



“Welspun India Limited Q1 FY18 Earnings Conference Call”

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MODERATOR: **AVI MEHTA – IIFL**

Moderator: Ladies and gentlemen, good day and welcome to Welspun India Limited Q1 FY18 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 the conference call, please signal an operator by pressing * then 0 on your touchtone telephone. 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, Janice. Hi, good evening, everyone. On behalf of IIFL, I would like to welcome all of you to the 1Q FY18 conference call for Welspun India. From the company, we have with us the key senior management including Mr. Rajesh Mandawewala, the Managing Director, Mr. Altaf Jiwani, Director, Finance and CFO; and Mr. Akhil Jindal, Group CFO and Head - Strategy.

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 gentlemen. Thank you for your continuing interest in Welspun India.

Before I get into the numbers, I just wanted to take you through some of the highlights. This quarter actually in Q1, quarter ended June 2017, we received the patent for our Industry Defining Traceability Solution, 'Wel-Trak'. And today the total number of patents which we have now is about 27, out of that almost 12 are approved. Also in this quarter actually we saw a substantial traction, so all our building blocks in which we have been investing that is branding, innovation, new channels, new products, new geographies has started showing traction now. So we have seen Christy growth of 24% in Q1 FY18, and in domestic market in Spaces we saw a 43% growth in the 'Spaces' brand sales.

In terms of innovation, Hygro has already become about \$200 million business for us. We also received the license for FIFA World Cup 2018 for Russia, so we have got the global license for that. We have been gaining a lot of momentum in terms of sports vertical, so we started with Wimbledon, we got Royal Ascot, year before last, we also had the Rugby. Last year, we did World Cup T20. So this sports vertical is now achieving a critical mass and we are able to cross-pollinate the ideas from one sport to another sport.

We also added another channel which we have been focusing was hospitality, we added a major client during the quarter. And we have been preparing this Company actually for the new edge customer, so we have been working on our omni-channel strategy and we saw a 400% growth in our E-commerce during Q1FY18. So, while of course, this is in nascent stage, so the base is small, but we are ready with all the building blocks, so you never know when that tipping point comes. So today we are ready with, the seamless drop shipment which can happen either through marketplaces or through the retailers' own website. We are ready with the Pick and Pack facility at various warehouses India, UK, as well as US.

Coming to the numbers, we had revenue of 1,539 crores, which is about 3.3% lower than the last year. We have EBITDA of 333 crores and that gives us EBITDA margin of 21.7%, so which is within our guidance of 21% to 22%. So this year we have been reporting finance cost net of the interest income, because we have about almost close to 400 crores of treasury, which we net off from the gross debt. So correspondingly, the income on that treasury is net loss from the finance cost, we are at 31.5 crores finance cost for the quarter.

Depreciation is 118 crores and PBT is 183 crores compared to 294 crores last year, PAT is 124 crores, which gives us EPS of Rs. 1.24 per share. Cash profit is 269 crores. We have been able to maintain our net debt as we have been guiding for always, so we are at 3,106 crores of net debt, which is marginally about 67 crores higher than, year ended March 2017. In terms of net debt to equity, we are at 1.23 compared to 1.27 times. Net debt to EBITDA is 2.33 times, which is, of course, the drop is because of the EBITDA margin. So ROCE is at 14.4% and return on equity is 20.2%.

In this quarter, there is a slight increase in the inventory that is on the back of certain roll-outs which are planned in Q2 FY18. And the employee cost has been higher than corresponding quarter last year that is because we had this salary revision effective 1st July, and of course, the revenue base which is slightly lower compared to last year. On other expenses, we are slightly higher because of a certain freight cost which we had to incur to meet some urgent delivery and additional job work which we had to do.

So with this, I would like to leave the forum open for any question-and-answer.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. We'll take the first question from the line of Sumant Kumar from Emkay Global. Please go ahead.

Sumant Kumar: Sir, what is the growth ex- 'Target', so we know annually the 10% of the business is for the target, but for the quarter if we subtract the 'Target' revenue in Q1 FY17, so what will be the growth for Welspun in Q1 FY18?

Altaf Jiwani: So Sumant, we don't look at these kinds of numbers internally. So we are looking at quarter-on-quarter growth with whatever base is there, we are going by that, so we do not look at this figures internally. But it is all arithmetic which you can calculate.

