

# Antony Waste Handling Cell Limited

CIN: L90001MH2001PLC130485



Ref.: AW/SEC/NSE/2022-23/25

Date: June 02, 2022

To,  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C-1, Block G, Bandra-Kurla Complex,  
Bandra (E), Mumbai 400 051

Dear Sir/Madam,

Sub. : Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") – Transcript of Earnings call held on May 27, 2022

Ref. : SYMBOL – AWHCL

Pursuant to Regulation 30 of the SEBI Listing Regulations and in continuation to our letters having reference number AW/SEC/NSE/2022-23/17 dated May 24, 2022 - regarding intimation of Earnings Call and AW/SEC/NSE/2022-23/23 dated May 27, 2022 regarding uploading of Audio Recording of Earnings Call, please find enclosed the transcript of the discussion held during the said Earnings Call held on May 27, 2022 at 2.00 p.m. w.r.t announcement of the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2022.

The transcript is also hosted on the Company's website i.e. at [www.antony-waste.com](http://www.antony-waste.com).

This is for your information and records please.

Yours faithfully,  
For and on behalf of  
ANTONY WASTE HANDLING CELL LIMITED

A handwritten signature in blue ink, appearing to read "Harshada Rane".



HARSHADA RANE  
COMPANY SECRETARY & COMPLIANCE OFFICER  
A34268

Enc. a/a



# “Antony Waste Handling Cell Limited Q4 FY2022 Earnings Conference Call”

May 27, 2022



Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on May 27, 2022 will prevail.

**MANAGEMENT: MR. JOSE JACOB - CHAIRMAN & MANAGING DIRECTOR  
- ANTONY WASTE HANDLING CELL LIMITED  
MR. N. G. SUBRAMANIAN – GROUP CHIEF FINANCIAL  
OFFICER - ANTONY WASTE HANDLING CELL LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to Antony Waste Handling Cell Limited Q4 and FY2022 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Jose Jacob, Chairman and Managing Director, Antony Waste Handling Cell Limited. Thank you and over to you Mr. Jacob!

**Jose Jacob:** Good afternoon and a very warm welcome to every one present on the call. Along with me, I have Mr. Subramanian – Group CFO and SGA, our Investor Relations Advisor. I hope every one of you and your families continue to be in good health and safe. Our investor presentation is now available on the stock exchange and the company website.

Let me now go over the business highlight of the period. We ended this fiscal year on a positive note reporting record high revenue of Rs.667 Crores helped by strong performance from all our sites which reflected in improving the tonnage and in the inbuilt price escalation also kicking in. During the year increased activity from our new contracts in Varanasi, Jhansi and Noida also contributed to our growth parameters.

On to business wise performance, MSW C&T Projects, Multiple Solid Waste Collection and Transportation Project we have 14 ongoing projects in this service after adding two new contracts during the year from Jhansi Smart City Limited and the NDMC Sadar Paharganj and City Zone. Jhansi is fully operational and NDMC new contract has contributed to only 15 days of revenue from the last year. MSW Collection and Transportation Business volume increased by 7.4% year-on-year in Q4 FY2022 and by around 20% year-on-year in FY2022. This volume excludes waste transported where our billing is either on shift basis, or on count of households or on acreage basis.

Coming to Municipal Solid Waste Processing Projects, we processed approximately 2.3 million metric tons of waste in our MSW processing project, which includes Kanjurmarg and Pimpri-Chinchwad for the fiscal year ending March 2022, an increase of approximately 12% year-on-year. We booked revenue from the Greater Noida bio-mining activity for the first time in Q4 FY2022, mere 10% of the total project value there. We expect to book a

larger chunk of Greater Noida bio-mining in the current fiscal year. Tonnage handled by per day increased to 5900 tonnes during the quarter and we expect this momentum to continue.

The bio-mining of a first sell in Kanjurmarg is going well and we are pleased with the quality of compost and RDF produce. After this first cell is finished, we will begin the bio-mining in our second cell. We stand on our target to start operation in Pimpri-Chinchwad Waste to Energy Project by March 2023.

Also during the year the Board of Director of Antony Lara, our major subsidiary has increased the controlling interest of Antony Waste Handling Cell in Anthony Lara from 63.04% to 73%.

We continue to focus on contract in newer municipal areas, while continuing our cluster-based approach. We are seeing various municipalities coming up with tenders in both waste processing and municipal solid waste collection and transportation segment, which will act as a good growth opportunity for us.

In our aim to be recognized as a company which provides a sustainable living environment to the citizen, we have signed an EPR agreement for PET bottles disposal certificate with a large beverage company. During the course of engagement the company aims to process and safely dispose 1500 tons of PET bottles. And we are pleased to inform you we just won one contract of collection and transportation from the Municipal Corporation of Nasik. The annual revenue will be around Rs. 20 Crores to Rs. 25 Crores and it is a five years contract. This is all from my side I now hand over the conference to Mr. Subramanian, our Group CFO.

**N.G. Subramanian:**

Good afternoon, everyone and thank you for joining us for fourth quarter 2022 earnings conference call. I will share the highlights of our financial performance. During Q4 2022, the company reported operating revenue of Rs. 146 Crores as against Rs. 120 Crores last year, which is up by 22% year-on-year. The increase in core revenue was driven by an increase in tonnage because of the addition of three new contracts in C&T and processing as well as improved activities in both commercial and residential areas where we operate. Operating revenue for the fiscal year ending March 2022, has increased by 32% to Rs. 568 Crores as compared to Rs. 429 Crores last year, while total revenue is up by 39% at Rs. 667 Crores, which includes project revenue.

Consolidated EBITDA has registered a healthy growth of 35% to Rs. 46 Crores in Q4 compared to Rs. 34 Crores the same period last year with an EBITDA margin at 24%. The EBITDA margin was weighed by higher project expense to the tune of around Rs. 43

Crores, as work on our Pimpri side began, which is reflected in the contract and other section. For the fiscal year ending March 2022, adjusted EBITDA stood at Rs. 173 Crores, recording a 33% growth compared to FY21 with a 26% margin.

