



“Man Industries (India) Limited Q1 FY25 Earnings Conference Call”

August 12, 2024



MANAGEMENT: **DR. RAMESH MANSUKHANI – CHAIRMAN, MAN INDUSTRIES (INDIA) LIMITED**
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MR. SANJAY KUMAR AGRAWAL – CHIEF FINANCIAL OFFICER, MAN INDUSTRIES (INDIA) LIMITED
MR. RAHUL RAWAT – COMPANY SECRETARY, MAN INDUSTRIES (INDIA) LIMITED
MR. KAMAL SAHOO – STRATEGY HEAD, MAN INDUSTRIES (INDIA) LIMITED

MODERATOR: **MR. HARSHAL – EMKAY GLOBAL FINANCIAL SERVICES**

Moderator: Ladies and gentlemen, welcome to the Q1 FY25 Result Conference Call of Man Industries (India) Limited, hosted by Emkay Global Financial Services.

We have with us today Dr. Ramesh Mansukhani – Chairman; Mr. Nikhil Mansukhani - Managing Director; Mr. Sanjay Kumar Agrawal - Chief Financial Officer and Mr. Rahul Rawat - Company Secretary.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Mr. Harshal from Emkay Global Financial Services. Thank you and over to you, sir.

Harshal: Good evening, everyone. Welcome to the Q1 FY25 Earnings Conference Call for Man Industries.

We have with us today, Mr. Nikhil Mansukhani- the Managing Director; Mr. Sanjay Agrawal – CFO, Mr. Kamal Sagoo – Strategy Head.

I will now hand over the call to the Management for their “Opening Remarks”. So, over to you Mr. Agrawal, you can take the call.

Sanjay Agrawal: Thank you, Mr. Harshal. Good evening, Shareholders and the Investors.

For the 1st Quarter of FY25, the Company has reported a standalone revenue of Rs. 731.9 crores, a growth of 58% on a year-on-year basis, consolidated revenue of Rs. 748.7 crores, a growth of 53% on a year-on-year basis with a standalone EBITDA of Rs. 61.8 crores, 22% growth on year-on-year and consolidated EBITDA of Rs. 57.9 crores, a growth of 15% year-on-year.

Standalone PAT 103% year-on-year growth and console PAT stood at Rs. 19.1 crore, growth of 70% on year-on-year. The Company reported EBITDA and PAT are quite strong on a year-on-year basis. Still, we expect further stronger and more sustainable operating and net profit margin going forward.

The Company envisages sustainable margin going forward on ramp up of ERW mill and value-added products like API pipes whose production was delayed due to certification and approval process and has got started in March ‘24. However, we are quite excited about our ERW operations, and the Company is getting good response from government projects.

The Company is at healthy API orders from various PSUs. The unexecuted order book position as of today stands at approximately Rs. 4,000 crores to be executed within next 6-12 months’

time. The Company has sound financial health with net cash position of Rs. 174 crores as of March 31, 24.

Man Industries (India) Limited is happy to announce its expansion plan of setting up a new plant at Dammam, Saudi Arabia with an approx. cost of Rs. 600 crores. This plant will include line pipe manufacturing and a coating facility which will cater to Saudi Arabia's growing demand. On operation front, recently we have announced additional prestigious order worth Rs. 1,850 crores to be executed in the next 12-18 months.

Further, we envisage a strong order book for the coming quarters and are hopeful for strong performance going forward as well. Having said that, our ERW mill has successfully received the API certificate, these pipes are usually required for oil & gas industry which has a higher margin as well. Although we have started our ERW mill in March '24 and we are quite hopeful that the current financial year will be sustainable year for our ERW segment, your Company is aggressively heading towards its expansion plans for both line pipe and stainless-steel tubes which are very much on track. And we believe we can fulfill our commitment towards all our stakeholders.

Thank you. We should now open the forum for question and answer.

- Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Gagan Deep from Alfaccurate Advisors. Please go ahead.
- Dhavan Shah:** Sir, this is Dhavan Shah from Alfaccurate Advisors. So, my question is on the projected capacity by FY26. So, in this presentation, I think we have shown that by FY26, we will be having 2,25,000 capacity of ERW versus the last quarter presentation it was showing roughly 2,75,000 tons, so why there is a reduction of roughly 50,000 tons in ERW?
- Nikhil Mansukhani:** 5,000 tons in ERW?
- Dhavan Shah:** This quarter presentation is showing 2,25,000 tons of ERW capacity by FY26 and in the last quarter presentation, it was showing roughly 2,75,000 tons?
- Nikhil Mansukhani:** So, Dhavan, there might be some clerical error. We will get back to you on that.
- Dhavan Shah:** Second thing is about the margins and the Saudi Arabia capacity, so this Rs. 600 crores of CAPEX in Saudi Arabia would give you how much tonnage of capacity and this will be into LSAW, HSAW if you can share thoughts on this?
- Nikhil Mansukhani:** Yes, this would be an approximate capacity of 4,00,000 tons.
- Dhavan Shah:** 4 lakh tons?

- Nikhil Mansukhani:** Yes, 4 lakhs tons capacity and the topline capability would be around Rs. 3,000-Rs. 4,000 crores.
- Dhavan Shah:** And this is into LSAW and HSAW or how is it?
- Nikhil Mansukhani:** It will be both. Phase-1 is currently spiral and coating, all types of coating and then it would be LSAW as well.
- Dhavan Shah:** And during this quarter, I think in the last two quarters also, we were mentioning that the execution is majorly from the water side of the business and that is why the operating margins excluding other income was lower, but I think the situation is also the same during this quarter as well, even though is 70%-80% of the order book comes from the oil & gas?
- Nikhil Mansukhani:** Yes, so this quarter again, there are two important things, the majority more than 80% has been domestic orders. There have not been any major exports, and the second thing is the ERW orders, which we have just got recently post March, the execution was going on and the yield percentage in ERW initially set up was quite low. And now since that we have cured those issues initially when we started the plant, so there was a yield issue. So, that is why there was a slight effect and dip in the EBITDA, but going forward quarters it will be much better, and we would be hitting the mark what we expect or more than that for this year as well.
- Dhavan Shah:** And can you share the order book break up between domestic and exports this Rs. 4,000 odd crore and similarly for the segment wise, how much would be for water, oil & gas and ERW?
- Nikhil Mansukhani:** Around 80% is exports, 20% is domestic going forward and ERW would be probably 10% for this year for the total order book, 10%-12%.
- Dhavan Shah:** Rs. 400 crores order book is from the ERW as such, Rs. 3,600 crore would be splitted between how much from the oil & gas and water?
- Nikhil Mansukhani:** 80% oil & gas, 20% water.
- Dhavan Shah:** Out of Rs. 3,600 crores, okay, and how would be the execution of this Rs. 4,000 crores, you mentioned that it will be executed within 6 to 12 months and in the 1st Quarter, I think we did revenues of roughly Rs. 750-Rs. 800 odd crores, so would it fair to assume that this year will end up at least of Rs. 4,000 crore kind of a topline number?
- Nikhil Mansukhani:** It is fair to assume, Dhavan that is our target as well. But give or take from last year, we would be at a growth around 20%-25%.
- Dhavan Shah:** And I think in the last quarter, I think we mentioned that amount from the real estate side we received, in the last quarter, I think it was mentioned that in the 1st Quarter concall itself will receive that amount before that call.

- Nikhil Mansukhani:** Merino Shelters, the money will come in soon, in principally the transaction is at the final level and of signing, and once it is done, it would be announced very soon.
- Moderator:** Thank you very much. The next question is from the line of Gagan Deep, Nvest Analytics Advisory. Please go ahead.
- Gagan Deep:** Sir, my first question is, could you provide margin and revenue projection for Financial Year '25?
- Nikhil Mansukhani:** For the EBITDA margin, you can consider at around approximately 10% for this year and the topline would be approximately 20% growth from last year.
- Gagan Deep:** Sir, my second question is could you elaborate the demand outlook for the upcoming quarters? Are there any specific trends or factor that will significantly impact your sales and market demand?
- Nikhil Mansukhani:** The demand outlook is quite strong. Overall, we are seeing for the next 24-36 months because we are bidding most of the projects are long term. And so the oil & gas outlook is quite strong as of now internationally as well as domestically. Domestically, ERW is looking better than the other orders, but we have got a lot of inquiries and got recent orders of ERW from government authorities. Internationally, like I said, we are bidding almost around Rs. 10,000 plus crores bid book is there and that is quite robust and quite a lot of large orders are in closure in this year itself which would then come into the production once we get it would be next year. So, the overall outlook is quite positive for oil & gas. And also we have got certain inquiries for hydrogen, which we are qualified now in which we are small inquiries, but it is a start. So, we have already started to bid for that as well, which would be another line of business which would be coming sooner or later for us.
- Moderator:** Thank you very much. The next question is from the line of Pradeep Rawat from Yogya Capital. Please go ahead.
- Pradeep Rawat:** Sir, my first question is regarding our ERW CAPEX, so we are planning to expand 100,000 tons per annum capacity for ERW. So, what would be the CAPEX for this expansion and when could we assume this plant to be commissioned?
- Nikhil Mansukhani:** The ERW CAPEX, Pradeep has already been completed and it is under operation.
- Pradeep Rawat:** So, I am talking about the expansion that we have shown in our presentation. So, currently, we have a capacity of 1,75,000 tons per annum and we are expecting this capacity to be 2,75,000. So, I was just asking for that additional capacity?

