be running at a 100 index. They might be running at a 90, 95, all, whatever is the level that which each one of them settles down and it depends on how many points of distribution you gained or lost, as the case maybe.

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

However, at this point in time, I guess the year has ended well. I think we've done reasonably well in terms of our own expectations or any expectations actually if you look at it.

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

I think it's doing okay. In terms of the buyback, Prakash, actually I think the question got answered just now by, I think, Chintan when he asked the question. The answer is like very clearly that the bulk of the buyback is being financed by the sale that the Trust is going to sell.

Prakash Kapadia, Analyst

I'm not referring to the money not being available. What I was trying to understand from a medium to longer-term business growth perspective, can't we grow the business at a maybe faster pace than what we are currently doing given the potential and given the vaster product portfolio vis-a-vis the buyback is what I was trying to understand?

Sachin Gopal, President and CEO

Yeah. So I think our job is to ensure that resources are allocated to the optimum level, right. And I think we are doing that, right, in the sense that we continue to have very, very strong CapEx programs. We are currently investing in terms of a large number of plants, ramp up our cities, right, to be able to capture what is clearly a big opportunity for us in the marketplace. So the buyback does not indicate that we are, what's it called, we are --

Prakash Kapadia, Analyst

Not referring.

Sachin Gopal, President and CEO

Changing our track away from being a growth company -- I mean -- or like investing in CapEx, so on and so forth, which continued to be there. This happens to be the right thing to do at the right point in time, so we are doing it. Okay?

Prakash Kapadia, Analyst

All right. And Sachin, lastly if you could give us some broad mix between Heart, Crystal and the other Sundrop brands, some broad sales mix for FY14?

Sachin Gopal, President and CEO

I think I've said it earlier -- so it's not a follow-up because you did ask the question. I think Sundrop Heart is there, it's about 15% odd of our business, right, and I think that I've answered the question also on Crystal earlier, it's still there around 15% odd range. Okay?

Prakash Kapadia, Analyst

Right.

Sachin Gopal, President and CEO

So we can't give you a picture, but actually frankly even on foods, I'll have to start seeing -- as the foods category becomes bigger as to what level it is correct from a shareholder perspective to drill down into the details. But the answers remain pretty much what (inaudible).

Prakash Kapadia, Analyst

Okay.

Sachin Gopal, President and CEO

I apologize that I didn't answer that question.

Prakash Kapadia, Analyst

Thank you. All the best.

Sachin Gopal, President and CEO

Thank you.

Operator

Thank you. We're going to take the next question from the line of Binoy Jariwala from Sunidhi Securities. Please go ahead.

Binoy Jariwala, Analyst

Hi, Sachin. Thanks for taking my question. One question, you've done a CapEx of about 45 odd crores this year, just would like to understand what all is covered within that CapEx. I mean, how much of peanut butter plant would have been covered and et cetera. One is in that.

Second is on the new product launches, it's been 18 to 24 months since launch, and I would have expected some announcement on this front, so any announcement to make on that front?

Sachin Gopal, President and CEO

Okay. So on the CapEx, I would say since we are clearly at the end of the initial investment in that peanut butter plant, a very, very large part of that obviously would have got paid out by now, right, okay, because you have payments to make, civil work gets to creep in, so large chunk of that is -- have been paid out. However, there are other pieces also of investment that they've been made. We're setting up a new line at Hyderabad plant, right, which I can't tell you right now what it is for, but there is a new line of investment there. There's some amount of work which has happened in our Kashipur plant from a food safety upgrade perspective, right, and we have invested in land and some amount of civil work in Bangladesh which has already happened, okay.

There is also other phased of the Gujarat plant, which we are currently working on. So the total CapEx that we would have invested in, exact figure will be a combination of one of these, okay.

So that answer is on CapEx. And I'm sorry, I missed the second question, I apologize.

Binoy Jariwala, Analyst

Sir, it's been 18 to 14 months since the last product has been launched, the new product, so I would have expected some announcement on this front?

Sachin Gopal, President and CEO

Yeah. So I would say you will certainly see it. Having said that, one of the -- well, there are two things that we do. One is, we don't want to be able to announce anything but still we actually do it, right. And second is, one of the learnings that we've had over the past is that while the imported option is a good option to pursue, in many cases it is better once you have validated your assumptions in terms of your success with the consumer, right, to be actually go ahead and invest in terms of local capacity. So a lot of the initiatives that we are currently doing have been on the basis of that.

So we may have imported the products over the last 18 to 24 months, you would have done a significant amount of consumer research in terms of consumer home visits to be able to validate our assumptions and then we've gone ahead on the basis of that in terms of the actual CapEx investment, right. So that's all the work that currently underway. So I think you can expect to see that in FY14. I think I would have said that in the last call earlier.