Profit before taxes for the quarter stood at Rs. 34 Crores, which reflect 77% growth year-on-year and for FY2022 pretax income stood at Rs. 113 Crores, an increase of 60%. Profit after taxes for the quarter was Rs. 26 Crores and for the full year it is at Rs. 90.4 Crores both being up by 63% and 41% year-on-year respectively.

Coming to business wise performance as Jose mentioned, our Collection Transportation revenue is up by 31% as high as Rs. 108 Crores compared to Rs. 83 Crores in Q4 2021 and is up by 40% in FY2022 at Rs. 417 Crores compared to Rs. 297 Crores in FY2021. The growth was on an account of increase in total MSW C&T volume by 7.4% in Q4, as compared to Q4 of FY2021 and a growth of 20% for the full year of 2022. We handled a total of 1.53 million tons in FY2022 in the C&T section. In the MSW processing the revenue has remained flat on a sequential basis at Rs. 38 Crores and is up by 14% in FY2022 and this is also reflective of the 11.9% increase in the total tonnage processed for the entire year, which stood at 2.3 million tons.

Coming to our balance sheet, our net debt to equity as of March 31, 2022, was maintained at 0.2X. The total debt as of March 31, 2020, stood at Rs. 170 Crores as compared to Rs. 150 Crores last year; net debt is at Rs. 77.5 Crores.

The company's overall credit profile has improved, resulting in a 460 bps reduction in our average consolidated borrowing costs, which stood at 12.7% in March 2021, declined to 8.11% as of March 2022. Receivable period has also been steady, its total receivable as of March 31, 2022 on a DSO basis was 70. This is the critical metrics for us and we keep a strong look out on the same. The capital return metric remains strong with the return on capital employed of 19% and the return on equity of 17% as of March 31, 2022.

The last quarter of FY2022's performance has set the tone for the new fiscal year. The company has delivered a strong volumes growth, higher execution in its areas of service, which reflected in our double digit growth of revenue, operating EBITDA and operating profit before working capital changes. Our quarter's performance was best ever performance since inception, and we would like to build on the same.

That is all from our end, now we are opening the floor for the Q&A.

- Moderator:** Thank you very much. We will now begin the question and answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Nikhil Chaudhary from Kriis Portfolio Management Services. Please go ahead.
- Nikhil Chaudhary:** Good afternoon and congratulations on a great set of numbers. I wanted to understand note number 6, you have an extra line probably you are explaining some Rs. 29 Crores of receivables that have come up new in this quarter, can you explain this in depth, what is it?
- N.G. Subramanian:** The new receivables that has come in for receivables from our line of activities because a new scope of operations that we have enhanced, so all our new contracts revenue is coming in basically from Jhansi, Varanasi and to some extent in Noida's new zones and from NDMC, so this is what has been an incremental revenue that has been built.
- Nikhil Chaudhary:** But we are explaining that there are some disputes, it is a disputed amount that is yet to be received or we may have recognized it in this quarter?
- N.G. Subramanian:** This is a historical amount that has also been clubbed in, so this is an ongoing as per the new Ind-AS accounting norm annual standards of clarification, this is a new norm that has come in, so that is why we need to incorporate in our announcement.
- Nikhil Chaudhary:** Understood. Any pending receivables like that is probably yet to be recognized?
- N.G. Subramanian:** These are all recognized. This is new disclosure norms as per the new accounting standard, so that is why you are seeing it for the first time.
- Nikhil Chaudhary:** Yes, understood. Thank you so much. That is it and congratulations once again.
- Moderator:** Thank you. The next question is from the line of Manav Vijay from Deep Financial Consultants. Please go ahead.
- Manav Vijay:** Thank you very much for the opportunity. Sir, my first question is regarding your PCMC project in Pune, so, last time we shared that the costing of that project has moved up from Rs. 240 Crores to 264 Crores now, we have seen in last few months the way commodity prices have moved up, so is there any further escalation in the project cost or that Rs. 264 Crores remain true as of now?

**N.G. Subramanian:** Good afternoon, Manav. The capital cost has been fixed and firmed with a vendor, so we signed an agreement to that extent, so the vendors have also gone and hedged their position, so, the cost for the company is capped at that amount.

**Manav Vijay:** This would be helpful. Second thing is that now, in your opening remarks, you mentioned that now this NDMC project is now fully operational, it was a Rs. 1000 Crores project for 10 years, now would be safe to assume that we will have roughly Rs. 100 Crores per annum and Rs. 45 Crores per quarter, would that be safe for you to make for that project?

**N.G. Subramanian:** Manav what Jose had mentioned is there were two new contracts, viz., Jhansi and NDMC. When he was talking about fully operational, he was talking about Jhansi contract. NDMC we have just started the operation in one of the zones, so we expect the total procurement of assets by the corporation to be completed by June/July, so it is only after maybe the end of Q2 or beginning of Q3 that 100% scaleup of operation in NDMC will happen.

**Manav Vijay:** In terms of revenue, it was a Rs. 1000 Crores project for 10 years, so, can we assume Rs. 100 Crores per annum in terms of revenue from that project?

**N.G. Subramanian:** That is a safe assumption based on the tonnage that we are clicking in, so starting from the period, you will have a running run rate annualized revenue of around Rs. 95 Crores to Rs. 110 Crores.

**Moderator:** Thank you. Manav, I will request you to come back in the question queue for a follow up question. The next question is from the line of Akash Mehta from Capaz Investments. Please go ahead.

**Akash Mehta:** Good Afternoon Sir, I had a couple of questions. Firstly, are you open to bidding for a new processing contract as of now, and if yes, then what is the kind of investment that you are comfortable with?

**N.G. Subramanian:** We are definitely open for bidding for new processing contracts. Over the last couple of years, what we have seen is there is a decent amount of capital grant that is being provided either by the State, Central or by the Municipal Corporation themselves. So the capital requirement depends upon the technology, the space and the subsidies that has been provided by the clients. Normally, we have seen a fixed asset turn of around 0.4 to 0.6 for annualized size, so it depends upon the need of the client and the technologies that they want, so it is very difficult to give a very generic statement there, but definitely yes, we are looking for more processing contracts.