Sumant Kumar: Okay. So regarding margin, we have seen a significant decline in margin more than 500 bps. So going forward, we expect the raw material cost is going to decline, so assuming that and the currency is going to stabilize, so what kind of margin we can see from here?

Altaf Jiwani: So Sumant, based on the current situation, well, yes you're right, we are seeing a substantial drop in the cotton prices, so in MCX it is available at Rs. 37,000 per candy right now, but there are certain headwinds as far as currency is concerned. So as of now and then, there are few more moving parts like GST, so we don't see any reason for revising our guidance for

EBITDA margin, which is 21% to 22%. So we would like to remain at the same in our guidance. We expect the government to come out with during foreign trade policy which is expected next month, so how will the incentives co-exists along with GST that is expected by end of next month. So we will see what the impact is.

Sumant Kumar: And on Saturday, the government has announced job work for textile industry has reduced from 18% to 5%, so how it is going to benefit us?

Altaf Jiwani: Yes, so see since in GST, we could claim set-off, so in that sense, it doesn't affect my cost, it helps me in terms of working capital blockage, so earlier my input tax credit would have been higher or at least blocked for about a month which now only by 5% which will be blocked. So earlier there were two rates, so GST on job-work up to the stage of fabric was 5% and when you convert fabric to made-up, it was 18%. I mean, the last stage was 18%, which they have now aligned to the previous stages also. So all along in the entire value chain, now job-work will attract 5% GST.

Sumant Kumar: Okay. So how it is going to benefit, do we have this kind of job-work, the post fabric?

Altaf Jiwani: So time-to-time, we have to do, based on the requirement.

Sumant Kumar: Okay. So what is the percentage of that?

Altaf Jiwani: In terms of percentage, it will vary.

Sumant Kumar: It's very minuscule?

Rajesh Mandewewala: Yes, it won't change the needle, so it's not significant.

Moderator: Thank you. We take the next question from the line of Nihal Jham from Edelweiss. Please go ahead.

Nihal Jham: Sir, just taking the point forward on margins. If we understood that in Q4 we were probably looking at taking a pricing increase in line with how our currency was. So just on that, how is our hedge book at this position and have we taken a pricing increase to say keep our margin stable going forward?

Rajesh Mandawewala: So let's say there are this various things which will impact the margin like they have impacted in the past. As Altaf mentioned, a) the raw material prices are again headed let's say the South. Having said that, the exchange rate is also, let's say the rupee is appreciating, so that is a headwind for us. So overall, and there has been some price movement with our clients as well. So with some of our clients, we have been able to move prices up, but with the others, we have not managed to move the prices up. All-in-all, so just making our assessment, we believe that just we can stay on our guidance, which is around the 21% mark on the margin. And so there is nothing which at the current moment including the GST, which is suggesting that we need to move from that guidance. And also the only variable mean that there are some foreign trade

policy related, these clarifications which will come out hopefully by the end of September. So if there are changes because of that, that's a separate thing, but otherwise I think considering our current situation, we will stay with our current guidance.

Nihal Jham: Absolutely, sir. And what was the benefit from ROSL that we got in this quarter, I'm guessing this was the first quarter we got the full benefit of ROSL, right?

Rajesh Mandawewala: Yes. So this April to June quarter, this we've got some ROSL benefit. But look because we are vertically integrated, so there is anyways a lot of input tax credit we were already taking, so our take is this give and take this little bit, but the overall impact should be about 1%, 1.5% this and nothing beyond that.

Nihal Jham: Sure, sir. And just one last question, sequentially if I were to look at our interest cost, they have fallen by I think around 60 crores, 70 crores. So is that we have seen a bigger portion of loan going under TUF, so how has that happened?

Rajesh Mandawewala: No, so this quarter-on-quarter, if you see, so Q1 FY17, we were at 35 crores of finance cost and even this quarter we are at 35 crores, so we are almost flat. This against quarter four, we are actually less by about 6 crores, 7 crores. So overall, our average cost of debt has certainly gone down by a few bps, but overall our debt remains the same at about this 3,100 crores net debt, which is where we were at end of March 2017. And for that matter over the last 2-3 years, we have been constantly at around 3,000-3,100 mark.