- Nikhil Mansukhani:** Pradeep, we will get back to you that. I think there has been some clerical error on that. So, we will get back to you on that like we said in the first thing, we will get back on that particular thing.
- Pradeep Rawat:** And I missed the revenue potential for the Saudi Arabia line pipe facility, so can you repeat that?
- Nikhil Mansukhani:** Saudi Arabia, the potential would be between Rs. 3,000-Rs. 4,000 crore of topline, the CAPEX layout is approximately Rs. 600 crores. The completion time period is 12 months.
- Pradeep Rawat:** So, our current line pipe facility can make 1 million ton per annum of line pipe. So, drawing inference to that, our current facility should yield up to Rs. 8,000-Rs. 10,000 crores of topline, so am I missing something here?
- Nikhil Mansukhani:** No, you are correct. This is a theoretical capacity 1 million ton. Normally with the thickness and size of the pipe, the production level changes. So, at any given point of time, though theoretically we can say we can make 1 million, but practically it is not possible, and number 2 is when we bid for orders different size, different order, different thicknesses come in at different times, so that is why the utilization is not between 50% and 60%. In Saudi, the difference is the single diameter, large diameter pipes you get single orders in which you can run those orders for a longer period of time. That is why you get a bigger tonnage and a higher tonnage and that is why the turnover. India itself is also capable between Rs. 4,000 and Rs. 6,000 crores of turnover, but you don't get those kind of pipelines anymore which is 200–300-kilometer single size, single diameter to manufacture, that is why.
- Pradeep Rawat:** So, what kind of utilization can we expect from Saudi facility and Indian facility for line pipes?
- Nikhil Mansukhani:** Currently, Saudi facility, whichever there are coincidentally right now running at 100%, we are anticipating between 70% and 80% utilization in Saudi.
- Pradeep Rawat:** And for Indian capacity?
- Nikhil Mansukhani:** Indian capacities, currently we have plus of 60%. So, we are looking, and we are going aggressive on our base accordingly so that we can keep it up around that percent.
- Pradeep Rawat:** And for the ERW facility, how much of utilization, can we expect for this year?
- Nikhil Mansukhani:** This year, we are looking at utilization of around 40% because with all the teething issues and everything, last year we didn't do anything. So, we are looking at 40% and from next year I think we would be plus of 60%-70% of utilization at least.
- Pradeep Rawat:** And we received some big orders this quarter. So, is there any scope of revision for our guidance that we gave earlier?

