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**Sub: Transcript of Analyst/ Investor Conference Call**

Dear Sirs,

Pursuant to Regulation 30(6) and 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that a Conference Call for the analysts and investors to discuss the financial and operational performance of the Company for Q3 FY24 was held on February 8, 2024.

Please find attached herewith the transcript of the aforesaid call. The same has also been placed on the website of the Company <https://corporate.apolloyres.com/investors/ir-updates/>

This is for your information and records.

Thanking you,

Yours faithfully,

**For Apollo Tyres Ltd.**

**(Seema Thapar)**

**Company Secretary & Compliance Officer**



## Apollo Tyres Ltd Q3 FY24 Earnings Call

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**Moderator:** Hello, everyone. On behalf of Equirus Securities, I welcome you all to the Third Quarter FY24 Earnings Call of Apollo Tyres Ltd. From the management side, we have Vice-Chairman and Managing Director, Mr Neeraj Kanwar, CFO, Mr Gaurav Kumar and members of IR team.

Without further ado, I hand over the call to Mr Kanwar for opening remarks, post which we can open the call for Q&A. Over to you, Mr Kanwar.

**Neeraj Kanwar:** Thank you; good afternoon everyone and thank you for joining us today. As always, I welcome you all to our post results quarterly call. Over the last few years, we have tirelessly focused on improving business fundamentals. Despite subdued demand conditions and the challenging environment across some of our key markets, the team has really delivered its best ever operating performance with our highest ever consolidated EBITDA of more than INR 12 billion in Q3 FY24.

Let me take this opportunity to thank all our stakeholders for their continued support as we scale new heights. I remain very bullish on the future prospects of our company as we are extremely well-placed to deliver superior, sustainable and profitable growth over the medium to long term.

Coming to our performance. Despite headwinds in some of our markets, we reported both Y-o-Y and Q-o-Q growth in consolidated revenues along with impressive 410 basis points Y-o-Y improvement in consolidated EBITDA margin. The performance was driven by improved sales mix, a benign RM cost and tight control over our overhead costs.

Going forward, we maintain a cautiously optimistic stance on market demand. While we expect a recovery in demand environment in mid-long term, top-line growth is expected to remain muted in the near term. In Europe, we expect the demand to further recover from current sales. We expect the operating environment to remain healthy, helping us further strengthen our balance sheet and pare down balance sheet leverage.

Let me now talk about our key pillars for our Vision FY26. Starting with technology, R&D remains one of the key focus areas. During the quarter, we gained OEM fitments for some of the biggest automotive companies globally, including nomination for vehicles in the niche segments like electric SUVs. Continued work on new material compound development, is playing a vital role in development of new age products. During the quarter, we introduced a new range in domestic commercial vehicle market. And over the next few quarters, you would also witness several exciting launches across our key markets.

Moving to Digitalisation, it is increasingly becoming a cornerstone of our strategy as we harness and leverage best in class technologies and tools like data science, machine



learning, generative artificial intelligence to become future ready and improve our existing processes. We have identified and put in place actions to increase efficiency in our plants, thereby further adding to our ROCE journey. Finally, we are engaged with several startups through our Digital Innovation Hubs with clear focus on identified areas of work like customer experience, etc.

Coming to Sustainability, the team continues to scale new heights as we go ahead. As part of our decarbonisation strategy, we have taken initiatives to lower the emissions. The manufacturing plants at Chennai and Limda in India and Gyongyos in Hungary have invested towards renewable energy projects, which has helped them increase share of renewable electricity in total electricity to 25%.

Talking about the Brand, we continue to invest in brands across our key geographies. Starting with India, we launched our new Apol10 campaign featuring Sachin Tendulkar in a new avatar, leading to improvement in our brand awareness. Furthermore, we were able to maintain our leadership position on social media during the festive season in Quarter 3.

Coming to other key markets, Vredestein was the official tyre partner of the 1000 Mille Miglia, a vintage car race. We are also one of the official sponsors of the 2023 FIS Alpine World Ski Championship being held in France. The ski championship is a flagship event in the global winter sports calendar, attracting millions of enthusiastic viewers worldwide.