**Akash Mehta:** Secondly, with the fuel prices reaching such unprecedented levels, are we able to pass on the same or is there any pending unabsorbed portion?

**N.G. Subramanian:** So, 48% of our total revenue has a variable escalation, which is either quarterly, half yearly or monthly and 62% of my total operating cost excluding contract cost is labour and fuel, so we are pretty much hedged to a great extent in that aspect, so this is a factor which it is a pass on for us, but there is always a timing lag because we incur it today and we get it reimbursed later, so there is always a timing mismatch that happens, so, we are able to pass on decent amount of heartburn that we are faced down to the client.

**Akash Mehta:** Any pending unabsorbed portion as such?

**N.G. Subramanian:** No, we expense all our expenditures out and the reimbursements come in view of escalation clauses as mentioned in the tender.

**Akash Mehta:** That is it from me. Thank you.

**Moderator:** Thank you. The next question is from the line of Jigar Mistry from Buoyant Capital. Please go ahead.

**Jigar Mistry:** Good afternoon, everyone. Two questions Sir, firstly, can you throw some light on, how fast can we go ahead with the 5000 tons per day to the limit of 7,500, I am sure Mumbai is producing a lot more waste in terms of overall daily production, so what will be the constraint? Second question is with regards to the compost. I think this is arguably with the first quarter where we are starting to mine compost and RDF and how has been the experience in terms of pricing, the overall production, if you can split out the revenue that would be great too and last question is, any incremental disclosures with regard to the income tax that you would like to make? That is all from my side.

**N.G. Subramanian:** Jigar, so point one, the current tonnage that we are processing is around 5300, and it is not a stagnant amount. In the month of April, it was all the way up to 5800 tons per day, so it is not a very static number, it keeps on swinging on the upside. As per the tender norm, there is a step up in the tonnage that will flow to our processing site, so there is a gradual increase, so will I reach 7500 tons in two years' time, three years' time that is something we will not like to step out there right now, but we definitely have seen an increased intake or inflow of waste into our system, so we presume in the next three years or four years' time we will be reaching that number safely. Sale of compost from the bio-mined materials including the sale of RDF, we do not see a significant quality differential actually, the quality is significantly better because of our technology where we recirculate the leachate

into the system, so there is a decent amount of bacterial action that helps the quality of compost being sustainably well, so realization is at par with the compost that we generate from fresh waste, so there is no disparity just because it is coming from a bio-mined materials. And third point that you asked about the income tax enquiry, I mean we have not heard anything over and above what we have already informed in the last two quarters after the incident that happened in October 2021 we are yet to receive any further input or reply or enquiry or questions from the Income Tax Authority.

**Jigar Mistry:** Thank you, Subramanian. Just one follow up on this combined compost and RDF, are we booked to look at something like say Rs. 80 Crores to Rs. 100 Crores in the coming year in terms of revenue?

**N.G. Subramanian:** Today, Jigar it will be not wise on the company's part to venture out and give you a number, but definitely maybe three quarters down when the traction happens and we are able to supply the stock to our clients, we will be in a position to venture out and give you a number there.

**Jigar Mistry:** Thank you so much.

**Moderator:** Thank you. The next question is from the line of Favilo from Favilo Funds. Please go ahead.

**Favilo:** Thank you for the opportunity and congratulations on a very good set of numbers. My question is regarding the margins, I see you all have very good margins, but also in the investor presentation, you all have mentioned that most of the contract, the revenue is already, its edge to the inflation, so going forward will the margins remain same or is there any way where you can actually there is a scope of increase in the margins or in case tomorrow if the cost increases, do we have headroom to pass it on to our customers, please if you can throw some light on that?

**N.G. Subramanian:** Favilo, if you look at collection transportation contracts approximately 62% of my operating costs are fuel and labor and all the tenders that we signed or all those tenders in the waste collection and transportation business have escalation clause wherein either they are linked to certain parameters of high speed diesel of the WPI component or the minimum wage of that particular region, so as and when these things change, we get a tipping fee, that is the rate per ton that we bill go to the clients, gets recalibrated, so it is a pass on benefit for us and there is also a line item for miscellaneous items, which is also captured in the tipping fees. To a great extent that tipping fee helps insulate us from spikes in costs. Now, there is always an event while the tonnage falls, like for example, in COVID, so there is a fixed cost

of running a shift. Now the tonnage drops, you definitely see a fall in margin and if the tonnage increases, there is a spike in our margins, so that is a factor that we work on and Antony believes in having a very optimum route planning wherein we are able to sweat out our assets in a much better manner, so that is the only way we can improve our margins and that is something that the company tirelessly works on and we use Artificial Intelligence, we use route planning, we use all kinds of technology, enabled solutions to improve our systems. Approximately 90% of our vehicles have GPS, which helps us reroute the vehicles so that the tonnages that they carry can be maximized, so that is what we can do on the collection and transportation side of business. Waste processing, these are long term contracts and depending upon the waste generation and the technology that we select, the margins are normally steady and the escalations are linked either to the WPI or to the different parameters here, so margins are normally steady in these kinds of businesses. The scope for improvement lies on your ability to derive a delta on your higher maintenance or better maintenance of the vehicles and having a fewer downtime of your plant and machinery.

**Favilo:** Thank you. I will come in the queue if I have any questions.

**Moderator:** Thank you. The next question is from the line of Akhil from RoboCapital.in. Please go ahead.

**Akhil:** Good afternoon. Regarding going back to the opening remarks that you had made, the project expenses are high due to the work at the company's site currently, so I just wanted to know how long will it take to a project expenses to remain at this level?

**N.G. Subramanian:** So the project expenses will increase, proportionally the revenue from project income will also increase in the current financial year. So we expect the total project costs and maybe the revenue to the tune of around INR 170 crore odd expense to be booked in the current financial year, so after the construction is over, we will not see a spike or maybe an absence of the same in that particular line item.