Altat Jiwani: Just to add, we prepaid the NCD in the month of, so some of the high-cost borrowings we are actually prepaying, so in the month of March, we had prepaid some of those borrowings and we'll continue to do that as and when such a portion is arise.

Nihal Jham: So that overall explains the 6 crores fall Q-on-Q, the repayment of the NCDs?

Altat Jiwani: It is not the 6 crores, but there will be some more prepayment, some more refinancing we had done in the overseas subsidiaries. So while interest cost, you will see this trend going forward also, interest cost should be coming down going forward as well.

Moderator: Thank you. We take the next question from the line of Ankit Kohli from Pure Research. Please go ahead.

Ankit Kohli: Sir, my first question is broadly at an industry level, we're seeing a lot of capacity expansion by textile and garment makers in India. However, in terms of demand and I'm here referring specifically to volumes, there isn't an uptick to that extent. So can you just share some your thoughts here, are we moving into an asset bubble here in terms of the expanded capacities or what is it that is giving the management across the Board's confidence of the demand coming back. Just trying to understand, what are your discussions with the clients right now, which give you confidence of increased demand in future years?

Rajesh Mandawewala: Yes. So your concerns are absolutely right. So there has been an overhang of capacity, but this is nothing new. So it's been going on for the past two or three years and this capacity buildup has been happening and was already existing even a couple of years back. So as a Company, what we try and do is, let's say this, look at this, those four or five tenets of our growth and which is let's say, innovation, the second thing is, look at this newer product categories, newer channels like E-commerce and hospitality where incidentally this we are making good inroads. And also this renewed focus on the brands that we own, which is Hygro Cotton, Spaces and also this Christy. So just for you to know this, Spaces has actually grown 43% in the first quarter over last year, Christy has grown 24%, and Hygro Cotton this is consistently growing and we are actually investing on all the three brands on the marketing side, so which is bringing results. So there is the capacity buildup is nothing new, so we have seen this over the past couple of years. We will continue to see it and there is certainly this excess capacity in the system. And this it will take a while for this capacity to get taken out, but as a company, we believe we are taking the right measures to let's say this sustain this whatever growth aspirations that we have and this guidance that we have been giving and our business is continuing to grow, so irrespective of whatever.. And if you look at our new base, on that base our business is continuing to grow this with almost all our clients, and this in the other areas of businesses as well. So we have been trying to insulate ourselves in this way.

Ankit Kohli: Okay. So is it fair to take away from this comment that the really big triggers of growth probably are in the private brand space now and the white label manufacturing is probably going to go slower from here on. Is that the right way to understand what you are saying?

Rajesh Mandawewala: See that gets already incorporated in the guidance that we have been this making on growth all this while and which is what we are saying. So a double-digit kind of a growth on the new base. So of course in the current year, the growth is going to be muted for obvious reasons, but on a sustainable basis, we are looking at double-digit growth. Now our business was growing much faster, in fact, we were growing between 15% and 20% let's say this over the last several years. So which is why we have kind of tapered down, let's say this the growth expectations, but nonetheless, we believe our business is still good to grow this at double-digits on of course, the new base this after the last year.

Ankit Kohli: Sir, my second question is on the non-US, apart from a supply perspective, we have seen a lot of companies move to Ethiopia to take advantage of lower raw material cost, low power cost and also you know they have favorable free trade agreements. Is that something that you have discussed or considered and your views on that, and also if there's any update on the FTA with the EU?

Rajesh Mandawewala: So we have looked at this and we continue to look at all these other geographies and we've been doing it, but as far as our products is concerned, the duty levels are not compelling enough for us to move let's say this manufacturing outside India and our products are also very bulky. So it just doesn't make the arithmetic sense for us to move overseas with our manufacturing. So we've looked at almost all this possible areas and we still believe that India today is the best place, let's say for making home textiles, particularly, towels and sheets. So

this we are continuing to invest here. Now coming to the Europe FTA, while discussions are happening but very candidly, I think the progress is not as much as one would like and considering this Brexit happened last year and so now this we are actually this busy let's say dealing with that issue this first. Having said that, I think discussions are continuing to happen. I think there is good intent on both sides, both EU as well as India. There's also a likelihood that at some stage discussions will start with the UK for an FTA. So, but it's still is work-in-process and it doesn't look like anything is going to happen tomorrow and so it's going to take a while..