Finally, last pillar of our strategy is our People. As we focus on D&I, we have rolled out revised HR policies supporting diversity, including domestic travel policy, maternity policy, etc. To drive employee engagement, we have launched Apollo Recognition Hub as our new brand unified global rewards platform dedicated to celebrating the remarkable achievements of Apolloites worldwide. As always, we are keeping a close watch on the markets and our costs. We'll continue to be judicious about CapEx and we'll continue to focus on sustainable and profitable growth.

With this, I'll conclude my opening remarks. Thank you for joining. I hand over the call to Gaurav. Thank you.

**Gaurav Kumar:** Thank you, Neeraj. And good afternoon, ladies and gentlemen. Continuing from where Neeraj left, let me share further details of our operations for the last quarter. The consolidated revenue for the quarter stood at INR 66 billion, a growth of 3% over the same quarter last year. The consolidated EBITDA for the quarter stood at INR12.1 billion, a margin of 18.3% compared to 14.2% in the same period last year and slightly higher 18.5% in the last quarter. In terms of our continued focus on profitability, our net profit was more than 1.8X and EBITDA more than 1.3X of the same quarter last year.

Coming to the balance sheet. We continue to improve our leverage ratios, given the focus on cash flows and profitability. The net debt to EBITDA for the consolidated operations is now at 0.7X versus 1.4X in March 2023. We continue to deliver a healthy consolidated ROCE, annualising the current year performance, the ROCEs would be in the range of 16.5%. In



India, we witnessed Y-o-Y volume growth of mid-single digits, helped by growth in replacement and export channels. Replacement demand continues to show momentum.

Operational efficiency and strict cost control led us to report a very healthy improvement in EBITDA margin, a 519 bps Y-o-Y and a healthy free cash flow. In terms of outlook, while the volume growth may remain muted in near term, given our strong focus on business fundamentals, cost control and free cash flow generation, we expect the operating performance to continue to be strong.

Coming to Europe, the market is showing signs of recovery with PCT volume showing marginal growth. The all-season segment registered double-digit Y-o-Y growth in Q3. We registered a 4% sequential improvement in top line and a very significant improvement in margins, 493 basis points Y-o-Y and 624 basis points Q-o-Q. We have gained market share across all segments, passenger cars, truck and agri segments, with a very healthy volume growth in the Vredestein brand passenger car sales. Our UHP mix continues to remain very healthy.

In terms of near-term outlook, we expect marginal growth in the passenger car segment, and a very significant improvement in the second half of the year. We expect the operating performance to remain healthy, helped by the current RM scenario and the focus on cost optimisation. India Operations, the revenue for the quarter was INR 43.3 billion, a growth of 2% over the same quarter last year. The EBITDA for the quarter stood at INR 7.8 billion, a margin of 18.1% compared to 12.9% in the same period last year and 19.1% for the last quarter.

Moving on to European Operations. The revenue for the quarter was EUR 176 million, up 4% sequentially as I mentioned. The EBITDA for the quarter stood at EUR 36 million with an EBITDA margin of 20.3% compared to 15.4% in the same quarter last year and 14.1% in the September quarter. There is no change in our Capex guidance for the current year and we will continue to focus on profitability, free cash flow generation and improvement in our ROCE as we go ahead.

With this, I will conclude my opening comments. Thank you. We would be happy to take your questions.

### **Question and Answer Session**

**Moderator:** Thanks team for that opening remarks. We will now start the question-and-answer session. We have our first question from Mr Siddharth.

**Siddhartha Bera:** Thanks for the opportunity. Sir, my first question is on this outlook. First is basically for this quarter, can you indicate what will be the growth, volume growth on a Y-o-Y basis across the CV, PV segments in the replacement market? And second is, I mean, where do you see the most issue in terms of the recovery? What will drive that? Which segment

seems to be lagging according to you? And second is on the export side also, we have now been looking at quite a modest number for past few quarters. When do you think this recovery will start playing out?

**Gaurav Kumar:** So, Siddharth, in terms of the truck volume growth was 3% and passenger car 7%. So even on the two main channels, the overall growth is still low to mid-single digits. Exports have started showing signs of pickup. For the first time, we had a sequential growth. So, we expect things to improve. In fact, some of the exports were impacted by the disruptions in the Red Sea. Otherwise, our growth in exports would have been more.

**Siddhartha Bera:** And second is on the gross margin side. So, we have seen a good improvement in the current quarter. We had earlier guided that we may see a 3% to 4% increase in the RM costs in the quarter given the commodity movement. So, what has changed here and how to think about the numbers going ahead now?