**Akhil:** Fine and contract revenue currently for this quarter because of the Jhansi contract has been high and now going forward you had mentioned it is going to be 100 Crores per annum?

**N.G. Subramanian:** Contract revenue is basically related to the contract costs so as for the Ind-AS accounting treatment for project costing wherein you do a DBOOT activity, which is what we do for both Kanjurmarg and PCMC waste to energy, that capital that we invest has to be routed to the income statement that is why you see a contract revenue and a contract cost, so, these

will increase as and when I do a capex at my waste energy plant, the revenue from Jhansi and what you refer to the NDMC contract will be part of a tipping fee, MSW C&T revenue.

**Akhil:** Fine, so this depends on whenever you do capex this will increase because of the capex we are doing currently the contract revenue has increased in Q4?

**N.G. Subramanian:** Yes, exactly, so we will continue as and when the company bags DBOOT basis or we are getting any other new contracts in this nature while the assets are transferable to the client, you will see this line item coming up.

**Akhil:** Fine and just regarding the guidance that you had given in Q3, 27% in EBITDA going forward and 30% increase in the topline I just want to note that the guidance still stand in FY2023?

**N.G. Subramanian:** At core level, when I talk about core I am talking about my actual tonnage movement and the contracts and everything, we are very comfortable with this number, but the 30% growth that we are talking about also includes my Ind-AS project costing revenue, so we still hold a good by those numbers. On the margins depending because we saw the fuel price increases effective from March 15, 2022 onwards and the escalation, as I said, kicks in later, so we will see some volatility in the margin, but these gets reimbursed maybe end of the quarter or end of the reporting period, so there will be some maybe 100 BPS swing here and there on the EBITDA margin till the time things stabilize globally and in domestic markets.

**Akhil:** I will get back in the queue. Thank you.

**Moderator:** Thank you. The next question is from the line of Neerav Dalal from Maybank. Please go ahead.

**Neerav Dalal:** I had three questions, first is on the C&T revenues, if we see the C&T revenues over the last three quarters, we have done about Rs. 105 Crores to Rs. 109 Crores, in this period, the Jhansi started to happen in this quarter and obviously we had certain last year's contract come in, so going ahead in terms of FY2023, how do you see this line item go that is number one. Number two is on the contract revenues and project expenses, now if you see the project expenses as a percentage of contract revenues has actually been volatile in this year in the last quarter it is like 66% before the third quarter it was like 33%, so what should one take as a thumb rule here? And lastly, we have seen a decline in the employee cost and we have also obviously seen a decline in the employee headcount, so what are the reasons for the same and then how should then one look at this line item going ahead?

**N.G. Subramanian:** Neerav, we normally do not comment on the segment wise performance, but it would be good to understand that when we talk about collection and transportation, it is completely derived on the tonnages that moves in, so normally Q2 and Q3 are wet seasons for India, so the tonnages are normally higher, so if you take 100% of the total tonnage to be for the full year, I would say 55% of that gets clocked in Q2 and Q3, 45% gets clocked in Q4 and Q1, because the dry season comes in and moisture quantity goes down. So that is one parameter, so we will not be able to see a apples to apples comparison or a sequential growth kicking in as and when it happens from the same site that we are talking about. Jhansi, Varanasi, and even the new project that Jose mentioned about Nasik, now these are conditional Jhansi the capex is completely borne by the corporation, so as and when the corporation provides us with the additional equipments that they should have procured and given it to us, the ramp up will happen gradually and that is seen happening in the current quarter onwards, so that is fully operational. Same is the case of Varanasi, so we will see a traction there, so we would be comfortable with the guidance that we give for approximately 30% to 35% growth or the topline including processing and C&T per se. Your second point was on the rationalization on the labour cost, the labour cost is down purely because the Q3 we took an excess of expenses that was passed on because of a minimum wage revision, so we took a cumulative impact for five months and we booked in around 6.8 Crores in lieu of the same, so that is why we are seeing a spike in Q3 and Q4 onwards this is rationalized because of the absence of such increase and the same gets passed on to the operator that is us by way of escalations that is inbuilt in the tender.

**Neerav Dalal:** But just one follow-up on this, we have also seen a decline in the employee headcount, so is it that how does in this work?

**N.G. Subramanian:** The employee headcount is more of a rationalization process that keeps on happening because during the first two quarters and Q3 there is always a larger demand for manpower to be laid down and that kind of keeps swinging, so this is more of a rationalization efforts that the company has initiated in certain zones that we work in and based on that we are fine tune the route planning and hiring that helps us in having a higher operational performance.

**Neerav Dalal:** Got that and my last question on the contract revenue and the contract project cost?

**N.G. Subramanian:** That will be difficult. It is not a linear thing because last year till November, we had monsoon in Pimpri-Chinchwad so civil work could not be done in the time bound manner and that got scaled up later, so it is like more of a PERT CPM and another thing to be try to crash the project so that we are able to complete the project by March 2023, so it will not be possible for us today to give you a guidance like if the balance is INR 170 Crores odd needs to be spent, it is to be spent 40% now, 30% in the second quarter and the balance in Q3, it

depends upon the ability of the vendor to also get those assets delivered, installed and verified by the independent engineer and that is how the work gets done. But it would be safe to assume that the entire amount has to be spent and will be spent in the next 11 months.

**Neerav Dalal:** Sorry, just one more small clarification, because I was in the impression that the contract revenue so the project expenses you add cost plus and you book the project revenue so in that sense I was expecting both the line items would move parallelly, but then in the current quarter if you see the project expensive as a percentage the contract revenues will like 66% and in the previous quarter it were like 33%, so that was reason?

**N.G. Subramanian:** The certain expenses needs to confirmed with the independent engineer so that takes timing lag because they also provide certificates to verify the same, so based on the capex that we spend we book it in our system and we also have to recognize it as per the waste that comes into my Kanjurmarg projects so there is a delimitation that happens on the amortization on the financial assets that you gets locked into the contact revenue line item.