- Nikhil Mansukhani:** I think our guidance is quite pretty progressive, 20%-25% growth we have been doing. Last year also, we did 40% growth from Rs. 2,100-Rs. 3,100 crores. And this year also we are looking at Rs. 3,600-Rs. 3,800. We rather keep this conservative approach and over achievers would be better for the Company and shareholders.
- Moderator:** Thank you very much. The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.
- Vignesh Iyer:** My question is in line with the order book that we have, so if I understand it right, we have got a Rs. 4,000 crores order book as on quarter 1 FY25 end, so wanted to understand what is the estimated order inflow that we are seeing for this financial year?
- Nikhil Mansukhani:** Order estimated inflow, we have a lot of bids in pipeline, Vignesh. So, I can't give you an exact this, but around 20%-25% is the normal strike rate of the orders which we are bidding worldwide, India, everywhere. And basically the orders anyways which we are bidding now will come into contacts and come into production not before Jan, Feb or March. So, that would get rolled over into the mostly probably last quarter of this year or start of next year itself. So, it is like a process. Every bid we are doing, continuous orders are coming and we are continuously executing and that is why it is called a bid pipeline. So, we keep bidding around Rs. 8,000-Rs. 10,000 crores online bids are already in process right now also.
- Vignesh Iyer:** So, what is our bid book now, domestic and international?
- Nikhil Mansukhani:** Our current order book, 20% is domestic, 80% is international.
- Vignesh Iyer:** No, our bid book, not our order book?
- Nikhil Mansukhani:** Also similar for now, because internationally, there are far more orders right now, so bid book is also almost at the same range.
- Vignesh Iyer:** And the value wise?
- Nikhil Mansukhani:** Value wise between Rs. 8,000 and Rs. 10,000 crores.
- Vignesh Iyer:** Sir, just to get an idea of perspective of like compared to domestic versus international, let us say tender gets floated, what is the normal timeline to understand by when the conclusion who is the L1, keeps us to understand the entire process, how much time does it take for floating of tender?
- Nikhil Mansukhani:** If in India, if GAIL is to remove an order and go through its process of evaluation and technical evaluation and then finally price tender, the entire process comes between 3-6 months and internationally is pretty much similar. Sometimes internationally, maybe even a little bit longer

because of the sheer size of the project. But give or take more or less standardized when we see it is 3-6 months.

Vignesh Iyer: Just last question from my side, sir we paid tax around 27% last year and quarter 1 is already 31%. So, what is our standard tax rate expected for FY25?

Nikhil Mansukhani: The standard tax rate is 25.17% only, we are into the new tax regime. Sometimes due to the CAPEX, this deferred tax liabilities are getting created. So, that is why the effective tax rate is getting sometimes higher or lower. Otherwise, our income tax rate effective is 25.17 which is the new tax regime.

Vignesh Iyer: We have shifted to the new tax regime?

Nikhil Mansukhani: Yes, we are into the new tax regime.

Moderator: Thank you very much. The next question is from the line of Abhishek Agarwal from Prithvi Finmart Private Limited. Please go ahead.

Abhishek Agarwal: Sir, my question is related to our Saudi expansion where we are doing the CAPEX of Rs. 600 crores. So, I think this CAPEX is related to our LSAW pipe and HSAW pipe, correct?

Nikhil Mansukhani: Correct.

Abhishek Agarwal: So, I think currently we already have the 10-lakh metric ton of capacity, which in India, right now. And when I look at your presentation, it is saying that our increased proposed capacity would be the same. So, how much capacity would come with this CAPEX?

Nikhil Mansukhani: Approximately, the capacity would be 3,00,000-4,00,000 tons.

Abhishek Agarwal: So, this will be incremental to our 10-lakh metric ton capacity?

Nikhil Mansukhani: Yes.

Abhishek Agarwal: And sir, so how much turnover we can expect with the full capacity or asset turnover if you can tell those?

Nikhil Mansukhani: Rs. 3,000-Rs. 4,000 crores of turnover can be expected.

Abhishek Agarwal: And what is the rationale behind putting the capacity in this location?

Nikhil Mansukhani: The reason is there are a lot of bids which we are putting in Saudi, but unfortunately because of the duty, we are not able to supply any line pipe over there as well as the shipping cost which has gone off the roof recently is also creating a problem of us giving any quantity and there are

large because Saudi inherently is not having any river linkage or anything. So, they don't have water. The transmission of water from East or West going into the country is a large transmission, so we are missing out on this business. So, to capture that particular business, we are going there.

Abhishek Agarwal: Sir, just for further clarification. So, our incremental capacity would be around 14 lakh metric for both this CAPEX, correct?

Nikhil Mansukhani: Totally 1.4 million tons, theoretically.

Abhishek Agarwal: And how it will be funded?

Nikhil Mansukhani: Approximately, Rs. 400 crores will be funded through the debt and Rs. 200 crore from the internal accruals or by the Company.

Abhishek Agarwal: And margin profile would be the same or what we are doing in India business?

