

## "Welspun India Limited Q2 FY2018 Earnings Conference Call"

November 09, 2017





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Moderator:

Good day ladies and gentlemen and welcome to the Welspun India Limited Q2 FY2018 Earnings Conference Call, hosted by IIFL Capital Limited. As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this 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. Avi Mehta from IIFL Capital Limited. Thank you and over to you Sir!

Avi Mehta:

Thank you. Good evening everyone on behalf of IIFL, I would like to welcome all of you to the Q2 FY2018 conference call for Welspun India. From the company we have with us the key senior management including Mr. Rajesh Mandawewala, Managing Director, Mr. Altaf Jiwani, Director (Finance) & CFO and Mr. Akhil Jindal, Group CFO & Head Strategy and I would now like to hand over the call to the management for their comments. Over to you Sir!

Altaf Jiwani:

Thank you Avi. Good evening ladies and gentleman, Q2FY18 we have actually achieved total income of Rs.1,630 Crores with an EBITDA of Rs. 306 Crores, which is 18.8% margin. The profit after tax and before minority interest is about Rs.100 Crores and after minority interest, it is Rs. 96.6 Crores.

Our borrowing level has remained more or less at the same level that is about Rs.3,100 Crores. We have Return on Equity, which is about 18.1% in H1 FY18. In this quarter, we have seen actually revenue topline de-growth of about 10.2% compared to corresponding quarter last year. We have seen situation where in Q2, the total imports by USA has actually dropped significantly, which had increased dramatically in Q1FY18, so it seems this is a kind of destocking situation, which looks like transient situation right now, which has resulted into this kind of drop in volumes. Obviously, India was the largest supplier in this product category so it has impacted all the home textile players in this industry.

So, that is one reason why we have seen the topline degrowth ,coupled with the base effect in our case..The EBITDA margin, which is about 3.5% down compared to Q1 this year., It is on the back of volume and product mix as well as the GST impact, but with the kind of campaign, which we had launched in the domestic market in our 'Spaces' brand, seems to be having well received by the customers. We have seen substantial increase in the brand 'Spaces' which is about 47% this quarter . 'Christy', as you all know we have started investing into this brand about 2.5 years back so we have seen growth of about 15% in 'Christy' in Q2 and H1 growth was almost 22%. We have seen 'Christy' is now having 24 stores in China. So in China we are seeing our customers having flavor for English legacy brand which is well received.

The technical textile, anew business, which we started actually now has products which are getting approved by various industries, so in the future this will also help us expand our



customer base from across industries. The air filter has been approved by one of the automobile companies and the fabric from this division has been approved by one of the testing labs, which will pave the way for us to approach both America as well as European airlines industry as well as aerospace to start looking at our products approved by those companies as well. Indian Railways, actually we are started supplying the pillow covers and the napkins which is now available in Rajdhani Trains.

.Our Long-term credit rating was upgraded during last quarter to 'AA', while in short-term anyway we were highest earlier also from October 1, 2017, the duty drawback rate has been revised from 7.5% to 2%, so that is about 5.5% drop.ROSL rate has been revised from 3.9% to 1.55%, so that is roughly about 6.5% total impact, which is there on the topline so we are actually revising our guidance. We will like in the first half we have seen about 7% degrowth on topline. We would probably be repeating almost similar revenue topline in the second half of FY18 so we are revising the topline guidance for the full year to have a degrowth of about 5% to 7%.

In terms of full year EBITDA margins, e believe we should be able to see, the effect of raw material prices coming down which should start reflecting in the Q4 of this financial year .As we do not give quarterly EBITDA guidance, the full year guidance will be about 20% plus minus 1% or 2% either ways because of the current volatility..

On the capex side, the annual depreciation is about Rs. 500 Crores, we should be able to maintain capex within that, so we should be around Rs.450 Crores of capex. so that is our guidance for the capex for this year. Nevertheless, we will keep calibrating our capex based on the cash flows. So with that I would leave the floor open for question and answers.

Moderator: Thank you very much Sir. Ladies and gentlemen we will now begin the question and answer

session. We have the first question from the line of Nihal Jham from Edelweiss. Please go ahead.

**Nihal Jham:** Good evening. Sir, my first question is that, you mentioned that the revenue growth was negative

10% so what are the split between volume, price and exchange if I had to compare Y-on-Y?