**Neerav Dalal:** So that I was really impression to just PCMC, but it also?

**N.G. Subramanian:** No, this is also Kanjurmarg both of them come into this right.

**Neerav Dalal:** Got it. Thank you.

**Moderator:** Thank you. The next question is from the line of Pawan from RatnaTraya Capital. Please go ahead.

**Pawan:** Sir, when I am looking at your note #5 and #6 regarding the receivable I just wanted to understand is there cost inflation clauses and wage hikes already built into the contract, how come these particular receivables are still outstanding in the sense we have said that there are claims and legal issues going on, so I just wanted to understand how these contracts are made and when to these contracts actually get into this kind of disputes?

**N.G. Subramanian:** Normally the litigation, the arbitration kick in when the interpretation of the tender are not very clear so the amount that we are referring to about INR 26 Crores odd all pertain to contracts that were signed and executed pre 2016, where the terminology were vague and they were not crisp and open for deliberation from both sides of the entity. So for example, if we are allowed to carry waste and then suddenly the law comes to effect saying that you need to carry segregated waste, the tender which is smooth or bland point gets deliberated upon and it goes for dispute, these were the line items that gets disputed when the terms of

the contract is not clear. Since 2016-2017 most of the tenders that the company has signed has disputed that the tender documentation, the clauses are clear on these aspects so the redressal mechanism is smoother. There are clauses wherein the arbitration process was defined and escalation which is where a lot of grey areas were mentioned is also thrashed out during the pre-bid meeting. So these are all old contracts signed, executed pre 2015, that is the arbitration or in the dispute lines. But happy to inform you that certain disputes have been redressed like the ones that we have with Bhiwandi, the ones that we have in **Navi Mumbai** corporation they all been clear and the company would be reporting positive numbers post the settlement and the money gets transferred to the corpus.

**Pawan:** So, that the note #5 where there are 45 plus around 9.83 that is 55 Crores pertains to receivables before 2016, is it?

**N.G. Subramanian:** No, some of them are pertaining to the current year also, these pertain to the minimum wage revision that has happened in the particular state, now the contract says us the revision in salary will be reimbursed, but change in minimum wages will not be reimbursed is their interpretation, but there is a High Court of Mumbai ruling says that change in minimum wage also may change in wages, so we have got an escalation, which we have already won in one of the municipal corporation and this amount which you are referring to is also accepted by the corporation saying that this is payable by the corporation to the client which is us. So the payment has been accepted, the dues has been accepted that this is payable by the client to the company, the timing since the amount is more than 180 days over so we need to bring it to the notice of the investors and to the regulators.

**Pawan:** On the Pimpri-Chinchwad project, what kind of contract revenues are you expected to book in 2023 and 2024?

**N.G. Subramanian:** We expect all our contract revenue to be booked in FY2022-FY2023 itself, the projects we are expecting it to be completed on March 2023, so we expect another additional 160 Crores to 170 Crores of contract revenue to be booked there. We do not expect similar line item in FY2024 because there is no timeline that we are working with our vendors and the client we are targeting March 2023 to be the time and the construction of the waste energy plant to be completed.

**Pawan:** So, just wanted to clarify in my understanding, so 140 Crores of contract revenues from Pimpri-Chinchwad has been booked in 2022 and rest will be booked in 2023, is my understanding right?

**N.G. Subramanian:** That is right.

- Pawan:** And Jhansi, how would that will be?
- N.G. Subramanian:** Jhansi is the collection and transportation contract where the capex is funded entirely by the corporation, so there is no contract income or contract expense in Jhansi at all.
- Pawan:** One clarification, Sir, when we are booking this contract revenue, so we are executing that particular project and so we will be keeping some margin in terms of profitability with us that is given right?
- N.G. Subramanian:** Contract cost and contract revenue pertains to only those contracts which are on DBOOT basis, which are predominantly in our case being processing contracts at Pimpri-Chinchwad and at Kanjurmarg so as and when I do the capital expenditures yes, we would be recurring pre-set project IRR rate at my revenue line item and expensing out the cost as the project cost and the same sits in the balance sheet either as financial assets or as intangibles.
- Pawan:** Project cost would be expensed for the entire duration of our capex that we have done?
- N.G. Subramanian:** Capex that we have done, yes.
- Pawan:** I will get back in the queue. Thank you.
- Moderator:** Thank you. The next question is from the line of Faisal Hawa from H.G Hawa & Co. Please go ahead.
- Faisal Hawa:** Broadly in three to four to five years do you think that we could ever get a similar contract like Kanjurmarg with any of the large metros, **which will be big change for our** company, let us say in Bengaluru, Delhi or even Ahmedabad given that now so many presence and experience you have earned over the last 25 years to 30 years no other company would be having?
- Jose Jacob:** What I have noticed is like Mumbai Corporation the area jurisdictions is very big and so I do not see municipality having 6000 or 7000 tons per day, but what I have noticed is there are many smaller municipalities who is producing around 1000 tons of waste per day and instead of targeting them we can go for five to ten municipality which will be equivalent to 8000 to 10000 tons per day. So we are exploring this with many municipal corporation, last two years because of COVID the municipality were more focusing how to tackle COVID and now they have come up with new tenders wherein they are willing even to fund you know initial funding up to 30% to 40% on the capital, so we are exploring many

corporations and all have come out and they have been asking us to give presentations, they want to know what is the best solution for the waste for them and we are doing it.

**Faisal Hawa:** Sir, what are your efforts to really increasing our dry waste content, which can be sold again because that contribution to revenue remains low all throughout? And one more thing is that are we looking at carbon credits on new exchanges that are now coming up, which is not trading much more active on this and Blockchain based solutions to really earn more revenue out of what we are already doing?