So it's possible -- I don't know the exact time, but it's possible that we are approaching more the 24 months rather than the 18 months, yeah, okay?

Binoy Jariwala, Analyst

Just one question -- one follow-up on the CapEx front, you didn't mention anything on the Unnao plant? Where are we on the Unnao plant?

Sachin Gopal, President and CEO

Okay, sorry. Can I take that up in the follow-up, just to be fair to be everybody?

Binoy Jariwala, Analyst

Sure. Yeah.

Sachin Gopal, President and CEO

I understand there's maybe a gap on my side, but we'll just do them.

Binoy Jariwala, Analyst

No problem, no problem. Yeah.

Operator

Thank you. We're going to take the next question from the line of Nikhil Upadhyay from SIMPL. Please go ahead.

Nikhil Upadhyay, Analyst

Yeah, good afternoon, sir. Sir, basically I needed a dividend between the INR5 and INR10 packets and the INR15 and INR20 packet for ACT II in terms of revenue contribution. And secondly also on the growth rates independently in these two brackets. Hello?

Sachin Gopal, President and CEO

Right. Yeah. Nikhil, I won't be able to give you the breakup to that extent, because I don't think it would be correct to provide the information in that manner. What I can tell you is that we would have seen a robust growth in the INR15 price point. I talked about that earlier, but we would also have seen growth in the INR10 price point, right. So I would say, I don't think -- I mean, I won't be able to give it you differentially, because that would be, I think, a significant amount of information. From an investor perspective, however, suffice it to say, that all pieces are doing well.

Nikhil Upadhyay, Analyst

Okay. And lastly, sir, for FY14, what would be your CapEx guidelines like --?

Sachin Gopal, President and CEO

Okay, can I take it up? I'm trying to make a note of all the follow-up guidelines, so that --

Nikhil Upadhyay, Analyst

Sure, sir.

Operator

Do you have some more questions, sir?

Nikhil Upadhyay, Analyst

No, thanks.

Operator

Thank you. We're going to take a follow-up question from the line of Ennette Fernandes from PhillipCapital. Please go ahead.

Ennette Fernandes, Analyst

Hello? Hello?

Sachin Gopal, President and CEO

Yes, Ennette.

Ennette Fernandes, Analyst

Yes, sir. As I had asked you previously of our retail outlets, total retail outlets, what would be the proportion wherein the INR90 SKU of Sundrop oil is present? Also some more questions that I just wanted to understand is, one is, we are seeing that there has been a decrease in inventory days. So just wanted to get some light on that.

And secondly, what is the inflation in Sunflower oil currently? As far as I can see the price trend which holds that the inflation continues to be soft at around 4% to 5%. So just wanted to understand from the company's perspective also whether the same holds?

Sachin Gopal, President and CEO

I'll just take it, Ennette, along with all the other follow-up questions, okay?

Ennette Fernandes, Analyst

Okay.

Sachin Gopal, President and CEO

So if there are anything. Okay. Just a question for the moderator, can I assume that that all the original questions are over and then I can answer all the follow-up questions, or is there anybody new who needs to ask a question?

Operator

Yes, sir, we have one gentleman to -- on a queue.

Sachin Gopal, President and CEO

Let me take this and then I'll come back to all the follow-ups.

Operator

Certainly, sir. We're going to take our next question from the line of Kaushik Dhanuka from Dhan Commercial. Please go ahead.

Kaushik Dhanuka, Analyst

Hello, Sachin.

Sachin Gopal, President and CEO

Yeah. Go ahead, Kaushik.

Kaushik Dhanuka, Analyst

Yeah. I'm not very clear about this buyback thing which you have discussed earlier also. As somebody also mentioned that you have a low base in your foods business, which presents pretty big opportunity in India. So like why not use the funds to grow at a faster blip in this area rather than use it for buyback. I'm not very clear as to the answer given to a previous question. Sir, could you please elaborate on this? Thanks.

Sachin Gopal, President and CEO

Thanks, Kaushik. I'll take that along with the all the CapEx questions then. I'll just answer that.

Kaushik Dhanuka, Analyst

Okay, sir. Okay.

Sachin Gopal, President and CEO

Thanks. Thanks, Kaushik.

Operator

Thank you. Sir, you can answer the follow-up questions, sir.

Sachin Gopal, President and CEO

Okay. So I'll try and go then in the order. So the first follow-up was I think from Amit Vora, right, and Amit your question really was in terms of the peanut butter plant if I remember correctly. So, yeah, I think we continue to be sort of optimistic, if you will, or continue to believe that the peanut butter is absolutely the right choice of the investment that we've made. As you know, one of the criteria that we have is that we must have for any new product a right to win, right. We are also not unfazed by the fact that we are creating new categories, because we believe the size or price is very big if you create a new category. If you create a new category, you certainly lead the development of the new category.

