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RATNAMANI® METALS & TUBES LTD.

RMTL/SEC/POST-TRANS.CON-CALL/Q4/2024-25 May 21, 2024

BSE Ltd. Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P. J. Tower, Dalal Street, Fort, Mumbai – 400 001 Company Code : 520111	**National Stock Exchange of India Ltd.** “Exchange Plaza”, 5th Floor, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051 Company Code : RATNAMANI

Subject: Transcript of the Investor Conference Call post Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended on March 31, 2024

Dear Sir/Madam,

We, vide our letter dated May 14, 2024, had intimated to the Stock Exchanges about the schedule of the Investor Conference Call on Friday, May 17, 2024 post Audited Financial Results (Standalone and Consolidated) of the Company for the fourth quarter and year ended on March 31, 2024 and future outlook of the Company’s business.

The Conference Call recordings have already been uploaded on the website of the Company and a link was provided vide our letter dated May 17, 2024.

We, now enclose a copy of the Transcript of the Investor Conference Call which took place as scheduled. The said transcript is also being uploaded on the Company’s website at www.ratnamani.com.

The Company has referred to publicly available documents / information for discussions during the interaction in the Conference Call and no Unpublished Price Sensitive Information were intended to share during the Conference Call.

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For, RATNAMANI METALS & TUBES LIMITED

Maloo Anil
Digitally signed by Maloo Anil
Date: 2024.05.21 15:54:12 +05'30'

ANIL MALOO
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl.: As above

"Ratnamani Metals & Tubes Limited Q4 FY24 Earnings Conference Call"

May 17, 2024

MANAGEMENT: **MR. MANOJ SANGHVI – BUSINESS HEAD, CARBON STEEL SEGMENT, RATNAMANI METALS & TUBES LIMITED**
MR. VIMAL KATTA - CFO, RATNAMANI METALS & TUBES LIMITED

MODERATOR: **MR. SAHIL SANGHVI – MONARCH NETWORTH CAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to Ratnamani Metals & Tubes Q4 FY24 Earnings Conference Call hosted by Monarch Networth Capital.

As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask question after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sahil Sanghvi from Monarch Networth Capital. Thank you and over to you, sir.

Sahil Sanghvi: Thank you. Good evening to everyone. On behalf of Monarch Networth Capital, we welcome you all for the 4Q FY24 Earnings Call of Ratnamani Metals & Tubes.

So, we are delighted to host the management of Ratnamani and from their side we have Mr. Manoj Sanghvi, who is the Business Head of the Carbon Steel Segment and also Mr. Vimal Katta, who is the CFO.

So, without taking much time, I will hand over the call to Mr. Manoj Sanghvi for their "Opening Remarks". Thank you and to you, Manoj sir.

Manoj Sanghvi: Thank you, Sahil. Good afternoon to all the participants. I welcome you all to this call and hope everyone is doing good. Our results for Q4 and the full year of FY24 have been uploaded on the exchanges and I believe you all had the opportunity to go through the same. In FY24, our company has clocked its best ever performance third time in a row with topline and profitability at its historic highs, consolidated revenues crossing Rs. 5,100 crores and profits approximately Rs. 600 crores. EBITDA margins were broadly in line with our guidance provided last year, albeit EBIT towards the higher side of the band due to the product mix and stable input prices.

As you all know, past few months, projects demand has been both in India and MENA region due to the resurgence of CAPEX. Soft and stable steel prices augur well for our industry, resulting into good demand for water segment, industrial and exports; however, the domestic oil and gas transmission line pipe and city gas distribution business is muted and yet to show signs of pick up. But the business traction in other segments like water line pipes, industrial supplies and SS pipes and tubes continues to remain quite encouraging.

When we began the financial year, our orders on hand were approximately Rs. 2,300 crores. During FY24, we have continued with our strategy to invest in more specialized products and improving efficiency and utilization with focus on technology and infrastructure to remain well ahead of the curve. Our well-calculated and judicious capital allocation in CAPEX and investment resulted in a very sound balance sheet leap to the next level. We are at the fag-end to commission our new expansion project of circulars of pipes for higher diameter and 18 meters in length having thickness up to 150 mm. This will further enhance our product basket for specialized applications. We are quite confident that our growth will be more sustainable with the product buckets and approvals we have, best in segment facilities with benchmark qualities operating and financial leverage we enjoy.

