

Group meeting at the Ashwamedh - Elara India Dialogue 2021 with Elara Capital

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Management participants: Mr. Vijay S. Banka, Managing Director, Dwarikesh Sugar Industries Ltd.

Mr. Pratik Tholiya: Today, we have with us Mr. Vijay S. Banka, Managing Director, Dwarikesh Sugar Industries Ltd. Thank you very much sir for giving us time to talk to the investors. What I will like to do is first I will invite you to give your opening remarks may be if you can just share the key updates may be from the results till now almost one-one and half months have gone, so if you could just share the key updates during this time and then we can open the floor for Q and A. Thank you and over to you sir.

Mr. Vijay S. Banka: Yes, very good afternoon everyone. It's my pleasure to be interacting with you. Sugar industry as you are aware is in the midst of an exciting phase. Phase, where we see some paradigm shift in the model of the sugar industry. From hitherto classified as cyclic commodity industry we are seeing some fundamental changes in the industry. More so because of the ethanol factor which has come in. So we are seeing increased enthusiasm on part of the sugar mills to set up distilleries capacities for making ethanol. So the mantra is very simple, sacrifice sugar production as much as possible and produce ethanol. So the overhang of stock situation which has always been prevalent for the last few years gets addressed. The country is able to carry decent amount of stock, may be about 2-3 months of stock which will not trigger in any kind of runaway inflation in the sugar prices and which will also not cause any drag on the sugar prices. So that is the idea, the government wants the sugar stock should be more or less equal to the consumption and if at all there is some surplus it can be easily exported. And ethanol of course the demand is pretty much good. The government has set up a target of blending up to 20% from 1st of April 2023. So it augurs well. This season the blending percentage is 8% so we see blending percentage of 10% being easily achieved in the coming season. As far as we are concerned our off take of ethanol in this quarter has been decent. And so is our off take of sugar also. Totally, we have received releases in the access of 10 lakh quintals of sugar. And the sugar prices are also looking good. While ethanol off take had some issues, there were logistical challenges which are now addressed. So offtake has been brisk in the month of August and we expect the momentum to continue in the month of September as well. In so far as exports is concerned the government has made it clear that there is going to be no subsidy for export of sugar but since the international prices are firm and are so much better already we understand contract through OGL for export of about 1 million ton has already been contracted and execution will of course take place in the month of December, January and thereon. So, we have heard of announcement of FRP will increase by Rs. 5. We expect SAP announcement very soon. In fact there was discussion that it might be announced today but it doesn't look like it getting announced today. But well in due course it will get announced. So that's about it from my side. I look forward to answering your questions your doubts clarifying the position. Thank you so much.

Mr. Pratik Tholiya: Thank you sir. We will now open the floor for Q & A. Anybody wishing to ask question can unmute and ask the question to the management.

Mr. Dikshit Mittal: Sir, let me start, you mentioned about sugar prices have been looking up can you share in last two months how the sugar prices and realisations for you has moved since June end.

Mr. Vijay S. Banka: See July has been so much better. July has been around Rs. 3200 to 3250. August has also been between Rs. 3250 and 3300. The big increase has come in towards end of August. So when I am

talking about my prices they are average prices. So the big increase has come towards end of August. So now the prices are prevailing in excess of Rs. 3500.

Mr. Dikshit Mittal: So, currently our ex-mill selling price is Rs. 3500.

Mr. Vijay S. Banka: In excess of Rs. 3500.

Mr. Dikshit Mittal: In excess of. And this has been driven by what? Is it just a cyclical thing in the sense that the season is over. Now whatever inventory is there people have to sell that inventory and the demand is looking up because obviously things are opening up. Is it driven by that or there is something more to it which we are missing here?

Mr. Vijay S. Banka: It's driven by two factors. Number one, the international prices are also on the rise. So there is a talk of international production being in deficit by about 4 million tonnes. So international prices are firm and looking good. They are beyond 20 cents per Pound. So it does have sentimental impact on domestic prices. Number two, the pent up demand has come up. You see all these days the trading community was acting little carefully. The pipeline was virtually empty. So, now we see pipeline replenishment. The quantity ordered for release I wouldn't say is less, 22 lakh tonnes is a decent quantity for this month. But I think the traders are very buoyant and bullish, and there is this festival month also I mean the next couple of months the festive season is there. So we see prices being good at least until October. Thereafter we will see some cooling off of prices because the new season will start and Maharashtra production will be finding way into the market.