**Jose Jacob:** We are now presently we are focusing on two things that the RDF we are converting that into pellets and there is a market for the pellets and one more thing is the coal price has shot up everywhere. RDF demand has been increasing from various cement companies, so that is one good news for us. And also extended producer responsibility for of all large bottling companies, FMGC companies so they have to comply this EPR thing based on the pollution control board and for which they need company like us who can support them and help them in achieving those targets, so because if they do not comply there is a huge penalty from the Pollution Control Board on recycling of their bottles. As far as carbon credits concern it is opening up, we are exploring once we get right because few years back it has gone down very badly, so now we are exploring and it is really doing, big difference is coming up in the right then I can discuss with the client how we can make some revenue on that.

**Faisal Hawa:** Sir, what are the discussion in the board meeting on strategy how we are going take this company forward because the whole game I feel is that you know the sector is coming off and it is so much necessary and we are at the forefront of having done this for almost so many decades and what are the discussions like and how to take the company forward?

**N.G. Subramanian:** Faizal, the discussions are around multiple prongs, one is increasing focus from our existing clients so that we derisk our revenue model so that we are not relying on a few set of clients, one. Second is increasing our non-municipality revenue, which is basically meaning not just focusing on compost and RDF, which is coming from recycling purpose, they are also targeting the procurement and processing and directly getting into the recycling segment wherein the dry waste can be tackled because we can reach to bulk generators or even household generators on that side. More importantly we are also working on certain areas like getting into vehicle scrapping, we are looking at getting into certain areas wherein waste management as an entire cyclical resource extraction works on, so we are trying to work as one of my partner talks about doing the reverse Amazon way, so the Amazon you just buy and take the product into your house in this manner we are going to go to the houses, pick up the recyclable waste and source it out, segregate it, give it to the recycler so

the waste that enters the landfill is fewer than what it is today. So these are the areas that we are definitely working on and that is the near term focus, the long term focus would be to go into a zone not only MSW which is what constitutes bulk of my revenue today will be a part of the revenue, we will get into hazardous waste, bio waste and more importantly E-waste, we are looking at medical equipment scrapping policy, we are looking at vehicle scrapping policies those are the growth area that the company, which has never explored in the past, we will start exploring when we have the right strategy and right people to take the company forward in this those lines.

**Faisal Hawa:** I am extremely happy to what the board is discussing and really heartening to know that actually taking all these in board meetings. Thanks a lot and one last question if I may be allowed, just Rs.10 drop in diesel and petrol prices what kind of effect would it have on the EBITDA in this quarter and the next one?

**N.G. Subramanian:** Assuming there is a timing lag that comes in for every Rs.5 increase in diesel prices so I think let me give you the other way round, approximately 16% of my total operating cost is fuel, so if there is Rs.10 increase in fuel price or diesel, which basically is an 8% increase my margin will be softer by around 80 BPS maximum but this gets reimbursed to me maybe quarterly or half yearly so we gets set of in the forthcoming quarter, from a quarterly basis you will see some volatility as I mentioned anywhere between 80 to 120 BPS maximum and this is including looking at DA fluctuations and everything.

**Faisal Hawa:** Thank you very much for answering all my questions so well.

**Moderator:** Thank you. The next question is from the line of Akshay Kothari from Envision Capital. Please go ahead.

**Akshay Kothari:** Thanks for the opportunity. Sir, I wanted to know there has been an increasing awareness regarding the segregation of solid and liquid waste from the source itself like from the households itself, how does this positively impact us?

**N.G. Subramanian:** It has a positive impact for us because it helps in segregation, if your collection and transportation because it does not really have an impact because the total tonnage gets picked up and we move on and then we are getting paid on a tonnage basis. If you are looking for a processing point of view then the work is easier for the garbage processing entity because the organic waste gets process faster, there is no segregation required, so it is a pure organic matter, which comes in, so your organic compost seemingly higher quality than mixed had been there, fewer capex to be involved and fewer manpower to be deployed,

so it is a positive thing if things gets done and gets deployed and accepted and rolled out effectively.

**Akshay Kothari:** That is great. Just on the collection and transportation, so if liquid waste is getting segregated and what I understand is from the density then there is a wet waste our tonnage gets more so increasing revenue so that would not have a negative effect on us?

**N.G. Subramanian:** Actually when we talked about green waste, we do not have any such thing called liquid waste, the septic tank and everything is still not in our purview that we cater to, but the green waste is tonnage based, so we do not have an issue there because the tonnage despite segregation that are very few cities which have an end source segregation made mandatory and getting disposed at buildings themselves and that percentage of waste is not a significant sum today and we do not foresee this number to be large going forward also.

**Akshay Kothari:** That is great. That is it from my side and all the best.

**Moderator:** Thank you. The next question is from the line of Gaurav Gandhi from Glorytail Capital Management. Please go ahead.

**Gaurav Gandhi:** Thanks for the opportunity. I just wanted to ask that do we face any kind of competition risk and if yes does it put any kind of impact on our margins going ahead?

**N.G. Subramanian:** Antony has been in the waste management business for 20 years and we always watch out what will be price at which our equity and our project IRRs are safeguarded, so when we bid for a project we look at the viability of the project operationally and we of course take into consideration the kind of players who might be bidding with us, but that is not the deciding factor for our quoting a price.

**Jose Jacob:** Another thing is these contracts are long term contracts so any bidder who is coming, he has give services for next five to ten years in collection and transportation, for the waste processing it is 25 years, so the pricing has to be quoted with proper IRR and all that so I have not seeing aggressive bidding because if they quote a wrong price and then they are stuck and that company will go for a toss. So if anybody wants to under quote okay that is their problem, but we want to be super careful and be bid right way with proper IRR.

**Gaurav Gandhi:** One more question, have we received any kind of subsidy from the government for our WTE project at PCMC?

**N.G. Subramanian:** We have a 50 Crores capital subsidy from the corporation, so as per the tender condition this was stated upfront that there will be a capital subsidy to the tune of 50 Crores and power purchase at the fixed price of Rs.5 per unit for the tenure of the project, so this is what has been mentioned in the tender, it is from the corporation and not from the government per se.