Now, regarding our subsidiary, Ravi Technoforge Private Limited, which has clocked total revenue of Rs. 258 odd crores with an approximate EBITDA margin of 11% and a net profit of Rs. 6.7 crores. The 1st Phase of CAPEX for reorganization of two small facilities to the mother facility has been completed. We are also putting up some more automation and value addition facilities. For our spooling business, we have started commercial supplies for basic hangers and support systems. We expect our pipe cold supplies to commence by August and September of this year. We are expecting the topline growth of mid-teens for RMTL on standalone and even on consolidated basis. Even the margins are expected to remain in line with the variation of 2 percentage points. The present macros look conducive for maintaining our long term growth and margin prospects.

That is all from our side. Now, I would like to invite questions from the participants.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Dhananjai Bagrodia from ASK. Please go ahead.

Dhananjai Bagrodia: I wanted to ask you any volume guidance going ahead for the year what we are looking at in terms of numbers?

Manoj Sanghvi: As informed in my earlier remarks, we are expecting consolidated revenue of close to Rs. 6,000 crores.

Dhananjai Bagrodia: No, in terms of volume break up, any or how would be seen as an asset?

Manoj Sanghvi: Between 10% and 15% growth.

Dhananjai Bagrodia: On an overall basis?

Manoj Sanghvi: Yes.

Vimal Katta: Dhananjai, basically our product portfolio is such where volumes only in terms of tonnage may not be the right thing to monitor. So, we monitor value addition also and the volumes in terms of tonnage also. Product is such where basically benchmarking these things also tonnage, no doubt, but there are other factors also, so usually we prefer giving guidance in terms of amount in crores instead of volume only.

Moderator: Thank you. Next question is from the line of Radha from B&K Securities. Please go ahead.

Radha: Sir, just a bit of clarity, you mentioned Rs. 6,000 crores revenue target consolidated that is for the bearings and the steel pipe for FY25?

Manoj Sanghvi: Yes, it includes all our subsidiaries and the parent.

Radha: Sir, secondly, a bit of clarity on the capacities that we have on the stainless steel. So, I understand that we have around 50,000 tons of capacity overall in stainless steel. So, the breakup of that is in cold finish, we have 10,000 tons, 30,000 for hot finish for which scalable capacity outside is 20,000 tons and another 20,000 tons on the welded size. So, just wanted to understand whether the data point is correct? And secondly, if you could give a breakup of all the utilizations of all the segments of the carbon steel as well as the stainless steel for FY24?

Manoj Sanghvi: Capacities what you mentioned are correct for stainless steel. Utilization level on an average is 60% to 70%.

Radha: So, does this include stainless steel as well as carbon steel?

Manoj Sanghvi: Yes, some products in carbon steel maybe 50%-55%, some are close to 80%. Similarly, in stainless steel also, so it varies from, say it is between 60% and 70%.

Radha: So, segment wise breakup?

Manoj Sanghvi: Segment wise breakup will be difficult, because we had a ERW, spiral, LSAW, coating, induction bands and in stainless steel, we have welded, seamless, cold finish, hot finish, mother hollows, so on an average I can tell you.

Radha: Also, this entire 50,000 tons capacity of stainless steel is operational or any part of the production line is yet to start operations?

Manoj Sanghvi: Entire thing is operational. We have one expansion or capacity enhancement going on which is roughly 1200 to 1500 tons that will be operational by the middle of this year.

Radha: This is on the stainless steel, welded or seamless side?

Manoj Sanghvi: Seamless.

Radha: Secondly, in the steel pipes business which current cost block we can do about Rs. 6,200 crores revenue what I understand, so that gets the headroom for another 25% growth from here on, so on the basis of this are there any CAPEX plan for us for the next 2-3 years?

Manoj Sanghvi: There are 2-3 things in the working, so as and when the time is right or once they pass the liquid test, we will inform you.

Radha: Sir, can you assume Rs. 200 crores on an average CAPEX for next 2 years per year?

Vimal Katta: Lot will depend upon which sort of CAPEX we are going to finalize. So, debottlenecking and normal CAPEX of roughly Rs. 100-Rs. 125 Cr will continue, and the larger CAPEX may happen based on the call which management may take to continue this growth, which may take another 3 to 6 months' time.