Mr. Dikshit Mittal: Ok. And two more things. One is what we are given to understand that North of India there is some bit of challenge from rainfall perspective. There has been deficient rainfall as of today. So do you think it's going to impact sugar production by anything or no it is not going to impact?

Mr. Vijay S. Banka: So you talked about deficit rainfall. This was the story a week ago. We had good rainfall in the last one week. So this climate is one thing which you know nobody can claim expertise as to how it will turn, you know what will be the production, how will be the yields and how will be the production and recovery and so on and so forth. It's very difficult to say but I can talk about our command area. We see increased plantation number one. Number two better recoveries, better yields. When I say recoveries, I am talking about yields at the farm level. And there should also be good recoveries for us which means the sucrose content in the sugar should be higher. But having said that, I must moderate my forecast because the last 3-4 days the rainfall has been incessant, and that has resulted in flooding of some cane areas. Which is too early now. Of course the cane fields will dry up and there should not be any significant impact on account of that. We crushed about 378 Lakh quintals last year. We should at least crush about 3-4% more cane during the coming season.

Mr. Dikshit Mittal: Ok, and you mentioned about some logistic challenge and ethanol offtake. Can you throw some light? What exactly was the challenge? Thanks.

Mr. Vijay S. Banka: See firstly, we had opted for depots which are very close by. Close to our sugar mills so as to take benefit of lowest transportation cost. So we have seen most people thronging to such close by depots. Oil marketing companies also gave the allotment which they in first place should not have given. But once there were abrupt cancellations of ethanol allotments of the nearby depots so we opted for some distant depots. The normalcy has resumed.

Mr. Dikshit Mittal: So will it lead to lower profitability because you are supposed to get a fixed price and the logistics were not covered.

Mr. Vijay S. Banka: Yes, if you opt for a far off depot marginally the transportation is high, they reimburse you for the transportation cost but it not as much as what you incur. So there is a small dent which causes lower eventual realization.

Participant: Hi sir good afternoon sir. Just wanted know what are the early estimates for next year's production? As you mentioned it will be 3-4% higher. So on all India level what can be the production?

Mr. Vijay S. Banka: ISMA's committee meeting is scheduled for tomorrow. I can talk on the basis the last committee meeting which was held and in which ISMA took cognizance of the production estimates. So as per the last estimate drawn by ISMA India is expected to produce 31 million tonnes of sugar. This is after considering 3.4 million tonnes of sugar sacrifice in favour of ethanol. So which means at a gross level the production is about 34.4 million tonnes.

Participant: Ok sir. And is there any downside risk to that estimate?

Mr. Vijay S. Banka: Ya, I mean these estimates they always keep changing and I don't see any possibility of any upward increase in the estimate. If at all there is going to be a small downside bias that may happen.

Pratik Tholiya: 34.5 million the number you have given out now that is on the best case scenario?

Mr. Vijay S. Banka: Yes that is under the best case scenario.

Pratik Tholiya: It is very unlikely that we will cross this number but there is a chance based on weather condition.

Mr. Vijay S. Banka: Absolutely. In fact Maharashtra also saw lot of water logging in the fields. So people have already started revising the numbers downwards so far as Maharashtra's production is concerned. But anyways Pratik, that's best case scenario or worst case scenario as you may call it. So 34.4 million tonnes at gross levels and 3.4 million tonnes of sugar sacrificed in favour of ethanol. Now personally if you ask me my gut is that the sacrificing in favour of ethanol will be higher than 3.4 million tonnes.

Pratik Tholiya: This is based on the new capacities that.....

Mr. Vijay S. Banka: Capacities which are coming up.

Pratik Tholiya: If you factor some of the existing capacities it can be higher. The diversion upwards of 3.5 million tonnes.

Mr. Vijay S. Banka: Absolutely.

Mr. Dikshit Mittal: You mentioned this diversion is 3.4 so what kind of blending we expect next year?

Mr. Vijay S. Banka: 10%.

Mr. Dikshit Mittal: 10% Ok. Because sir now I think beyond 10-12% blending...

Mr. Vijay S. Banka: Is permissible.

Mr. Dikshit Mittal: It is permissible but I think it will take time because of engine issues. So can we say that in the near term 2.5 to 4 million tonnes is the maximum that can be diverted?