**Altaf Jiwani:** Exchange is more or less flat Nihal, so predominantly it is volume impact.

**Nihal Jham:** Pricing I am guessing is also flat right?

**Altaf Jiwani:** All existing program had no price drop actually.

Nihal Jham: Okay sure Sir. Sir on guidance where you are looking at say the revenue trajectory being similar

in H2, is there no possibility of say rugs doing better for us and may be leading to a better

performance in H2 compared to H1 because that has been in the growing category and



understand we may have the issue of towels degrowing if we look at the Otexa data and sheets obviously because of the base impact at least in Q3, but would not rugs growth be something that can compensate for the headwinds we are seeing in the other segments?

Altaf Jiwani:

Actually destocking phenomena we are seeing is cutting across all the product lines so we do not expect based on the current visibility. We do not expect that this can be mitigated through rugs.

Nihal Jham:

Right Sir absolutely and if I have to speak of the destocking that will obviously be something you will be seeing for the coming quarter also but if we look ahead in FY2019 iwould there be any expectation that you expecting turn around so how would you see the scenario going forward?

Rajesh Mandawewala:

Definitely we are seeing this across the board particularly with our American customers. Then at some stage we will have to get back, so not that the sales at the shelf was declining; soat some stage the stocking will have to come back. Also there is this digital influence to some extent but not very big, but to some extent where that is a part of the market share. Brick and mortar retailer is moving online and things like that so I think with this industry is in the middle of finding the balance so little bit of that as well, but destocking phenomenon cannot go on forever, at some stage I think restocking should begin so to comfort all of you, theCompany has retained every single business in fact every program . Business have only grown in all the customers. Business have been retained within the customers, all those programs have remained intact so there is no business loss that has happened as such so this is just there very clearly reflecting the base effect and destocking phenomenon.

Nihal Jham:

Sure Sir and just one more question on this, I understand that the retailers are overall facing an issue from e-commerce and does not particularly in the home textile segment but generally in home textile is there has been an increasing share of e-commerce, which is happening in the US or is it that?

Rajesh Mandawewala:

It is like any other category so it is general structuraltrend change. Nothing in particular happening on the home side so it is structural change and having said that we as a company are investing pretty heavily so we have opened doors with all the major marketplaces this worldwide and particularly in the US and also to a great extent in India as well and this also within our own customers and retailers they have websites of their own where they transact digitally so we have developed capabilities to list our products on their websites and directly service from our warehouses in all geography which is US, UK, India so this we are also setting ourselves are so there is not that if the movement happens is net-net that you will lose the market share no so this we are setting ourselves upon the other side as well and I think we are fairly well placed it will take sometime to built noticeable volumes in that space, but we are certainly making progress in one way or the another as long as market consumes we believe in will continue to consume so we will find our market share there.



Nihal Jham: Absolutely and one last question what will be average cotton price of our inventory percentage

differential compared to the current price?

Rajesh Mandawewala: 3% to 4% I think. Likely cotton prices are about 8%-10% lower yoy but there is inventory lag so

you will start seeing the impact of those in the Jan-March quarter but otherwise I think 8%-10% year-on-year reduction. However in the extra long staple it is not as steep as that but the regular cottonwhich is almost 80%-85% of our consumption so regular cotton looks like 8%-10% down which means 3%-4% impact on the margin, which hopefully mitigate the GST impact and also to some extent some exchange rate impact which might there be on the business so which is why the overall revision in the guidance and we believe this the guidance that we are making

realistic within our opinion.

**Nihal Jham:** Sure Sir. Thank you so much. I will get back in queue.

Moderator: Thank you. The next question is from the line of Abhilasha S from Crest Capital. Please go

ahead.

Abhilasha S: Sir actually towel capacity has also commenced like we have increased our towel also, that

production will also come in H2 so are we seeing pressure on bed linen because in H2 we are guiding for the similar kind of topline so what does it exactly I mean are we seeing some decline

on the bed linen side?

Rajesh Mandawewala: No. Thankfully the areas where we are actually seeing a lot of pressure is generally towels and to

some extent this rugs as well, but bed linen business I think is holding up well and the reason being because of the base effect so there was a lot of business that got lost overnight last year so this is all of that most of that is getting regained and which hopefully in the coming quarter it should hold us in the good stead. Overall is on the bath side we are saying higher effect than on

the bedside.