**Gaurav Gandhi:** Are we going to account it in our financial I mean I read somewhere that the promoter is taking that subsidy that is why I am asking?

**N.G. Subramanian:** No, this cannot taken by the promoter, it is sitting in the company's books as a financial asset as and when it gets brought on and the capital account will be adjusted to that effect and the money that comes in will be used utilized in the debt to equity ratio, so we will be using the capital to repay the debt for the project and also the equity that comes in will be used to either for repaying the debt again or for the future growth opportunities that might come alone, so this is not going to the promoter.

**Gaurav Gandhi:** Thank you and congratulations for the great set of numbers.

**Moderator:** Thank you. The next question is from the line of Rohit Ohri from Progressive Share. Please go ahead.

**Rohit Ohri:** Sir, a few questions, for the Nashik project Panchvati & Satpur for transportation, the revenue of 25 Crores odd by when do you aim that this will start hitting the P&L?

**Jose Jacob:** We got the offer yesterday late night, today morning I would say so what we understand it will take us anywhere three to four months to get the assets in place and then maybe mid monsoon, I would say post monsoon is when we would start working on that site. It normally takes three to four months for the asset mobilization and the thing to be mobilized because two zones which has been awarded so we would need at least three to four months for entire fleets to be mobilized, the manpower to be cleaned up and route line to be perfected again so that we can do it at go, so maybe by October onwards we will be starting to see some revenue from this project.

**Rohit Ohri:** We plan to sell some surplus electricity at around Rs.3 or so to the BMC in future of course, what sort of requirements would be there to be connected to the grid and if you can just take us through that how feasible or how possible is it and who will pay you for the cost or the funding of these connections and equipments required?

**N.G. Subramanian:** So, we do not foresee a situation where the excess power will be available to us honestly speaking we are now ramping up our bio-mining equipment. So currently the 0.97 megawatts that we are generating by using it captivity for powering my MRF and the site requirement with the bio-mining equipments being in place and my shredders and trombones running I foresee from what I understand from our project team that anything excess will be consumed internally and we are actually doubling our power generation capacity so over the next three to four years we do not see a surplus power situation that we expect if it is there we would be selling it to grid but the joining and everything is at MCGM's end and the revenue will be paid by MCGM and not by the DISCOM.

**Rohit Ohri:** If you see the share of MSW processing as a percentage of the total turnover, it is kind of reducing and that kind of stuck in the range of 23% to 24% odd, from earlier 29% to 26% rise we have see so would like to share something on this though the things going forward this 23%, 24% kind of percent of MSW processing would sustain or do you see it coming down more?

**N.G. Subramanian:** MSW processing inches up gradually once the waste energy project is stabilized, so you will see higher contribution coming from MSW processing so that is what will change the tenure now and we are also looking at higher contribution coming from a Greater Noida bio-mining project which is absent in FY2022, so that contribution is also inch up our numbers, but having said that this might be offset with the increased revenue from MDMC and the newly for Jhansi contract so maybe in the next two years' time we will see this inch up to 32% to 33%, but in the near to medium term we will seen range to be consistent.

**Rohit Ohri:** My last question is related to these new contracts, which you are bidding, so if you can just take us through these contracts are related to C&T processing, bio-mining or others and which geographies you are looking at and what could be the approximate size of these projects?

**N.G. Subramanian:** We are looking at mix of both C&T and waste processing contract so as of now we have bid for five more contracts and three of them are collection and transportation and two are waste processing. The timelines are very weird in the sense they will take anywhere between 6 and 12 months to know the status and the work flow of the same, but this would be of sizes of collection and transportation of each contract would be in the tune of around 300 to 500 tons per day and waste processing would be in the range of around 700 to 1000 tons per day, these are predominantly in the western part of the country as of now. The newer contracts has been coming up are either in northern part of the country, but they are still in design phase where we are to come out with LOI to that effect.

- Rohit Ohri:** So, this MCD that is margins that should have some more advantage for us right because we are in talks to merge the three part of Delhi into one consolidated kind of corporation so anything from that end?
- N.G. Subramanian:** That is a positive news for all operators because that will open up a decent amount of work to be done because if you read the newspapers about the Ghazipur affair there is a large amount of work that needs to be done in that part of the country, so yes, merging all the three municipal corporation is definitely a positive news, but it also means more structured to be done, but this is something that we feel we will take at least a year or two for things to settle down and formulate a policy driven note on that.
- Rohit Ohri:** Thank you for answering the question, thanks a lot.
- Moderator:** Thank you. The next question is from the line of Bhavya Gandhi from Dalal & Broacha Stock Broking. Please go ahead.
- Bhavya Gandhi:** Sir, I just wanted the gross block figure before accumulated depreciation?
- N.G. Subramanian:** So, gross block at the group level you are mentioning, right?
- Bhavya Gandhi:** Yes, at the group level.
- N.G. Subramanian:** This would be Rs. 600 Crores, but let me just give you the right thing for you just give me a minute because we always look at the gross block, you are including financial assets and everything is around Rs. 600 Crores.
- Bhavya Gandhi:** If you remove the financial assets then?
- N.G. Subramanian:** Financial assets are basically capital that we have deployed in our bio-reactor, it actually should be forming a part of my structure.
- Bhavya Gandhi:** Suppose if we remove financial asset then what would be the figure?
- N.G. Subramanian:** Rs. 380 Crores.
- Bhavya Gandhi:** 380 Crores, okay and Sir, I just wanted of broad overview with respect, maybe we have visibility for the next two, three years post that what is our long run roadmap maybe five, six years roadmap, so how do we plan to take it forward post two, three years? How are we going to expand our revenue stream because overall the market still looks very small in terms of value?