Nikhil Mansukhani: We are expecting better margin profile in Saudi.

Abhishek Agarwal: And what about the stainless pipe CAPEX what we are doing and when it is expected to come?

Nikhil Mansukhani: Stainless steel CAPEX is ongoing. Second quarter of next year is we are looking at operations and so it is going well.

Abhishek Agarwal: What could be the asset turn and what revenue we can expect from this?

Nikhil Mansukhani: On the peak revenue, which it can achieve is between Rs. 900 and 1,100 crores. EBITDA margin, because it is a more premium product, so the EBITDA margin is between 18%-22%.

Moderator: Thank you very much. The next question is from the line of Pradeep Rawat from Yogya Capital. Please go ahead.

Pradeep Rawat: Sir, my question was regarding the bid book. So, our current bid book is close to Rs. 8,000-Rs. 10,000 crore, so what would be our big book in the last quarter and in the last year?

Nikhil Mansukhani: Pradeep, I can't tell you often what the bid book is of last year, we keep bidding, bids keep getting changed. Normally, bid book lies between Rs. 8,000-Rs. 15,000 crores depend how many orders worldwide are coming and a lot of those bids also get retendered because it is just a preliminary budgetary bid from oil & gas companies. So, it is quite robust to be honest. So, I can't pinpoint right now and tell you offhand what was it last year, but like I said it is always an ongoing process. At any given point of time, the bid book is between Rs. 7,000-Rs. 8,000 crores to almost Rs. 15,000 crores also, there was a time which it was.

- Pradeep Rawat:** And given that we are at the lower end of bid book like Rs. 8,000-Rs. 10,000 crores, so is it normal or is it like we are seeing slowness in demand?
- Nikhil Mansukhani:** It is not like that what happens is Pradeep that how many bids are serious bids that is important. You make Rs. 50,000 crores bid book and from that Rs. 40,000 crores bid are not serious. It becomes pointless. What we are seeing recently that the bids which are going on, ongoing bids are quite serious bids and they are some of them at closure levels. So, actually it is better for the Company because when the bids are though it is a shorter time period bid but closer, it is faster, it is always better for the Company because we can plan our production and our mill capacity filling accordingly. So, we don't feel that it is at the lower side. It is where it is supposed to be, but the good part is that the bids which are going on right now, all of them are serious level bids and some of them we expected to get completed in the next quarter itself.
- Pradeep Rawat:** And then the next question is regarding the ERW pipe margin. So, in our current order book, which we have of close to Rs. 400 crores, so what would be the margin on those orders?
- Nikhil Mansukhani:** Currently, the ERW margin is between 6%-7% EBITDA.
- Pradeep Rawat:** 6%-7%, right?
- Nikhil Mansukhani:** Yes.
- Moderator:** Thank you very much. The next question is from the line of Dhavan Shah from Alfaccurate Advisors. Please go ahead.
- Dhavan Shah:** Sir, my question is on the ERW revenues during this quarter, if you can share the number, what was the revenue from ERW?
- Nikhil Mansukhani:** I think we will share it with you, Dhavan separately.
- Nikhil Mansukhani:** Approximately Rs. 50 crores, Dhavan
- Dhavan Shah:** And there was EBITDA loss of how much during this quarter?
- Sanjay Agrawal:** The loss of this quarter EBITDA loss year-on-year basis of close to 2%, but as compared to March, it is almost flat.
- Dhavan Shah:** So, net-net Rs. 1 crore EBITDA loss?
- Nikhil Mansukhani:** Correct.
- Dhavan Shah:** But still, the base business margin is still lower if I adjust this loss, then also I think the base business margin is roughly 5.3%?