**Abhilasha S**: So are we expecting low utilization on towel capacity?

Rajesh Mandawewala: It is obviously when there is degrowth capacity utilization will be slightly lower so but it is

momentary phenomena as we said this is in the medium term, our belief in that business does not change from we still believe the business is good to grow double-digit I think all the fundamentals of growth remains this year the performance will be lukewarm for obvious reasons, but going forward I think we feel pretty comfortable and we believe our business is

good to grow at those levels. The revised margin guidance is also reasonable.

**Abhilasha S**: Sir just coming to margin like we have revised guidance to 20% this quarter we have posted 18%

so from Q3 again impact of ROSL and duty drawback will also come to this revision in margin



this on account of which are parameters which we have taken into consideration is it cotton price decline or rupee depreciation like?

Rajesh Mandawewala:

It is combination of everything, so there is also a margin impact in the second quarter. ,so that will get carried forward in the future as well so all in all this we have to consider all these factors let us say GST impact, the impact on export incentives, the impact of cotton prices, exchange and everything so all those impacts have been considered when we are making revised guidance.

Abhilasha S:

So even if this ROSL and duty drawback rates are reduced we are confident?

Rajesh Mandawewala:

It is already reduced, sowhatever reduction has already been factored into our guidance. We always maintain that it is an annual guidance that quarter-on-quarter saying so we believe that we are in a business which has got season so whatever we guide should be actually considered a guidance for the year as a whole and not quarter-on-quarter so we factored all those things in while we are projecting this in the future.

Abhilasha S:

Thank you Sir.

Moderator:

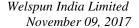
Thank you. The next question is from the line of Rakesh Jain from Asit C Mehta. Please go ahead.

Rakesh Jain:

Thank you for the opportunity. So when you mention about the tailwinds in the US retailers and intensity of the competition, can you just given some colour on what is happening like how the largeer players are reacting to this shift and e-commerce market and how worse it can go and by when do you expect the situation should moderate from here?

Rajesh Mandawewala:

Each player in supply chain is meaningful, so all our key customers and vendors like us and our key competitors everybody is gearing to the new reality that in the future it will be omni-channel, consumers will buy in the stores they will go buy over the web, digitally and everything, so everybody who is a serious player in the industry is gearing itself for that eventuality, so it is a matter of time, as a vendors let us say this as a provider of product to our customers, so for us if we lose some share on this side it will hopefully be recovered from the online sales in the future, so this even we are gearing up like our customers are gearing up exceedingly well, so all in all I think overall the industry should hopefully settle down and it would not be a pendulum thing that all suddenly everything will shift online that is not going to happen or that everything will remain offline that is not going to happen so I think the truth lies somewhere in the middle, so everybody is figuring out and everybody is making progress. With most of our customers we have already established online, like we are also established with the marketplaces, so I think the key players in the market will adjust themselves over the next three, four, five quarters.





Rakesh Jain: Right, if there is the problem in the supply chain was in that the demand is still there and that

demand is being procured from the online players, so those guys like Amazon, will be be

procuring products from somewhere?

Rajesh Mandawewala: Exactly.

**Rakesh Jain:** So are we not able to get them to our order book or something like that?

Rajesh Mandawewala: Of course, that is what I said that every single marketplace or in fact the most important ones is

we have already established with them. Business dialogues are happening, businesses are already started, so as I said it is a matter of time, so when you start new it takes you little time to build up let us say this business with any customer, so I think all of us are in that phase where I think this is the build up on the online side is also happening and also with our own retail customers as well they are doing a fabulous job themselves, let say pushing their product through online channels and we are already setup with them as well, so it is a matter of a few quarters, I think

everybody including us will settle down.

**Rakesh Jain**: Thank so much Sir. All the best for next quarter.

Moderator: Thank you. The next question is from the line of Srijan Sinha from Future Generali. Please go

ahead

Srijan Sinha: Thank you Sir for taking my question. Sir, just wanted to probe little bit more on the e-

commerce side again, so who are we competing against in this segment, who will have the

highest wallet share let us say with Amazon?