And it is in the long term far more profitable than trying to take share away from an existing player in an existing category. But I think we've clearly demonstrated that with the case of ACT II Popcorn and we believe that we should be able to do so in the case of Sundrop Peanut Butter as well. Having said that, category creation is not a easy job, it requires a tremendous amount of tenacity. And actually across the foods space, there aren't too many people of too many examples of great category building, right. I think though as a company that we've kind of cracked the answers in terms of how to be able to do it and therefore, we are absolutely on the right track.

The second question was on -- there was a question on the INR90 SKUs of edible oils, I think they do -- as I said earlier, they are playing exactly the role that they need to play. Specifically, to answer the question on how many stores, I think out of the 90,000 odd stores that currently sell Sundrop edible oil, probably a third of them will be stocking the INR90 SKU, right. So, if you will, divide it by three and you'll get a figure probably of about 30,000 odd stores, right. So that will approximately be the Nielsen figures, I think, right. And that's good, that's good, that's good going.

The important thing actually is not how many stores the INR90 oil specifically is available in, but how the overall ATFL oil distribution is doing. And if we are growing and we are growing consistently, then that's the key for us because then we should be able to leverage that to be able to sell our more premium SKUs, which are more profitable for us and those premium SKUs could be in the oil space, they could be in the food space.

In terms of inflation on sunflower oil, I think we have used this figure earlier also for you, so I'll try to give it you the best indicator of inflation on sunflower oil is really our Crystal business, right. And as of now, for the full year FY13, there is a 7 points gap between the volume growth and the value growth. So in effect you can assume that about 7% is the increase in sunflower oil over the last 12 months, right. That's probably the most accurate figure you can get because Crystal today is only a sunflower oil brand, okay.

In terms of specific, therefore, CapEx and related to that on the buyback questions, right, our CapEx plans for FY14 are more different from what they were for FY13. We tend to commit on an average in the region of about 25 odd crores on capital expenditure, right, and I think that's the amount that we would have committed prior year also and the year before that also. Spending may not be exactly the same on a fiscal basis, because some projects may take longer to complete than others.

Clearly, if there's a project which involves civil work and involves particularly RCC civil work, that's going to be phased out over a longer term period. However, if there's a project which has been taking a piece of equipment and a line and putting it in an already existing civil facility, that project will come into capitalization on a much faster basis. But that doesn't change how we plan our CapEx. We plan in the region of about 25 odd crores. Our plan last year was about the same. This year, I think it's going to be no different. And that's reasonable and it's sufficient from a capturing of growth opportunities perspective and also from, shall we say our ability to be able to actually execute these projects. We need to do a good job in terms of being able to execute CapEx's, right.

And as I've said several times, we are not believer in the sense that let's go out now and do a 500 crore CapEx, because there's a big opportunity in the Indian market. The Indian consumer or no consumer in the food space changes so fast. So there is no great size of price in terms of having very, very big CapEx program, because all you're going to do is burden your P&L with both the interest cost associated with them and the depreciation charge that comes associated with a very large CapEx.

It's better to do some of that, but to keep doing it on a year in year out basis, right. And that I think will also answer the piece on buyback, the solution. I think from a working capital and a management of CapEx plus cash flow perspective, right, we think we're just fine. As I said, this buyback is an activity which has to be read in the context of everything else that we are doing in the current quarter. I think when a question was asked earlier, where is it going to be financed, as I've said earlier, you're going to see a reduction in the current ESOP investment and you'll see some investment in the buyback program, okay.

I'll just take a minute and to see whether we've captured any other points pending. Yeah, okay. I think that covers it. So, Aniruddh, hopefully I've covered up all the question. So, I guess, over to you as the host.

Operator

Thank you, sir. As there are no further questions, I would now like to hand over the conference to Mr. Aniruddh Joshi for closing comments. Thank you.

Aniruddha Joshi, Analyst

Thanks, Chitrapu. On behalf of Anand Rathi Research, we thank the senior management of Agro Tech Foods, Mr. Sachin Gopal, as well as Mr. Hemant Ruia. And now I hand over to Mr. Sachin Gopal for his closing comments. Thanks and over to you, sir.

Sachin Gopal, President and CEO

Okay. Thank you very much all for having taken the time to join us today. Have a great day and look forward to talking to you after another three months. Cheers, bye.

Operator

Thank you.

Aniruddha Joshi, Analyst

Thank you.

Operator

On behalf of Anand Rathi Research, that concludes this conference call. Thank you for joining us. You may now disconnect your lines. Thank you.