- Nikhil Mansukhani:** We started this ERW business in March '24, so it is principally the 1st Quarter there was some yield problems because the yield is for ERW.
- Dhavan Shah:** No, excluding ERW, total console revenue is Rs. 750 odd crores out of that Rs. 50 crores from ERW. So, if you adjust the ERW, then the base business revenue is roughly Rs. 700 odd crore and the EBITDA excluding other income is roughly Rs. 38 odd crores. And if you adjust the loss of Rs. 1 crore then Rs. 39 crores EBITDA, right, and on that Rs. 700 crore revenue, it is roughly 5.5% margin?
- Nikhil Mansukhani:** Other income is a part of my business income. It is not any income getting generated through any other sources. It is coming through the business only, number one. Number two, like I said, the reason is also that this particular quarter not only because of the ERW, but also majority of the orders which we doing were all domestic and that is why there was always obviously a margin on the particular quarter.
- Dhavan Shah:** So, why the other income was higher during this quarter? I think there is more of a FOREX related thing, right, in the other income. And given that the domestic revenue is higher during this quarter, then eventually the other income should be lower, right?
- Nikhil Mansukhani:** No, foreign exchange is continuous, so it is quarter end to quarter end moving forward.
- Sanjay Agrawal:** We also have the import as well continuous basis. Raw material and the payment cycle accordingly the exchange earnings we have of close to Rs. 14 crores that is included in the other income.
- Dhavan Shah:** And how much is the hedging position right now and at what rate we have hedged?
- Sanjay Agrawal:** Normally, we have a natural hedging for most of the imports and exports and the balance position we do hedge as a plain vanilla forward contract with the banks. So, we are fully hedged as far as our exposure is concerned.
- Dhavan Shah:** So, apart from natural gas, there is no extra hedging which we have done? Is that correct?
- Nikhil Mansukhani:** Natural hedging, majority of the natural hedging is only there.
- Sanjay Agrawal:** Yes, the majority is through natural hedging.
- Dhavan Shah:** And when this Saudi Arabia plant would commission?
- Nikhil Mansukhani:** 12 months.
- Dhavan Shah:** So, it would be in FY26 only?

Nikhil Mansukhani: Yes.

Dhavan Shah: And so I think in the presentation, we have to update that thing also, right?

Nikhil Mansukhani: Correct. We will send the updated one.

Dhavan Shah: And how much utilization are we expecting in the first year, FY26 from Saudi?

Nikhil Mansukhani: 50%.

Dhavan Shah: So, 2 lakh tons you are expecting in FY26 only?

Nikhil Mansukhani: Yes, I don't know about tonnage exactly, but revenue point of view between Rs. 1,500-Rs. 2,000 crores is what we are expecting.

Dhavan Shah: So, Rs. 1,500-Rs. 2,000 crores from ERW in Saudi, then you will be having this steel plant, stainless-steel in the next year wherein how much revenue we can do 20,000 tons of total capacity, so we can do our volumes of how much?

Nikhil Mansukhani: Next year, we are only looking at around 5,000-6,000 tons for stainless-steel for the first year.

Dhavan Shah: And here the peak revenue, you mentioned in steel is how much, 20,000 tons would give you how much revenue?

Nikhil Mansukhani: You can take Rs. 4.5 lakhs to 5 lakhs per ton.

Dhavan Shah: So, roughly Rs. 250 odd crores revenue from steel, then you are saying Rs. 1,500 crores revenue from Saudi and then ERW would give you incremental revenue of around how much, Rs. 100 crore, right?

Nikhil Mansukhani: ERW would be approximately Rs. 500-Rs. 600 crores.

Dhavan Shah: Incremental would be Rs. 500-Rs. 600 crores.

Nikhil Mansukhani: No incremental total would be Rs. 500-Rs. 600 crores next year.

Dhavan Shah: And this year would be how much from ERW?

Nikhil Mansukhani: It would be around Rs. 250-Rs. 300 crores, Rs. 300 is something which we will achieve.

Dhavan Shah: So, incremental, you are expecting roughly Rs. 2,000 crores of incremental revenue over FY25 and FY26, right?

Nikhil Mansukhani: Yes, more or less.

Moderator: Thank you very much. The next question is from the line of Darshil Pandya from Finterest Capital. Please go ahead.

Darshil Pandya: So, just one question from my end, regarding the 10% EBITDA margin guidance that you have given. So, if we could know that is it because of the order book that we have right now has a higher margin or how will we achieve that margin in this full year?

Nikhil Mansukhani: The order book which we have now is on the exports are more on the higher margins. So, we are confident to achieve the yearly guidance which we are giving.

Moderator: Thank you very much. Ladies and gentlemen, I would now like to hand over the conference to the management for closing comments.

Nikhil Mansukhani: I thank you to all the participants for attending this conference call. And we welcome all of you in our subsequent next quarter's Conference Call. Thank you. Thank you very much.

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