Rajesh Mandawewala: Good question. When you talk about marketplaces, , I have to compete with you, I have to

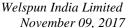
compete with anybody who decides to go and sell their product through marketplaces, so it is a fresh start and having said that we have been engaged with all the marketplaces over a period of one, one-and-half, two years now very easily, so even they now understand that they have to deal with credible people because otherwise their consumers will get disappointed if substandard product gets transacted on their sites and they might start losing customers, so I think that all those adjustments in the industry are happening and we are happy with our progress that we are making with all these important e-commerce players and we feel pretty confident that over a

period of few quarters I think this will establish ourselves well with them.

Srijan Sinha: I understand that. The other question that I wanted to ask was on technical textile, what is the

strategy we have behind it and what was the thought process we are in this new division and

have we set up a dedicated plant for this?





Rajesh Mandawewala:

Yes, Yes. Very candidly this business has been around for the last three or four years, so it is not a large amount of money that we have invested, but it is a fastest growing textile in the world and we have decided to take a position in the non-woven area, which is very exciting Almost 8% to 10% kind of global growth in the area, lot of technology involved, lot of product development involved and it offers an enormous opportunity for us to differentiate as well as grow our business in the future. It is a very small part of the overall thing, it does not move the needle at the current moment, but we thought it proper to bring it up in this quarter because I think we are seeing now signs of that business over the next few years becoming a decent kind of business, so we thought it proper to share this information with all of you investors and prospective investors.

**Srijan Sinha**: Sir, this is not new business for us, is that we are classifying it separately now?

Rajesh Mandawewala: Correct.

**Srijan Sinha**: The next question I wanted to ask on the status of the capex, so we have completed the towel

capex is that right?

Rajesh Mandawewala: Yes, so all textile capex by and large barring Rs. 40 Crores or 50 Crores I think is all done and

finished, so I think that the big capex now is the carpet project that we are intending to set up. You will recall our earlier guidance for capex in FY2018 was actually Rs. 700 Crores. We are actually bringing it down to about Rs. 450 Crores, so we are pushing out the rest of the capex to the next year and the year after, so this in line with our discussion that we want to keep our capex within our depreciation, so we are recalibrating and we will stay within our depreciation for the current year in terms capex so that has been the general thinking and so we are actually

calibrating our capex to that extend.

**Srijan Sinha**: And you are not incurring any capex on the technical textile division?

Rajesh Mandawewala: All that is already done whatever has to happen has already happened, so by and large as I said

that is about Rs. 40 Crores to 50 Crores of capex pending is on the core business. So the big capex will now be the carpet project, which would happen over this financial year and the next

one.

**Srijan Sinha**: Sir, final question is on the class action lawsuit, any update that we have on that one?

Rajesh Mandawewala: I am afraid there is nothing further to share... so it is a judiciary process it will take its own time

and there is nothing favorable nor adverse to share so it is a status quo.

**Srijan Sinha**: Thanks a lot for this. Thank you.

Moderator: Thank you. The next question is from the line of Pawandeep from IL&FS. Please go ahead.



Pawandeep:

Could you just help with giving some numbers guidance on the technical textile that you are getting into in and what is the addressable market size that we are looking at, basically how big this can grow?

Rajesh Mandawewala:

Right now, it is a very small business for us. It is around Rs. 100 Crores or thereabouts in terms of the topline, so we are by and large breaking even in that business so we are able to recover interest, depreciation with that business so it is not big enough right now it is a small business. Having said that we believe we are finding our feet in that business so it is a business that we believe in which will hopefully grow in the future. Right now, any projections that we make this will not reach, so if you ask me a five year view I think it is good to become a 800-1000 Crores kind of a business, but right now it is pretty small and it needs to get some wings, but we now feel good about the business and as I said we are finding feet, we are finding direction and clear cut strategy in terms of where do we see this business going forward.

Pawandeep:

Sir, what do we exactly mean when you say non-woven and woven in technical textile like?

Rajesh Mandawewala:

For example, the wipes that you use those wipes are made from non-woven, so it is a textile, but it is not knitted and it is not woven. That is why it is called non-woven, so a wet wipe is a non-woven, so most of the napkins that you see in hotels now are non-woven, all the air filtration so let say power plants, aluminum plants, all the humidification systems so whatever filters that get made use non-woven as an outer cover, there are several engines in the automobile several engine compartment part so all filters in the engine they use non-woven. Inside the car let us say for example the carpets, most of the carpets are non-woven. In boot space for example the trunks of cars so the carpet that you see they are non-woven. so acoustics they are non-woven. Medical textiles they are non-woven. So, it is a very vast field. There are protective textile and all that, so it is a very, very vast area. As I said, it is a very product development intensive kind of a business, so which is why there is a decent possibility for you to differentiate yourself.