Radha: Sir, there was one extra plant in Orissa for which I think we had Rs. 170 crores CAPEX allocated, so that will come in this year?

Manoj Sanghvi: Yes, it will come this year by, but at the back end of this year.

Radha: Sir, lastly, if you could highlight a bit on the demand scenario on both the carbon steel and the stainless-steel business, because I can see in the order book, the export demand for the stainless steel has short up in this quarter. So, if you could just highlight on the demand scenario?

Manoj Sanghvi: Demand for stainless steel like month-on-month, we are booking closed between Rs. 120 and Rs. 150 crores. So, we have seen in the last quarter or so push from Middle East Europe as well as India. So, our order booking month-on-month has increased, which is now surpassing Rs. 150 crores every month. So, that is ordered to order or project to project in stainless steel will be difficult to inform because there are various small orders as well as medium size orders, whereas if we see carbon steel, the demand for industrial height is quite good, including the heavy wall thickness pipe. However, line pipes as I informed in my opening remarks is muted at the moment. Not many domestic tenders we are seeing, but we are seeing a lot of international tenders for oil and gas. If we see city gas distribution which is normally ERW pipes, there also demand, at the moment it is slow, but it is a cycle and we feel that in another 3-4 months, the demand should pick up.

Radha: Sir, what is causing this good demand in the exports market on this stainless-steel side?

Manoj Sanghvi: Stainless steel, carbon steel, both majority of the demand APC is right now in the Middle East, so Saudi Aramco SABIC which is in the kingdom of Saudi Arabia and ADNOC in Abu Dhabi, Qatar, they are all in expansion mode, so that is what is driving the demand in the oil and gas segment.

Radha: Sir, I think last year, we got an approval on the LSAW from Saudi Aramco. So, does this include the order book? It includes the order from those approvals that we have got.

Manoj Sanghvi: No, not yet.

Moderator: Thank you. Next question is from the line of Vikash Singh from Phillip Capital. Please go ahead.

Vikash Singh: Sir, my question pertains to the sharp increase in the SS segment and especially on the export side. So, just wanted to understand which are the geographies where we have managed to make inroads and is it just a temporary or you expect that these kind of deal close or the firm orders should continue on the export side?

Manoj Sanghvi: There was a capacity increase in stainless steel division, the new extrusion which came up in '21-22. So, the capacity utilization is better, and we are able to reach for other products, of course, we were already present, but we have been supplying now to Europe, US, Middle East and the utilization of extrusion has started getting better. That is the reason we see good revenues in stainless steel division.

Vikash Singh: So, this is supposed to be continued because we have the new capacities in place. Is that correct assumption?

Manoj Sanghvi: Yes. As the utilization gets better, of course, the revenues will be better.

Vikash Singh: So, overall utilization level for the new mill would have been right now how much percentage?

Manoj Sanghvi: 35% to 40%.

Vikash Singh: Sir, my second question pertains to carbon steel segment division. We have seen the kind of order booking having diluted or slowed down. So, just wanted to understand this is more related to the election and that is why new orders are not coming or there is some structural softness you are seeing in terms of granting new orders?

Manoj Sanghvi: Yes, one of the reasons we can say election, but that is not the only reason. Normally, we see it is a little cyclic business. So, sometimes there are huge projects and projects come together whereas sometimes you have a situation where, but a few projects are under planning. So, in another 6-8 months, we should see some projects.

Vikash Singh: And sir, in your order mix, oil versus water, how that mix is right now?

Manoj Sanghvi: Of the total order book?

Vikash Singh: Yes, sir, of the total order book.

Manoj Sanghvi: The total order book, I think 20%, close to 20%.

Vikash Singh: Sir in terms of Ravi Technoforge, I believe that this year we need to buy one more chance of the equity at a particular valuation. So, I just wanted to understand have we come to that valuation or if you could disclose us the price at which you would be banked the remaining?

Manoj Sanghvi: So, we have just concluded the board meetings for the subsidiary and RMTL. Based on the audited numbers and the agreement we have; the second branch will be bought. Number and all is still under working because still there are any adjustments to be done. So, that will happen by 30th June.

Vikash Singh: And sir, just lastly, we were also doing the downstream or the value addition in the SS segment, so what percentage of the value addition facility has already come and what is pending?