Ankit Kohli: Sorry, if you can just indulge me in one follow-up and this is my last question. Especially so research shows that, let's say in a country like Ethiopia, the power cost is Rs. 2 per unit versus 7 here and also they do not have any FTA, I mean, any duty. So is that a product specific or is it across the board because if it's across the board and I'm assuming then the maths should work for Welspun also. Am I..?

Rajesh Mandawewala: No, see this, so while the cost parameters are, advantages are across the board, but for our products the duties are not high enough in the markets that we operate in for us to move. And so there is also a huge supply chain cost that you incur and also lead time inefficiencies that, that the system inherits the moment let's say you shift outside. So we have done our math and for us, for our product categories where the duty levels are in single-digits, it just doesn't make sense and this at the bottom line level in fact, we are better off let's say working out of India.

Moderator: Thank you. Next question is from the line of Giriraj Daga from K M Visaria. Please go ahead.

Giriraj Daga: Couple of questions. One is that you had a new client in hospitality. Would you like to share some like size, one, possibility of business, what kind of business we are expecting in FY18 or FY19 per se?

Rajesh Mandawewala: This we don't share specifics, but let me tell you that we are happy with the progress we are making in that area. And this we are making progress not only let's say in the overseas markets, but also in the domestic market with the hospitality industry. So it would be inappropriate for me to name clients, but they are a marquee hotel client, so we are very happy with the progress.

Giriraj Daga: Just to understand it is like the hospitality client or it is the aggregator which we are adding?

Rajesh Mandawewala: No, these are all hospitality clients and whether it is hospitality or aggregators, even whatever business that we do with the aggregator, so our interaction with our clients is direct even if let's say the distribution happens through the aggregator, so we are actively engaged with the final consumer of the product.

Giriraj Daga: Okay, understood. My second question related to like what we have been also hearing from the couple of other people that some of the retailers are actually facing the E-commerce threats

and asking for some price cuts also. Do you also witnessing similar kind of experience from the client?

Rajesh Mandawewala: Of course, we operate in the same industry, so those pressures are being felt. I think the industry is at a point where every retailer is trying to discover what is the right model, how much online, how much offline, omni-channel and things like that. So consequently, let's say, while we are not receiving request for reduction in prices from our clients, so we are seeing that there are frequent promotions at retail, and the frequency of promoting products is significantly increasing. So you are seeing that pressure actually building up into the system. Having said that, so this we are also, let's say, this adequately setting ourselves up in the major markets that we operate in with the E-commerce marketplaces whether it be US or UK and so as a company this we are absolutely prepared and setting ourselves up correctly, so that you know irrespective of where let's say the business happens from, but end of the day, our product moves whatever let's say the channel of distribution.

Giriraj Daga: Understood. My last question relate to duty drawback in ROSL. So I believe that ROSL benefit has been extended by another quarter, and second, the duty drawback, what is the net we are getting, I think it was 4.5%-4.7% net duty drawback where we are awaiting clarification?

Rajesh Mandawewala: Practically for the current quarter, which is July to September 17 whatever was existing this up to June will continue, so this is a transition period, , so the government has allowed the same rates to continue and under the same condition. So overall in the current quarter, I think the negative impact should be just about 1% on the margins and in the July to September quarter. And then I think clarifications will come, as I said clarification should happen sometime in September on this all the multiple, let's say, this duty drawbacks and ROSLs and export schemes and everything. So we are hoping that in the next 45 to 60 days that final rates will emerge. But as we are actively engaging let's say with the policymakers, the general sense we are getting is that the government has seized off the challenges in the industry. And so this they are not looking to rattle the boat and they see this as a huge employment generating industry. So at least at this moment we are not seeing something which will be very substantially different in terms of this incentives going forward. It might be, but at least the indications that, that we are getting is that the government is favorably inclined and they are looking to find the right solution so that industry can grow and maintain its market.

Giriraj Daga: Just a clarification, you said 1.5%, it is only the ROSL benefit right, your duty drawback is separate and over and above that?

Rajesh Mandawewala: Yes. Duty drawback is separate, so the benefit of duty drawback has continued for the current quarter, so July to September

Giriraj Daga: And our margin of 21-22 is assuming that it will continue for FY18?