Pawandeep:

Thank you Sir.

**Moderator:** 

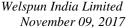
Thank you. The next question is from the line of Kaustav Bohra from SKS Capital. Please go ahead.

**Kaustav Bohra:** 

Just wanted to know if you could give me some of sort of a split of your current production capacity, so your current capacity how much was the volumes and in FY2020 what will the total production capacity look like? I am trying to get how much that capacity is increasing in number terms from the current levels to FY2020?

Rajesh Mandawewala:

We are currently sitting on 80,000 MT in towel capacity, about 90 million meters in sheets and about 10 million square meters in rugs, so this is our current capacity and we have always said this in the past that we will calibrate capacity to demand and as we see demand, we grow





capacity and there will be no large capex, so assuming let us say there is a double-digit for our business over the next couple of years, I think we have enough capacity in the system now to take care of over the next couple of years, so not much investment that needs to be made to ensure double-digit growth for FY2019 or FY2020.

**Kaustav Bohra:** These carpets are it included in the rugs right?

Rajesh Mandawewala: No, that is a completely separate product and a completely separate business.

**Kaustav Bohra:** So these three will be there FY2020 plus?

Rajesh Mandawewala: Correct.

**Kaustav Bohra:** Plus, how much carpet capacity?

Rajesh Mandawewala: Carpet capacity will be about 7 million square meters per annum, but there is very little of that

will translate into topline just because this will get into business only end of this calendar 2018, so that will give us 12 to 15 months of this operating time, so for FY2020, it will be three digits

of course, but there is nothing substantial.

**Kaustav Bohra:** So what are your revenue potential and 100% capacity?

Rajesh Mandawewala: It is a Rs.1000 Crores or thereabouts ,with whatever that we are doing, , but it will take us about

five years of operations to actually get to those figures.

**Kaustav Bohra:** This will be your domestic business?

Rajesh Mandawewala: Predominately domestic.

**Kaustav Bohra:** So margin profile compared to the rest of the business?

Rajesh Mandawewala: We are hoping that the margin profile should match the existing business that we have or

actually be better.

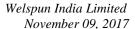
**Kaustav Bohra:** In 'Spaces'?

Rajesh Mandawewala: We believe that as an overall business, the margin profile should be similar, but I would like to

add a word of caution here, so the early stages, the utilizations will be less, so as you would

understand the first couple of years, you would see diluted.

**Kaustav Bohra:** I was assuming that 100% utilization what would margins be like?





Rajesh Mandawewala: So they will look at least right now the way we are seeing, they look pretty decent and certainly

as good as our existing business.

Kaustav Bohra: On the technical textiles front, I understand that futuristic thought it can be of great potential, but

can you explain to be exactly 10 years down the line where you see this business in terms of

numbers?

Rajesh Mandawewala: So let us do this offline because you will need a significant amount of time to discuss it. Let us

do it offline. We will be happy to take you through what our current thoughts are?

Kaustav Bohra: Thanks.

Moderator: Thank you. The next question is from the line of Arjun Sengar from Reliance Mutual Fund.

Please go ahead.

**Arjun Sengar:** Good evening Sir. What proposition of your sales comes from branded sales?

**Altaf Jiwani:** 16% frombranded sales.

**Arjun Sengar:** 16%?

Altaf Jiwani: Yes.

**Arjun Sengar:** Currently out of total home textile sales have happened in United States what percentage of that

happens through e-commerce?

**Altaf Jiwani:** E-commerce will be around 2%.

**Arjun Sengar:** This I am talking for the industry not only for Welspun?

Rajesh Mandawewala: There is no clear data available.

**Arjun Sengar:** So for you it is 2%.

Rajesh Mandawewala: Yes, for us it is about that.

**Arjun Sengar:** Sir since this like you said a turning point for the industry, once the system settles down and this

would have been through the e-commerce channel, do you think the margins would be similar to

what they are now?