Manoj Sanghvi: So, the 1st Phase of investments for the cold division is already done. We have received some orders also. As we start the supply, which is from August, September and the value addition 15% to 20%.

Vikas Singh: So, currently 15% to 20% of the value addition, which has already been done for the incremental capacity which we have committed last year?

Manoj Sanghvi: No, it is not for the incremental capacity, both existing as well as incremental.

Vikash Singh: And till what percentage we can take it up to.

Manoj Sanghvi: See, there will be for colds and hangers, there will be some products which will be bought from outside, some the parent will supply to the subsidiary and there will be further value addition of 15% to 20% and it will be supplied to the end customer.

Moderator: Thank you. Next question is from the line of Aditya Welekar from Axis Securities. Please go ahead.

Aditya Welekar: Sir, what is the quantum of the order book? I have joined slightly late. I have missed that?

Manoj Sanghvi: As on 1st May it is close to Rs. 2,400 crores.

Aditya Welekar: And you have spoken about oil and gas demand outlooks, any color on water related end product outlook?

Manoj Sanghvi: Water, there are few projects in the western part of the country, there are few in the central part which is in MP, there are some in North UP. So, water, yes, still there is demand.

Aditya Welekar: And what is the split of this order book in terms of oil and gas, water and in terms of carbon and stainless steel?

Manoj Sanghvi: Roughly 70:30, I would say, 70% is carbon steel, 30% is stainless steel and of that 70%, you can say 20% to 25% is water.

Aditya Welekar: And if we want to take a slightly longer-term view, say by FY26-27, how do you think that is oil and gas demand in Middle East will pan out, if you have any indication on that?

Manoj Sanghvi: Right now, with the kind of projects going on, we see there will be good demand until minimum 2030 because a lot of projects have been announced simultaneously in Saudi, in Abu Dhabi, UAE, then you have Qatar and India being quite close to these nations, so our chance will always be better.

Aditya Welekar: And any inorganic acquisition plans you have?

Vimal Katta: No, nothing is on the chat.

Moderator: Thank you. Next question is from the line of Dhyey from Niveshaay Investments Advisors. Please go ahead.

Dhyey: Sir, would it be possible to give a rough estimate about the EBITDA contribution from the stainless steel or alloy steel segment?

Manoj Sanghvi: Overall, you have the number, right? Stainless steel, carbon steel all put together, it is this.

Dhyey: Also, sir, I wanted to understand related to the specialized tubes that we make, so there were some reports that the hydrogen CAPEX has started in the USA and there is a significant demand for such tubes. So, would there be any guidance, EBITDA guidance, revenue guidance or any order book guidance for that segment?

Manoj Sanghvi: Hydrogen pipes, yes some few projects have been announced in the US and the Europe, but still those are on trial basis. No major pipeline or anything is announced yet, so how the trial goes on. Of course, the pipes, what they are buying for oil or gas should be hydrogen compliant. That is what some European nations have started, but pipeline per se for hydrogen, still it will take some time.

Dhyey: Talking about tubes which are used in applications like heat exchangers or duplex, super duplex models, so what would be an approximate per ton revenue or EBITDA that we might be earning, if it is possible?

Manoj Sanghvi: What grade, what size, what quantity, so many parameters, so many factors will govern the price per ton. It is not the commodity, right, so difficult to say.

Moderator: Thank you. Next question is from the line of Mr. Sahil Sanghvi from Monarch Networth Capital. Please go ahead.

Sahil Sanghvi: My first question is on Ravi Technoforge, sir, the revenue growth has been poor on that front, so can you just highlight the factors which were responsible for the poor performance in Ravi and also the margins can really pan out as we expected. So, one of the factors and how are we looking on this business in FY25, what is the plan, what are we working on?

Manoj Sanghvi: So, two reasons, I would say. See, there has been a volume growth of roughly 10%. However, the steel prices were a little soft, one which actually the revenue growth what we were projecting or thinking could not be achieved. Second because of disturbances in Europe, our domestic share has increased, however, export has gone down a little bit which again in this year, we feel that it shall pick up. And going forward for this year, we have a sales target of roughly between Rs. 310 and Rs. 330 crores. And on the margin, of course, with the revenues being where it was, with no such growth, margins were just above the double-digit figure, just close to 11%, but going forward as the revenues increase plus with the automization, reduction in manpower things, what we are doing, we feel that 13% to 14% in this year should be possible.