Mr. Vijay S. Banka: No, in fact the target is to sacrifice up to 6 million tonnes by 2023. From 1st of April when we are talking of 20% blending of ethanol, the sacrifice that we envisage is more than 6 million tonnes. So for example in a best case scenario if the sugar production at gross level is let's say 34 million tonnes, so you sacrifice about 6 million tonnes of sugar production in favour of ethanol. Which is more or less equal to the consumption, which is what the government's objective is.

Mr. Dikshit Mittal: But this 20% blending will take lot of time right?

Mr. Vijay S. Banka: Yes, it will take time.

Participant: So from here from 3.5 to 6 I think it will be more gradual

Mr. Vijay S. Banka: Ya gradual. You see there are players, who all are the stakeholders in the sugar industry. So sugar industry is showing its seriousness and enthusiasm by setting up capacities. So now of course for the government and the oil marketing companies they have to set up their infrastructure for blending ethanol of such high percentage. So that is what is required. And additionally the automobile manufacturers they have to accordingly make subtle adjustments in their engine design, etc. so that the vehicles are E-20 compliant from 1st April 2023 onwards.

Mr. Dikshit Mittal: Right sir and lastly because now the export subsidy is gone, so what kind of exports do you see? So even at 20 cents, in terms of exports can we do 5-6 million tonnes

Mr. Vijay S. Banka: 6 million tonnes can happen. Already 1 million ton contracts have been signed. So 5 million tonnes more, I mean it's always a possibility. We, in UP sugar mills may be a little, we are a little price sensitive but we have seen some Maharashtra sugar mills participating more enthusiastically than us.

Mr. Dikshit Mittal: Right sir. But without subsidy I think below 18-19 cents it will not make sense right?

Mr. Vijay S. Banka: Presently prices are on 20 cents. So, we have also done a contract for small quantity of course. Our quota last year was about 80,000 metric tonnes. So, we have done a contract worth 25,000 metric tonnes. It's an INR deal we have done. So our realisation for Kandla will be 34500 which means that ex-factory realization of about 32500. Now mind you this is raw sugar. Whereas the cost of the production everything etc. you can take a benefit of another Rs. 1.5 at least. So it equates to selling sugar domestically at Rs. 3400 a quintal.

Mr. Dikshit Mittal: Thank you sir.

Jayesh Gandhi: How are you sir? It's been a long time.

Mr. Vijay S. Banka: Very well sir. How are you? It's been really long time. How are you doing sir?

Jayesh Gandhi: So far so good. I taking a short break from professional management job. Taken a short sabbatical.

Mr. Vijay S. Banka: Why sir? We all are going to be the losers if you do so.

Jayesh Gandhi: Ya. I have been working for a long time I thought I will take a short break but it's great to catch up with you on this call. Couple of quick questions from my side. One is that how are we shaping up in terms of our ethanol business? In the sense our ethanol capacities were much smaller but we are looking add capacity. So if you take next 3 years view what proportion of our sales will or mix will become ethanol and how are we taking opportunity benefit here?

Mr. Vijay S. Banka: Sure sir. So in the last financial year total quantity of ethanol sold was about 3.17 crore liters. Half of which was made from C Heavy molasses and half from B Heavy molasses. Now, in FY 21-22, we expect to sell more than 5 crores liters of ethanol and all of which is going to be made from B Heavy molasses. And we have already started execution of our new project 175 KLPD Distillery at our Bareilly unit. So I must say that the progress so far of the project although it's early stages has been very satisfactory. So once that project comes up, we will in FY22-23 it will come up sometime in the month of July or August. So we should start using them. But once both the distilleries are fully operational, our ethanol capacity of production as well as sales will be close to 11 crore liters. So what was 3.17 crore liters in FY 20-21, will become more than 5 crore liters in FY21-22. In FY22-23 we will get partial benefit but yet we will be around if not 11 crore liters we should be at least around 7 crore liters plus in FY22-23, around 8 crores at least we should be. And thereafter we should have a run rate of 11 crore liters.

Jayesh Gandhi: I understand. Fair enough. And again because our capacities are new, will we get better margins than what we have seen in some of the established players reporting in ethanol business? And in FY24 what would be our mix of ethanol and sugar?

Mr. Vijay S. Banka: It will progressively increase. Now for example in 2021 our sales was about 8%. Ethanol sales of the total sales was 8%. We should see this going up to 12-13% in FY 21-22. And thereafter we should be close to 20% at least about. And then, more than 30% of our sales should come from ethanol. Once are fully operational our 30% sales should come from ethanol.