**Gaurav Kumar:** So, the RM did increase -- the RM basket increased by about 2%, lower than what we had guided at the end of the last quarter. But it still did increase. The gross margin is a little bit of an inventory effect. The outlook is fairly flattish. So similar levels of raw material continuing in near term and then maybe slightly inching up.

**Neeraj Kanwar:** Gaurav, also another point is the richer product mix which you missed out on. So, like you know, I've been saying this for a long time that we are emphasising on the product mix basket and trying to see how we can go to more profitable products, both in India and in Europe. As far as Europe is concerned, I'm happy to say that they have crossed the 45% mark in UHP and UUHP. So those are larger profit pools giving you better margins, healthier margins. Even in India, the product mix is becoming richer, both in PCR and in commercial vehicles. So that's part of why the margins are also better.

**Siddhartha Bera:** Got it. So lastly, on the Capex side, I mean, I know we have maintained it at about INR 11 billion, but doing INR 6 billion now in the last quarter, do you think it is possible or why we are sticking with the guidance when we are doing much lesser than the target? And if you are planning to spend so much, I mean, which areas do you plan to invest?

**Gaurav Kumar:** Siddharth, a whole lot of Capex is in the pipeline. So, the approval process is there and some of the cash flows haven't happened. We may end up lower by INR 1 billion, INR 1.5 billion but fundamentally, it's not as if suddenly a whole lot of new Capex will come up in the last quarter.

**Moderator:** We have our next question from Raghunandan.

**Raghunandhan N.L.:** Thank you, sir, for the opportunity and congratulations on strong margin and leverage performance. My first question to Neeraj sir. Sir, you spoke about how the focus is there on improving product mix. And especially in India, if you can elaborate a little on how things are shaping up in PCR and CV. PCR, how the higher diameter tyres or how, you



know, the acceptance is there for the more premium brands. And also, if you can talk about your readiness, especially to cater to the premium segment or luxury vehicles.

**Neeraj Kanwar:** Okay. So, as you mentioned about the diameter and Gaurav you can give me that figure, 12 and 13 inch, which is not profitable -- not so profitable like the 15 inch and above. Slowly Apollo has been coming down in that area. We used to be a very significant player 10 years ago, but over time, that pie has reduced and more focus is there on the higher inch sizes in PCR.

As far as premium is concerned, as you know, we have launched the Vredestein brand, I think, 2 years ago. That is playing in the higher luxury car segment, let's say the Mercedes and the BMW and the Audis, whereas Apollo plays in the medium to premium segment. And there is a very good demand coming for the Vredestein brand, which is another profit pool which is being added. So, Vredestein is really playing with the Bridgestone's and the Pirellis, Michelins in India. That's how we have priced it. It's much higher than Apollo. And that is the target audience that we are going after. Slowly, slowly, also, you will be seeing Vredestein retail stores that are coming up all across India, and that will add another profit to the margins.

**Raghunandhan N.L.:** And in terms of the pricing, when I compare Apollo medium to premium, how would you compare the pricing with that of, you know, peers and Vredestein.

**Neeraj Kanwar:** Okay. If Apollo is 100, just as an index, yeah, then our Indian players are below 95. So, some are even in the late 80s. And then the higher end at 110 would be Vredestein and above -- or 107 would be Vredestein, 110, 112 would be Bridgestone. So that's how we have priced it.

**Raghunandhan N.L.:** Got it. That's very helpful. And Gaurav, would you have that breakup between inches, 12, 13 inch and above 15 inch?

**Gaurav Kumar:** Raghu, we can come back with exact numbers. But 10 years back, 12 inch was the largest selling size which was about 30% of our portfolio. It then moved to 13 inch. Currently, within our portfolio, 14 inch is the largest selling by diameter. And the 12, 13 inch, which used to be almost 50% would now be lower than 25% as a broad indicator.

**Raghunandhan N.L.:** Got it. That's very helpful. And on the CV side also, you said that the product mix is improving. Would that be because the entire CV industry is seeing a shift towards higher tonnage vehicles?

**Neeraj Kanwar:** Yes, partly. And also, what we are doing is we are redeveloping the products because now we've got a good 20 years of experience. So, we are re-looking at weights, we are looking at compounds and trying to see how we can make these tyres much more profitable.