Sahil Sanghvi: And my second question is regarding the cooling business, what kind of CAPEX have we done as in we spent anything on this business, if you can give me that number?

Manoj Sanghvi: So, till date phase 1, Rs. 16 crores of CAPEX is done.

Sahil Sanghvi: And what kind of optimum revenue can we generate on this CapEx?

Vimal Katta: Further CAPEX will be there. Overall, first it should be closer to 20. So, that should give a turnover visibility closer to Rs. 100 crores.

Sahil Sanghvi: And margin profile will be similar?

Vimal Katta: EBITDA margin should be in that range 19%, 18% to 20% maybe.

Manoj Sanghvi: But not immediately because see this year, maybe we will be manufacturing colds and hangers for the oil and gas industry. Our eventual aim would be of course oil and gas to get the volumes, but some part of it goes the nuclear industry also. So, when you have that approval in place, maybe 1 year, 1-1/2 year down the line, then those margins shift you will see.

Moderator: Thank you. Next question is from the line of Nitesh Dutt from Burman Capital. Please go ahead.

Nitesh Dutt: I have a question on the stainless steel, seamless export side, just want to understand how much of revenue for FY24 came from exports to Europe for both seamless and welded on stainless steel?

Manoj Sanghvi: Breakup, geographical reason wise, I don't have, and we don't share with geography what we did.

Vimal Katta: See in case stainless steel, more than 50% of turnover came from direct physical exports and at blended levels, more than 20% of turnover came from exports, both stainless steel and carbon steel combined together. And export business, in case of a stainless steel, it is a regular business and we have been trying to add more geographies and in case of other stream it is opportunity driven. So, wherever opportunities are there, we try to see those can be capitalized.

Nitesh Dutt: Sir, on the stainless-steel side in Europe, can there be a bigger opportunity over the coming few months because some competitors have been hinting at it because of the European company is not being competitive and also potentially the ADD getting extended on the Chinese imports, so any perspective on that?

Manoj Sanghvi: As indicated earlier as our utilization and we start making more and more critical grade, definitely the revenues will go up, not only Europe but Middle East, US, all the regions.

Nitesh Dutt: And sir, finally for FY24 or latest quarter, is it possible for you to give revenue breakup in terms of seamless, welded on stainless steel and carbon steel and other segment?

Manoj Sanghvi: No, that revenue break up is not what we share. What we did in seamless, what was welded, overall, the numbers are already there what we have achieved.

Nitesh Dutt: Just one more question, sir, if I can squeeze in. I just wanted to understand on domestic capacity front, at least on the seamless side, some competitors have been coming up with new capacities. You are also expanding capacities slightly, so do you think there is enough domestic demand at least to absorb the incremental capacity? That is the question.

Manoj Sanghvi: See capacities in stainless steel is increasing, but by what process is important, we have put up the capacity with a process called extrusion whereas whatever capacity coming in the country which is low CAPEX is pierce product, so acceptability of where extrusion is required, pierce is not acceptable. So, it is a different segment altogether. But for that particular segment, yes, the capacity is increasing where we supply extruded pipes also.

Nitesh Dutt: So, for relevant manufacturing process extrusion, the 30,000 tons of sellable capacity on seamless side against that, any idea on what kind of demand would be there right now in India?

Manoj Sanghvi: All put together maybe close to 80,000 tons to 100,000 tons.

Nitesh Dutt: Are you including the hot piercing and extrusion both or only extrusion?

Manoj Sanghvi: Yes.

Nitesh Dutt: Both combined?

Manoj Sanghvi: Yes.

Moderator: Thank you. Next question is from the line of Mr. Vikash Singh from Phillip Capital. Please go ahead.

Vikash Singh: Sir, I just want to understand, since our mix of SS pipes basically jump from 25% in the order book to 34%, can we safely assume that the next 2 to 3 quarter, our margin should be on an elevated side than the usual guidance which you make?

Manoj Sanghvi: Our guidance still remains same, which is between 16% to 18% because in longer run where the demand for oil and gas pipes in the carbon steel is muted, so more and more order booking will happen in water segment where margins are quite competitive that means we are going a little slow in carbon steel. If you see normally our order booking in carbon steel would be closer to Rs. 2,500 crores alone, so both put together, same 16% to 18% what we can say. It can be on the higher side, but our guidance would be 16% to 18%.