Jayesh Gandhi: Ok. And what about margins there? Would we get around 20% range or you think it will be?

Mr. Vijay S. Banka: Ya it should be around 20%. See eventually margin is a play of what price transfer price you assign to the B Heavy molasses or the juice from sugar mill to the ethanol plant. But to assume a margin of 20% would be safe and fair.

Jayesh Gandhi: Fair enough. And what about the way forward in the sense once this capacity expansion is done in ethanol, would we be looking at more or this is it for the time being?

Mr. Vijay S. Banka: For the moment this is it. We will want to set up the capacities and stabilize the capacities or maximise our output to the extent possible and you know within the sugar plant for example there is always an effort to increase the crushing capacity by making the farmers grow more and more sugarcane. So once our crushing numbers increase our ethanol production numbers will also accordingly increase.

Jayesh Gandhi: Great to know that. Thanks for the feedback and all.

Mr. Vijay S. Banka: Thanks sir. Thank you.

Participant: Sir in terms of sugar inventory how much will we be carrying currently?

Mr. Vijay S. Banka: What inventory of the last season we are carrying and the kind of releases which we are getting, we should exhaust our entire stock sometime in December or at the most in Jan which is a significant improvement over the last year. Because last year, we exhausted our stock in the month of March. This time around we should be able to exhaust our stock in the month of either December or at the most first half of January.

Participant: And do you think given sugar prices are now reaching Rs. 35 odd level, the release quota can be increased so that the prices don't go beyond a certain level where the government is not comfortable. Because if Rs. 35 is ex-factory, then the retail price will be higher closer to 40. I am just thinking from that perspective.

Mr. Vijay S. Banka: No, so let me tell you. The price of 35-36 had prevailed in 2016-17 also and that did not cause any scare to the government. So up to 36 if you ask me everybody should be comfortable. But yes, the runaway increase in the prices scares the industry also because as you rightly said there can be some extra releases which the government can put in the market. We should not be greedy we should earn decent money from sugar decent amount of money from ethanol so, yes there is always the scare is there but we are presently enjoying a good status that we are in.

Participant: And do you think that if the release mechanism of quota remains where it currently stands do we see a high probability of prices reaching 35.... 36-37 or as the demand picks up we are near the festive season so in that sense.

Mr. Vijay S. Banka: It's possible but unlikely if you ask me. There was this last month increase, sudden increase in the prices but the industry behaved in a very disciplined and responsible manner. You see basically the demand comes from the traders and the merchants. They are the ones who offer higher prices. But we also exercise restraint and we act responsibly.

Participant: Ok. But while you mentioned you will be able to exhaust sugar inventory by December of this year or most probably by Jan, can you quantify what was the inventory if not currently but by June end. How much was it?

Mr. Vijay S. Banka: I remember that number was always published. Let me see if I can give you that number.... One second. Just a moment I will give you the number. Ya so June right?

Participant: Yes sir....

Mr. Vijay S. Banka: Ya one moment. In June we were carrying inventory of 25.40 lakhs quintals of sugar

Participant: And what price the same was valued at... you can share that also.

Mr. Vijay S. Banka: Ya sure... June we were carrying inventory of 25.40 Lac quintal. And it was valued at Rs. 2915 per quintal

Participant: Ok.... In terms of ethanol...

Mr. Vijay S. Banka: Ya you can go ahead with your question.... I will give you the data in the meantime.

Participant: In terms of ethanol when is the bidding for the next year or tenders for the next year are going to be announced and what kind of pricing can we see... any sense on the same.

Mr. Vijay S. Banka: Ya... I will tell you we were carrying 25.40 Lac quintals of inventory on 30th June which was valued at Rs. 2915. And about ethanol yes the tendering process is an ongoing exercise and even a month ago also some tendering was done and some quantity was offered. But the tendering really happens sometime in October or November. Our sense is that the price of ethanol should go up. Because number one in the ethanol prices they factor for the increase in the FRP which has gone up by Rs. 5 a quintal. And they also factor for the domestic price of sugar which have also seen rising tendencies. So we should see some improvement some increase in ethanol price for season 21-22.

Participant: And just for clarification beyond 10% does the automobile requires some changes for blending to go to say from 10 to 15....

Mr. Vijay S. Banka: No up to 12% there is really no problem. So beyond 12, already E 12 B 15 notifications have come. So the government's idea is to next 3-4 years progressively take the blending percentage to 20% and see that the sugar sacrifice is more than 6 million tonnes.