**Raghunandhan N.L.:** Got it. And in terms of again continuing on the product mix side with your readiness on the electric vehicle tyres, you know, is this journey started in terms of getting the product readiness and how these tyres would be costlier compared to the ICE tyres?

**Neeraj Kanwar:** So not readiness, we've already launched EV tyres for electric vehicles. It's been, I think, over 6 to 8 months where we've already launched in Europe and in India. So, the difference in electric vehicle tyre is really the rolling resistance and the noise. Because now it's only battery, so you can't even hear the engine. So, noise becomes a very big attribute in the product. And we've been doing this now for several years because the OEs have been demanding this also for normal cars. And so, there's nothing new. But nevertheless, we have come out with a range of EV tyres for India and for Europe.

**Raghunandhan N.L.:** And any thoughts on how the content per vehicle increases, how the pricing increases, EV versus ICE tyres?

**Neeraj Kanwar:** Gaurav, you want to comment here?

**Gaurav Kumar:** Raghu, right now we don't have a very like-to-like comparison because the SKUs are not similar. So, we'll have to really go back to technology team and Himanshu can come back with that data.

**Raghunandhan N.L.:** Thank you so much, Gaurav. Just a last question. Any impact you're seeing due to the Red Sea issues, that any temporary impact on delay of dispatches or increase in the freight cost?

**Neeraj Kanwar:** So, basically, the freight costs have gone up by around 30% to 40%, but that's short term. And the transit time has gone up to coming to Europe, not to America, because America goes a different route. But to Europe, it's taking around 14 to 15 extra days.

**Moderator:** We have our next question from Aryn.

**Aryn Pirani:** Yes. Hi, thanks for the opportunity. My first question is just to, you know, continue on that Red Sea issue, which you talked about. So given that, you know, material part of our Europe business is also serviced from production from India, if I understand correctly. Does this mean that we should be prepared for, say, a softer 4Q or you think that that is not going to be a problem? Because the transit times have increased and freight costs have also increased. So how should we think about that?

**Neeraj Kanwar:** Well, I don't think we are looking at a softer Q4. Obviously, this issue has been going on since November. So, inventory planning has already happened. And if the cost -- if this continues, then generally the distributor, the dealer in Europe takes on the cost. So, like



we saw during COVID times, the cost had nearly increased by 3X or 4X. We were then able to pass on the cost to the distributors.

**Amyr Pirani:** And just as a follow up, the production that you do within Europe, are there any supply chains which come through Asia in terms of raw material, which impacts it? Because I think Michelin said something about shutting down plants in some areas. So just wanted to understand on that.

**Neeraj Kanwar:** Yeah, even we've seen that, but we're not having any disruptions as far as RM is concerned.

**Amyr Pirani:** Okay. And just one last question on India. One of you mentioned that truck volume growth was 3%, PV was 7%. Was this specifically for replacement? Because your overall revenue growth is much lower. And if volume was low to mid-single digit, then I mean, what is going on there? Just wanted some clarification.

**Neeraj Kanwar:** This was overall, Amyr, there are also other segments, and this is for the quarter, so, the farm, etc would be possibly lower growth.

**Amyr Pirani:** Okay. So just to stick to that, revenue growth, you know, has been quite weakish, not just for you, for the industry. And, you know, obviously now OEM volumes are kind of starting to moderate. So how should we think of volume growth as well as revenue growth going forward? Because while you have seen a lot of benefits on the gross margin side, I'm assuming that that is not going to be a further driver of EBITDA growth. In fact, in this quarter, I think other expenditure also rose quite sharply. So how should we think of volume growth? Because I think that will be a more important driver of margins going forward than the raw material benefits.

**Gaurav Kumar:** To answer the latter part of your question, Amyr, yes, other expenses increased that was due to increased spend on advertising and promotion. That's discretionary, which could come quarter to quarter. In the near term, we definitely see the volume growth still being subdued, let's say about a mid-single digit, the current kind of a scenario at best. The expectation is that exports, which has been one of the big laggards, is showing signs of picking up, but in near term, it is still the mid-single digit kind of volume growth.

**Moderator:** We have our next question from Jinesh.

**Jinesh Gandhi:** Quickly, on the India business first. So, how has been our market share trend in both in TBR and PCR? I mean, if I compare with the vis-a-vis last year, are we trending up, trending down or is it being stable?