- Rajesh Mandawewala:** Yes. And again, see our guidance is for 12 months. This quarter-on-quarter, it might be a little up and down, so we are guiding for 12 months subject, to no major change happening with as I said with the government incentives, but the way things are we believe, we should be on our previous guidance on margin.
- Moderator:** Thank you. We take the next question from the line of Abhilasha Satale from Crest Capital. Please go ahead.
- Abhilasha Satale:** I just want to know that how much is Christy, Spaces, these branded products is contributing to our revenue, entire revenue?
- Altaf Jiwani:** Yes. So Abhilasha we give annual numbers actually, so our branded revenue is about 16% in FY17, so we don't give every quarter, but year ended March '17, we were at 16% of our revenue was through branded products.
- Abhilasha Satale:** And do we see this growth continuing year-on-year, what is our target like to reach by FY20?
- Altaf Jiwani:** So actually last year Chairman had announced our vision for five years, which is we are saying that the innovative and the branded products together would contribute about 50% of our revenue.
- Abhilasha Satale:** Okay. So innovative products as of now are contributing around 30%?
- Altaf Jiwani:** So last year it was 36%, there is overlap in terms of Hygro, which is in the innovative category as well as the branded category. So we had innovative revenue of about 36% last year.
- Abhilasha Satale:** And how this 700 crores of CAPEX is divided between towel and other segments?
- Rajesh Mandawewala:** So bulk of this capital expenditure is for the carpet project. So the general, the other textile business I think will consume about 200 crores, 250 crores, but the rest of it is for carpets. And as you would recall, we have committed about 600 odd crores for this investment on the carpet project and this will happen over two financial years which is FY18 and FY19.
- Abhilasha Satale:** Okay. And this towel business, then this tiled capacity when will it commence?
- Rajesh Mandawewala:** Towel is already done, so towel capacities are already increased to 72,000 and we will get up to 80,000 I think this in the next couple of months. So towel is already done, the rest of the products, so by September all the textile part would get done and then the big capital expenditure remaining will be for the carpet project.
- Abhilasha Satale:** And that we are anticipating in H1 FY19?
- Rajesh Mandawewala:** Correct.
- Abhilasha Satale:** Okay. And how is this finance 70:30?

- Rajesh Mandawewala:** Yes, the financing is 70:30.
- Abhilasha Satale:** And there is no TUF loan in this?
- Rajesh Mandawewala:** No, so TUF now there's no interest benefit, but we are hopeful of getting the state incentives on which is let's say rebate of interest of about 5% or 6%, so that benefit will come to us hopefully.
- Moderator:** Thank you. We take the next question from the line of Yaswanth Badan, Individual Investor. Please go ahead.
- Yaswanth Badan:** I want to know what was your capacity utilization in this quarter for different products, towels and carpets etc.?
- Altaf Jiwani:** So, we don't give capacity utilization on a quarterly basis, but annual which we had announced in FY17, we are practically fully utilized on all product categories. So obviously, bed sheet will be lower this quarter. So for towel, we were almost 97% utilization for the year ended March '17, bed sheets we were at 86% and rugs we were at 85%.
- Yaswanth Badan:** And this towel capacity utilization as you just told is over the end, the benefit should come in the next quarter, this quarter?
- Altaf Jiwani:** No, it will be actually in the second half, H2FY18.
- Yaswanth Badan:** Second half, okay. And next question, what's the status of this legal case which is going on with Target Corporation?
- Rajesh Mandawewala:** No, we have no legal case with Target Corporation. These are class action suits, so we are currently defending ourselves and there is nothing new to report. So our lawyers are defending the case for us.
- Yaswanth Badan:** The status-quo what was last quarter.
- Rajesh Mandawewala:** Yes.
- Moderator:** Thank you. We take the next question from the line of Bharat Shah from ASK Group. Please go ahead.
- Bharat Shah:** Just wanted to confirm, these ROSL benefit, whenever it is clarified that will come in effect on April or it will be from the date of announcement?
- Rajesh Mandawewala:** So this is a good question. As of now, it seems that it will be from 1st of July, which is when GST got implemented, but we'll have to wait and see, we'll know only when it happens. So as of now all indications are that it will be effective from July 1. Although, let's say you have today the option to avail let's say the old rates, so if you want to go with that option you can.