Rajesh Mandawewala: It remains to be discovered honestly, but this we believe that there is a lot of supply chain

efficiency that comes in to play, we are hoping that the margin, we should be able to retain the



margins and also we are pursuing a differentiation strategy online as well, so we do not want to just compete at the bottom end of the pyramid and that is not our intent as well, so as of now we believe it should be another channel for us and with the same level of margins that we currently enjoy.

**Arjun Sengar:** The 16% branded sales that you do right now what would it had been two years back?

**Altaf Jiwani:** Branded sales, it would have been single digit around 9% to 10%.

**Arjun Sengar:** Thank you very much and best of luck.

Moderator: Thank you. The next question is from the line of Abigail Fernandes from CRISIL. Please go

ahead.

**Abigail Fernandes:** Sir, most of my questions have been answered. I just have one question why are we seeing this

destocking phenomenon across the industry like even in the towels and even in the bed linen

segment?

Rajesh Mandawewala: So good question. I think the customers are also trying to figure out the balance between online

and offline and things like that and it is not unusual honestly. This even in the past we have seen this happen, so there are tendencies given quarters that inventory the customers would want to take inventory down, so it is not unusual. We have seen it happen in the past, so I do not think

we should at this moment read too much between the lines..

**Abigail Fernandes:** So is this something seasonal like every Q2 or Q3 this happens or is this like?

Rajesh Mandawewala: It happens sporadically. Generally, this Q4 let us say, which is Q3 for us is the quarter, so we

have seen it happen in the past in any of the quarters.

**Abigail Fernandes:** So I do not see your sales picking up right now in this quarter then?

Rajesh Mandawewala: Yes, this quarter so there is also a lag. We have a lag affect, so with whatever, which is the

reason why let us say this sales will be flat.

Abigail Fernandes: So what are the current utilization levels in the towels, bed linen, and rugs for this quarter or for

H1 2018?

Rajesh Mandawewala: We share those numbers at the end of the year and we will be happy to do so.



Abigail Fernandes: Is there any major reason for, I have seen your margins before FY2016, so it was around 28%

your EBITDA margin in FY2016 and then it went to 24% and now in H1 it is down to 20%,

what is the reason from going from 28% to 24% to 20%?

Rajesh Mandawewala: We have never guided beyond 22%, if you would have recall, so the business had tailwinds and

which improved margins, which let us say it is depreciating currency, raw material prices going down, so there were several of the tailwinds to the business, so the only change that we have made to our guidance is actually on account of GST, so there is nothing else for this overall otherwise we are still where we were and so there is no reason for us to believe there is anything beyond that. This is why we are always cautious and guiding along the 21 to 22% margin, so it

was the tailwinds, which improved the margin.

**Abigail Fernandes:** So going forward FY2019 and FY2020, we see it around these levels only and we do not see any

much improvement as such?

Rajesh Mandawewala: No, unless something dramatic happens, so this is the level, so I will tell you that if you take the

view of the next three to five years, this is what we believe we are likely to be.

**Abigail Fernandes:** Thank you very much.

Moderator: Thank you. We will be taking the last question from the line of Nishit Rathi from CWC

Advisors. Please go ahead.

Nishit Rathi: Thank you for the opportunity. Just wanted to understand how are we faring in the rest of the

world apart from US since we are seeing this phenomenon in US, is there some traction that we are seeing in other parts of the world, which can kind of help us compensate for the loss in sales?

Rajesh Mandawewala: So our ratio in the rest of the world is actually slightly better as compared to the past, so the

business in the other parts of the world is intact and it is fairly stable, so we continue to make this

progress in those areas, so all in all we are pretty happy with our progress there.

**Nishit Rathi:** In the hospitality segment that was another big thrust area any updates on that?

Rajesh Mandawewala: Again we are doing pretty well there, so this year-on-year at least 25% to 30% growth for

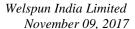
FY2018 over 2017, so I think we are doing pretty well there. We are making good progress in

that area as well.

**Nishit Rathi:** Thank you very much.

Moderator: Thank you. I would now hand the conference over to the management for their closing

comments.





Altaf Jiwani: Thank you ladies and gentlemen and if there any more questions, please get in touch with our

Investor Relations team, we will be happy to resolve all those queries and also keep in touch in

the future. Thank you very much.

Moderator: Thank you very much members of the management. Ladies and gentlemen, on behalf of IIFL

Capital Limited that concludes this conference call. Thank you for joining us. You may now

disconnect your lines.

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