**Gaurav Kumar:** Jinesh, there is no official data from the association. Our broad indication is that we would have maintained market share in the passenger car segment. We may have lost some decimals in the truck segment.

**Jinesh Gandhi:** Okay. So, nothing sizable in terms of increase or loss?

**Gaurav Kumar:** Yes.

**Jinesh Gandhi:** That's good to know. Secondly, in terms of utilisation, we would be what about 80%-85% in both India and Europe or Europe --

**Gaurav Kumar:** Still in the 70s, mid to high 70s. So, lot of capacity still there for growth.

**Jinesh Gandhi:** Europe is also mid-70s.

**Gaurav Kumar:** Yes.

**Jinesh Gandhi:** Okay. And lastly, more from medium to long term perspective, given where we are in terms of our balance sheet improvement journey, which we have come a long way. Now, do we need to have more balanced approach towards balance sheet discipline and growth?

**Neeraj Kanwar:** Yeah. So, that's a good point. I think going forward, like I've been saying, the next 2 years, we are going Capex light. With digitalisation, we are seeing a lot of improvements in productivity happening in all our plants. So, my emphasis into the organisation is to put more focus on AI and machine learning and try and ease up capacity. Currently, capacities are running at 80%-85%. But even if the markets were to grow much more aggressively, I think we are ready to take on that demand from the current capacities. So, we'll continue to have a look and do the balancing. But we do not have any major growth plans coming ahead.

**Moderator:** We have our next question from Arvind.

**Arvind:** Hi, sir. Thank you for taking my question. Sir, the question is more on the pricing. Since you said there has been a slight escalation in raw material basket or is going to be. How is the pricing environment? If you could just share any price hikes taken in third quarter or any planned over next 3 to 6 months.

**Gaurav Kumar:** So, Arvind, no price hikes have been taken. While yes, raw material did go up marginally and that's reflected in a slight reduction in the margins, profit margins. Currently

the raw material scenario is still fairly benign. So, there is no price increase planned. We will see as to how things are and then take a call.

**Arvind:** And Gaurav, if I may just add on to it, given where the margins are right now and you said it is sustainable, do you see that there could be some pricing actions to improve market share or do you think these margins and market share both are sustainable at the current stage?

**Gaurav Kumar:** So, Arvind, we do not give margin guidance. This kind of raw material scenario has been prevailing for some time, a little bit movement up or down. There's been no significant pricing action by any of the players to grab market share. Small bit of discounting schemes have happened, which is usual for the industry. As of now, for the past few quarters, we haven't seen any major pricing action. Still difficult to predict the future.

**Moderator:** We have our next questions from Mumuksh.

**Mumuksh:** Hi, sir. Thank you so much for the opportunity and congratulations on the solid margins. Can you share how is the growth in the replacement market and also subsegments in the replacement market?

**Gaurav Kumar:** Replacement market, the growth in the current quarter for truck in fact was 8% volume growth and for passenger car, it was 4%.

**Mumuksh:** Got it, sir. And sir, in the OEM segment, this quarter, PV and CV OEM production was in positive growth in Q3, but we had a flat volume performance. What could be reasons for the slight underperformance?

**Gaurav Kumar:** On truck side, one of the reasons was that where we have a certain amount of higher market share, which is multi-axle vehicles, there the growth was lower and which reflected in how it played out in our volumes.

**Moderator:** We have our next question from Nishit.

**Nishit Jalan:** Yeah, hi. Thank you for the opportunity and congratulations on good set of numbers. I have two questions, right? First one, we have enough land in Andhra, I think to go brownfield. So just wanted to understand if at all we have to do Capex or double up our capacity in trucks and PCR, what kind of Capex would that entail? Last time, if I remember correctly to set up, I think about 15,000, 16,000 car tyres and 3,000 truck tyres per day, you incurred about, I think around INR 4,000 crores kind of a Capex.

And number two, Neeraj, you have talked about digitisation, AI and machine learning. Can you give a few examples as to what, how that has led to capacity increase or productivity

increase? And if you can share some, any broad numbers, let's say if you had 50,000, 52,000 tyre capacity in PVs, how has that increased because of these initiatives?