Vimal Katta: Vikash, basically in any reporting quarter, we may see a situation wherein process pipes may contribute higher to the topline and the profitability may seem to be better, but blended at the end of the year at 16% to 18% range will be there because whatever is going to be the loss in margins because of water contributing higher that may get offsetted with better utilization of capacities in process pipes.

Vikash Singh: Sir my second question pertains to the competition itself, we have heard from some of the competitors that now the time for taking the approval specially, for the oil and gas has shrunk, so just wanted your view that is it still that the time period is very elongated, or it has actually shrunken? It has become much easier to get the approvals.

Manoj Sanghvi: It depends from area to area, customer to customer. Maybe we talk about the time taken is much more than it was. But if we take example EIL in India, yes the time taken has shrunk. So, to generalize that it has shrunk is not right.

Vikash Singh: Just one last question, basically in terms of exports, may I know if given today the elevated cost of export because of the freight etc., is the net margins in export is still higher than the domestic or is the vice versa?

Manoj Sanghvi: As far almost.

Vikash Singh: Even after the increased cost of the freight and insurance it surpassed?

Manoj Sanghvi: Freight is generally a pass through.

Moderator: Thank you. Next follow up question is from the line of Radha from B&K Securities. Please go ahead.

Radha: Any plans on expanding or converting I wanted to say the hot finish to the cold finish because the margins of cold finish I came in to understand that they are better than the hot finish? And also, could you highlight what would be the average margin difference between the two?

Manoj Sanghvi: So, to answer your first question, yes, there is a small expansion of capacity happening in the cold finishing facility, so once we utilize that, then maybe we will plan another phase of cold finishing expansion. Second, margin breakup for hot finish and cold finish we would not be sharing.

Vimal Katta: Radha basically, capacities are not fungible, so hot finished will remain in hot finished, cold finished, newer capacities need to be added, one thing. Second thing is cold finishing will have a better margin because further processing is done on the hot finished material, so it is like that.

Radha: Sir, the 1,200 tons to 1,500 tons of CAPEX you mentioned that was on the cold finish side?

Vimal Katta: Yes.

Radha: I understand that we cannot speak on the margins on the hot finish versus cold finish, so just wanted to understand the difference in margins between the two?

Vimal Katta: The cold finishing will have a better margin because it is a further process over the hot finished material, so definitely cold finishing results into margin improving.

Manoj Sanghvi: But then the volume will be less. The process is also more.

Radha: 4% to 5% better margin, sir?

Vimal Katta: It depends upon the product to product and order to order. It can be better than 5% also.

Moderator: Thank you. Next follow up question is from the line of Nitesh Dutt from Burman Capital. Please go ahead.

Nitesh Dutt: I have a follow up question on stainless steel welded side, so we have a capacity of roughly 20,000 tons, I guess, sellable capacity, so want to understand in terms of capacity, what percentage of market share would we have right now? And also, I was reading recently that the Indian government had initiated an ADD investigation last year, so in case that is favorable can this be a big opportunity as well in terms of future expansion?

Manoj Sanghvi: The ADD investigation was on stainless steel seamless pipe, not on the welded pipe.

Nitesh Dutt: Was it not on welded pipe? I might be wrong, but I read it somewhere, it was initiated in 2020.

Manoj Sanghvi: Welded pipes what we manufacture is not for the structural or architectural purpose, so if I remove that market, we would be close to 20% of the demand in India.

Nitesh Dutt: So, basically 100,000 tons of demand again and what would be the imports out of that 100,000?

Manoj Sanghvi: Not much.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Sahil Sanghvi from Monarch Networth Capital for the closing comments.

Sahil Sanghvi: I just would like to thank the management for patiently answering all the questions and also thank you to the participant to join the call. Manoj sir and Vimal sir, would you like to give any closing comment.

Manoj Sanghvi: Thank you, Sahil. So, with great emphasis, I again would like to highlight that our philosophy has always been to consider any decision on long-term keeping sustainability and value creation in its core. The number of the last 7 years supports the same wherein we have grown our revenues and profits at the CAGR of 19% and 23% respectively. We thank you all for participating in our Earnings Call and appreciate the patience in hearing. We wish you all a great time ahead.

Moderator: Thank you. On behalf of Monarch Networth Capital, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.