So for all practical purposes, you can say the rate for the current quarter at least is going to be the same.

Bharat Shah: And that means for the April to June...

Rajesh Mandawewala: April to June is already done, so there is nothing that is going to change on that. So this GST came in on July 1, right, so whatever the new rates will apply only from July 1.

Bharat Shah: Okay. So maybe I did not understand completely. You said your 1% margin got impacted because of ROSL?

Rajesh Mandawewala: No, we are saying this is our expectation once the rates are announced. So this in the current quarter, let's say, it might impact margins by about 1%. So every company is choosing let's say to some companies like to take credits of inputs, some don't like to take credits. So considering all that, we believe that this as a worst case at least in the current quarter, July to September, it might actually be a 1% impact and which also we have factored into our guidance. So it should not impact this, let's say the guidance.

Bharat Shah: So going forward is what you were talking about?

Rajesh Mandawewala: Yes. Going forward, beyond Q2FY17, it is very difficult to ascertain at this point of time because we will need for the rates to get announced and as I said it might take about 45 to 60 days. So as of now, there is clarity on the current quarter. So this beyond that, work is happening through the associations and so we will know exactly only when it happens. So right now as I said the indications we are getting from the government is they don't want to disrupt anything and this is an industry where there is a lot of employment that gets created. And so they don't want to do anything disruptive is the indication we are getting, but the exact thing we will know only when this let's say the necessary announcements get made.

Bharat Shah: Okay. So if I have understood correctly, what you've meant to say was that at worst, these delay may cost you about one or this announcement may cost you about 1%?

Rajesh Mandawewala: No, that's not what I said. What is going to happen beyond September this we'll have to wait and see, because those announcements have not been made. With the current set of incentives the way they are for July to September let's say this, the downside on margin is 1% and which is only for the July to September quarter.

Bharat Shah: I see. And from 1st October whatever picture will be, will be known by September?

Rajesh Mandawewala: Hopefully, yes..

Bharat Shah: Okay. Secondly, I wanted to understand these, this is more a macro question. We are negotiating with Europe and UK, but on the other hand we see even tiny nations able to get FTA agreements, what does come in the way for country like India to get FTA agreements done steadily?

- Rajesh Mandawewala:** That is a good question, perhaps the fact that we are not tiny is coming in the way. So we are a huge market and everybody wants their pound of flesh in terms of access to our markets with things like wines and automobiles and government contracts and things like that. So that is precisely the reason why it's actually taking more time and it's still not concluded.
- Bharat Shah:** I see. Okay. So actually our size is coming in the way?
- Rajesh Mandawewala:** Correct.
- Bharat Shah:** Okay. But I hope it is not because we as a country are not trying hard enough?
- Rajesh Mandawewala:** No. So the need is felt on both the sides, I think there is sincerity on both sides. It's just that the process is taking longer than all of us would want to see concluded, but I think the intent is there on both sides.
- Bharat Shah:** Okay. Thirdly, when are you going to distribute sweets on account of Target?
- Rajesh Mandawewala:** As and when that happens gentlemen, we will be very happy to do that, so as of now, we have nothing to report.
- Moderator:** Thank you. We take the next question from the line of Kaustav Bubna from SKS Capital. Please go ahead.
- Kaustav Bubna:** Does your domestic revenue guidance include any possible revenue inflow from IKEA in the future?
- Rajesh Mandawewala:** We already have business with IKEA not in the domestic market, but in the international market. As and when they are ready, they are already our client, so we believe they will come whenever they start
- Kaustav Bubna:** So when they come to India there will be...
- Management:** We believe the business would get started with them as and when they start.
- Moderator:** Thank you. Well sir, that was the last question. I now hand the floor over to the management for their closing comments.
- Altaf Jiwani:** Thank you everybody for joining this call. If there are any more questions, we'll be happy to answer, you can contact our IR team, and we look forward to interacting with you in the near future as well. Thank you very much.
- Rajesh Mandawewala:** Thank you.
- Moderator:** Thank you. Well, ladies and gentlemen, on behalf of IIFL Capital Limited, we conclude today's conference. Thank you for joining us. You may now disconnect your lines.