Participant: OK... thanks...

Mr. Vijay S. Banka: Thank you.

Moderator: Anybody else like to ask questions?

Participant: Ya Mr. Banka one quick follow up from my side... in terms of our distribution to shareholders we always focus on a certain percentage and then we also had the philosophy of having zero debt.... Of course we have to take certain debt because of the slippage but are we seeing things over the next few years and what kind of distribution as investor one should expect?

Mr. Vijay S. Banka: So we are still some distance away from becoming zero debt company. Yes, we have long term debts - One which is the soft loan which the state government gave us of which nearly 50% of that is repaid. I mean 40%-50% of which has been paid. And then we have distillery loan which was taken for our Dwarikesh Nagar unit. So there again 2-3 instalment have been paid. And we are here to avail the new distillery loan which has been sanctioned to us. But anyways even if this new distillery loan will increase our long term debt per se. But if you see collectively our total debt will see a declining tendency. It's already seen a declining tendency between – 2019 -20 and 2020-21. Because we are seeing moderation in our working capital utilization. In fact in the coming years we will see further moderation in our working capital utilization. So overall the debt - If you add up the short term debt as well as the long term debt you will see declining trend.

Participant: And distribution to shareholders?

Mr. Vijay S. Banka: Yes... as of now we are sticking to our percentage basis of remunerating our shareholders but yes once our debt moderation is substantial we will we will of course revisit our policy.

Participant: Ok Thanks.

Moderator: Anybody would like to ask any more questions?

Participant: On sugar pricing you said that 36-37 government today will be comfortable based on the past experience of 2016-17. Was that correct?

Mr. Vijay S. Banka: 36 yes.... 36 was something the government was comfortable in 2016-17. It is only when it started moving towards 37 which is when the government started worrying- There are all these informal chats between the government and the industry, and the need to regulate the prices to moderate the prices is discussed and some cooling down that happens. So this is an ongoing process.

Participant: Sure. But since there is this quota mechanism - Can the quota mechanism be totally done away with in order to restrict the price escalation or by when do you see this quota regime to go away?

Mr. Vijay S. Banka: No, we still need regulation. We still need quotas to moderate the availability of sugar in the market. Now we have not reached a stage where for example what is the ideal situation when the quotas are not required? When the closing inventory is expected to be around 2 to 3 months of stock. So that's the time when you see neither higher sugar nor lower sugar prices. A win-win situation for all. So we are still suffering from overhang of stock. So I think the quotas are going to continue. We are banking on export of 6 million tonnes. In fact between the last season and this season country has brought down the stock level substantially. And if we export about 6 million tonnes again this season then we will see sugar stock levels being very reasonable. So that perhaps would be the time to do away with the quotas.

Participant: Sure till that time we can expect the quotas to continue.

Mr. Vijay S. Banka: Ya ya....

Participant: Any thoughts on Brazil? How much is your estimate of Brazil production and overall implication on pricing because you said that the prices may moderate from December once the Indian sugar starts crushing.

Mr. Vijay S. Banka: No I talked about prices being moderated in Indian domestic market.

Participant: Ok, Global prices you expect....

Mr. Vijay S. Banka: Global prices we can see some clarity until January, 2022 at least. I don't think until January there is any kind of uncertainties. These prices should prevail.

Participant: That means Indian sugar industry can easily...

Mr. Vijay S. Banka: Take advantage of the situation and do contracts for export of sugar.

Mr. Pratik Tholiya: Right. I will recheck. Anybody would like to ask question.

Participant: Ya I have a question. Mr. Banka you know the Indian sugar prices have hardly moved in line with inflation also in last several years. And this time it has gone up slightly higher and you are already very cautious about it. We have a situation here where sugar is going to get diverted to ethanol on a structural basis and we did a call with Nitin Gadkari gung ho on the ethanol blending and ethanol blending is definitely going to diesel also going forward. So he painted an ethanol economy for India. Prime Minister Narendra Modi also mentioned that. So you have an addressable market of supplying ethanol on a structural increasing basis. So it ok for me to assume that sugar prices in India will henceforth go up in line with inflation at least?

Mr. Vijay S. Banka: Absolutely.

Participant: So if that is the case.... Currently you say its Rs. 36 and it goes up by say 3-4% every year so that will be good enough for you to make super profit?