**Neeraj Kanwar:** Okay. So, you've asked a lot of questions. Let me try and answer. Yes, Andhra, we can -- actually the land, we can go at least 3X of what is already installed. But, you know, the initial capacity, the initial investment to create this capacity is much more and then comes in phases and in steps. So, you're right to set up the 16,000 and 3,000 TBR, we spent around INR4,000 crores. But going forward, that 16 won't be 16, we'll go incremental. So, we'll go 8,000 of PCR. That's one block. And then, TBR goes up by, I think, 1,200 or 1,500. That's another block. That kind of an investment you are looking at half of what is the initial investment, because the initial investment has also been put up for the infrastructure around the plant, which includes utilities, roads, canteen, offices, etc. So, you don't need to invest in that anymore. So that's your first question.

The second one, I can cite you an example of, so today what's happening is there are seven plants that we have. All the data now is on the cloud. And we are getting real time data and the data scientists sitting in the UK and in India, we have these two data hubs, innovation hubs, where the scientists are sitting and analysing the data. When you look at, let's say mixing, today we have around 45 mixers across the organisation. To mix the same compound, some are running at different speeds, some are running at different speeds. So, what happens is we are trying to standardise that; so that all speeds of the same compound are similar. What happens then is that the productivity increase that we've seen is around 10% to 12% on the mixing capacity. And just to give you another data point, to put up a mixer, it costs you, anyways, from INR 25 million to INR 30 million. So that's what you are really saving on.

And then you also mentioned about the capacity enhancement. So, we are already looking at increases. Gaurav, what was our PCR capacity total? 68,000 per day, right?

**Gaurav Kumar:** Across the various plants, it was 68,000. We are looking to get into next year at 73,000.

**Neeraj Kanwar:** Yeah. And that 68,000 going to 73,000, that 5,000 has come purely because of AI, machine learning, corporate engineering, manufacturing technology. There's a whole team that's working towards this.

**Nishit Jalan:** Wow, that's very good, I think. That will save you a lot of capex as well.

**Neeraj Kanwar:** Yeah, I just gave you the capex figures. It's huge. And if you are able to do more, which we will, we will keep on emphasising on this point. So, I'm more open to putting money behind digital rather than to put behind equipment, which is much cheaper. I mean, to go digital is much cheaper.



**Nishit Jalan:** Correct, correct. And just one more question. Some of our plants in Kerala are kind of old. We would not need to replace those plants or incur a replacement Capex any time in the next couple of years, I assume? Or we will need to do something of that sort?

**Neeraj Kanwar:** Gaurav, you want to answer that?

**Gaurav Kumar:** Nishit, the Kerala plants are fundamentally bias tyre plants. And there's a certain amount of equipment replacement, which is part of the maintenance Capex, which happens. Refurbishment, replacement of any particular Capex. In a summary, is there any major Capex requirement in the Kerala plants or the older plants in the next few years? No. It will be the usual maintenance figure, which has been there for the last few years also.

**Nishit Jalan:** Correct. Got it. And I don't know if you shared. Can you share the consol and standalone net debt numbers? Maybe I missed it if you shared.

**Gaurav Kumar:** Just a minute. So, the standalone net debt number is INR 2,600 crores. And the consol net debt number is INR 3,000 crores.

**Nishit Jalan:** Just one more question, slightly more industry specific and structural, not quarter linked. So, we have seen the pricing power in the industry improving, obviously, for you and for other players also. What according to you, has driven this in the last couple of years? Is it purely because of imports being restricted and that not impacting the market? Or do you think -- because there have been instances when a market leader has tried to cut prices or become aggressive, but they have not been able to do much, right? So, just wondering, your parts of the industry, is import the only factor which has played such a big part? Or there are other factors also which have helped in our improvement in pricing power in the industry?

**Gaurav Kumar:** So, Nishit, it's a difficult one to answer because each player goes through their own thinking. Imports being restricted is definitely a helpful factor, but keep in mind that the import share was still a small one, ranging from about 10% to 15% across truck and car categories. The domestic players, including some of the multinationals, still were having the larger market share. And a benign raw material scenario and some bit of rationality has obviously helped in the last few quarters.

**Neeraj Kanwar:** And some sort of maturity also I would add to that.

**Nishit Jalan:** Yeah, I hope that maturity continues. Thank you. All the best.

**Moderator:** As there are no further questions, now I hand over the call to the management for the closing remarks. Over to you, sir.



**Neeraj Kanwar:** We'd like to thank all of you for joining us and hope to see you in the next quarter. All the best. Keep safe. Thank you.

**Gaurav Kumar:** Thank you.