Mr. Vijay S. Banka: Ya I hope so sir. Ya Rs. 36 which is presently prevailing is not a sustainable price that we must keep it in mind that this is the price which is perhaps there for a month or so. So if you ask me what is the average realization that a sugar company would have on a full year basis. That would be much lesser than Rs. 36. It could be may be Rs. 33 or it could may be Rs. 34. But yes from thereon reasonable increase in price line with rise in inflation augurs well for the sugar industry.

Participant: Globally there was recent article saying that there will be super cycle in sugar because India will divert sugar for ethanol. I saw this article. So global people are so bullish on sugar and you are very cautious.

Mr. Vijay S. Banka: It's better to be cautious than to be bullish and then bite the dust sir. It's always better to be cautious. So yes, as I mentioned in my opening remarks, we are here for a structural change in the industry and there is a paradigm change in the way business is being done. Increasingly if you find world-over, food is surplus in all parts of the world. So trend everywhere - be it Europe be it America be it India, India is now catching up as to convert food into energy. So we are also moving in that direction. Here we are making use of sugarcane for making ethanol sacrificing a bit on food production and fulfilling the energy needs of the country. Then again the government also expects that one should use grains other grains other than sugarcane for making ethanol. So we are seeing this replication of trend of sacrifice of food production in favour of energy needs which is already there elsewhere in the world also happening in India.

Participant: Is it fair to say that the outlook for sugar industry has never looked so rosy?

Mr. Vijay S. Banka: Ya it's pretty much good.... Pretty.....

Participant: That's what I wanted to hear from you.

Mr. Vijay S. Banka: Pretty much good sir.

Participant: Thank you.

Mr. Vijay S. Banka: Ya thank you sir.

Mr. Pratik Tholiya: Anybody else.... Has any more questions?

Mr. Pratik Tholiya: Just wanted your thought on the Maharashtra sugar industry.... I think in today's newspaper... I know your company has their production in UP but you are the only company which has a head office in Mumbai. Since you are based in Maharashtra if you could just share your thoughts on the way you look at the Maharashtra industry. There are lot of news articles saying that Maharashtra industry still under a lot of stress and most of the companies are still making losses. So despite all the ethanol story and gung ho that we are talking about. So any thoughts on what's really ailing in Maharashtra and you expect therefore the government can increase the MSPs this year which has not increased since last two years?

Mr. Vijay S. Banka: Maharashtra... I think the problem with Maharashtra sugar industry is the size. Basically the average plant size of Maharashtra sugar mills is lower than it is in UP. So size is one thing. Secondly, they are all in co-operative sector. So it will be unfair for me to comment anything on their working but it's a fact that private sector manages the industry better than what the co-operative sector manages. In Maharashtra you have for example Dalmia Sugar Mills who have plants in Maharashtra. Now

look at their efficiencies and look at the way they are performing. So it's basically bandwidth of management which makes the difference according to me.

Mr. Pratik Tholiya: Right. Sir with most of these co-operatives still in losses you expect there could be some sort of opportunity for private sector to come in and take control or work together with these co-operatives or in some way bail it out or turn it around?

Mr. Vijay S. Banka: Ya it's always possible. It's always possible. Always there can be opportunities Even in Maharashtra there a few good private sector players like I said Dalmia and Baramati industry.... They manage their companies very well. So the co-operative sector problem number one is size and number two is the management part. Both. And they have the legacy of bad balance sheet also unhealthy balance sheet. It takes for them some time to repair their balance sheet. Now the government has formulated this policy of doing a tripartite arrangement standard operating procedure have set by the banking industry. So this standard operating procedure envisages that tripartite arrangements are done and there is Escrow mechanism which is place. SO the margin requirements have been reduced. So it's only 5% which the companies have to bring on the table. So there are host of benefits - initiatives that are offered to even those companies which are not very healthy balance sheet. So, I am sure it will pick up.

Mr. Pratik Tholiya: Sure. Sure Understood. Right Sir I just last time try if anybody wants to ask any questions. Then I think we don't have any more questions. I think we will call it a day. Thank you so much.

Mr. Vijay S. Banka: Thank you so much. My pleasure.

Mr. Pratik Tholiya: Thank you for giving us time to host you on this call today.

Mr. Vijay S. Banka: Entirely my pleasure. Entirely my pleasure.

Mr. Pratik Tholiya: Thank you so much sir. Look forward to interacting with you again.

Mr. Vijay S. Banka: Sure.

Mr. Pratik Tholiya: Thank you. Thank you participants for logging on to this call.

Mr. Vijay S. Banka: Thank you everyone.