**N.G. Subramanian:** The market is completely underserved and under resourced in that sense because waste is something that has been there since the Indus Valley civilization and somebody has to take rid of it. Population now is growing all over the place, so we are seeing waste management as a solution to be more prevalent and more taken up by municipalities in a more aggressive term and maybe the budgets allocation will be more higher so we feel the size of municipal survey itself is going to go around 30% year-on-year because of the need of new infrastructure, machinery, technology to be deployed, there is just an MSW part. But now we are talking about vehicles scrapping policy, we are talking about biomedical waste disposal post the COVID impact, we are looking at medical equipment being scrapped in a very scientific manner, so those are the areas that we will definitely take this industry to the next level and we are talking about wastewater treatment which has been a requirement for urban areas, but it is also a requirement for the rural areas because of ground water level depleting, so there is a definite need for water treatment maybe not for portable use, but at least for irrigational purposes to be in a recycled manner.

**Bhavya Gandhi:** We will be able to have exponential rate 25% on a broad level not exact figures but at least?

**N.G. Subramanian:** 25% CAGR go to something that for this industry in this country is something should be on the cards.

**Bhavya Gandhi:** There would not be more competition which will kick in the long run because of the long-term agreements?

**N.G. Subramanian:** As an industry, this is an industry which is underserved so there will always be competition from technology service providers, so we are seeing in the past like each truck has three or four laborers now because of better technologically equipped vehicles we are seeing each vehicle being held two laborers so it is becoming less labor centric, but more technology centric so it is going to be driven by companies are able to efficiently sweat out its assets and add more abled machined equipment so certain countries and certain players definitely have an edge, but in India the working condition are different, the road are different, we do not have a single road of 16 feet long so each city, each state, even zones of each cities are very difficult so it is going to be very difficult for somebody to come and start becoming like even for Antony the city of Mumbai, and the city of Navi Mumbai and the city of Varanasi though they are cities within the same country they are all different, the characterizations of each city is different and even parts of the cities are different. So it is difficult for competition for abroad companies to come and strike roots in our country in the current scenario, but the local players need to be groomed up, they need to scale up to our expectation, that is a demanding task.

- Bhavya Gandhi:** Sir, on the debt front, right now we have a gross debt of 170 Crores odd and net debt of roughly 100 Crores, so what are our plans to get debt free?
- N.G. Subramanian:** So, it will not be debt free today, the reason is once the PCMC plant is completely function, we will be incurring another additional 170 Crores odd so that will take our debt to 0.6 times my equity. The day I stop bagging new contracts, the day I say I do not want to bag any new contract from that time onwards within four years I will be completely debt free after taking 170 Crores of debt that is.
- Bhavya Gandhi:** Sir what would our target ROCE level, so maybe you can give rough number?
- N.G. Subramanian:** We are very comfortable with the rates that we are and we will have to hold onto it.
- Bhavya Gandhi:** 20% sort of level, right?
- N.G. Subramanian:** Yes.
- Bhavya Gandhi:** Thank you so much, Sir.
- Moderator:** Thank you. The next question is from the line of Ankit Shah from JHP Securities. Please go ahead.
- Ankit Shah:** Thank you for taking up question, I just have one question, many contracts in collection and transportation are funded by municipalities, so any ROCE guidance for the next two years?
- N.G. Subramanian:** Can you repeat the question, please?
- Ankit Shah:** Many contracts in collection and transmission are funded by municipalities so any ROCE guidance for the next two years and what would be the operating margin that can be achieved from these contracts?
- N.G. Subramanian:** Normally when we bag a contract I am still not able to get your question, when we say about ROCE, return of capital you want?
- Ankit Shah:** Return on capital employed?
- N.G. Subramanian:** ROIC, yes, the contracts are normally and always funded by municipal corporations and the capex is always upfront for collection and transportation and/or waste processing contracts. As and when we bag a contract we will see a significant spike up as deemed required for that particular project, so you will see a spike coming in, but that also in case of collection

and transportation the revenue also gets start kicking within the same quarter or may be the beginning of the next quarter onwards. It is only in case of waste processing where the mobilization and the construction time is anywhere looking 18 to 24 months where you setup the entire plants, it is a Greenfield plant, so that take on two years and the capex is also gradual over the two years' time. So ROIC currently the way it is, it will be slightly softer going forward in FY2023 because of my waste energy plant being commissioned but that gets slightly offset by increased revenue from NDMC and Jhansi kind of revenue generating point. But normally it will not be swinging very badly because unless and until I bag five or six processing contracts I will be having a higher capital employed in that sense, but the revenue will then kicking in up after two to three years only, so the mix is always going to be a judicious mix of collection and transportation and waste processing.

**Ankit Shah:** Thank you so much.

**Moderator:** Thank you. The next question is from the line of Ketan S an Individual Investor. Please go ahead.

**Ketan S:** Regarding the PCMC project, I wanted to know what will be the plant load factor when we start the project and what would be the peak PLF that we intent to achieve and what would be timeframe that we envisage to reach that peak capacity?

**N.G. Subramanian:** The PCMC waste energy initially we will start with a PL of around 60% to 65% and within four months we will be ramped up to around 80% to 85% this is what I have been committed by our vendors and this is what the contractual dealers been signed with Hitachi Zosen and ISGEC in this case. The current calorific value of the waste that is being collected is very high, it is in the range of around 2800 to 3300 kilocal and our plant is designed to take it anywhere between 1200 to 1800 kilocal waste, so we feel that we will be able to ramp up our plant load factor to 80% to 85% within a period of four to five months after the project gets inaugurated if not earlier.

**Ketan S:** So, which means by Q2 of the next financial year we should get 80% to 85%?

**N.G. Subramanian:** We should be targeting because Q2 of FY2024 is when we should be seeing any teething problems to be sorted out by that time.

**Ketan S:** Right, the other question is on the future growth plans. It has been interesting to hear when you responded to another question that we are looking at adjacent areas like electronic waste, biowaste, hazardous waste, etc., and you also mentioned that 25 years CAGR growth

should be on the cards for the industry, so I mean it could be fair to assume that even Antony aims to grow at that rate in the next decade also like 25% plus?

**N.G. Subramanian:** That is an internal target that is what we have taken for ourselves, that is something that we work hard towards to achieve.

**Ketan S:** Last question if I may regarding the tenders that we have not submitted from other tenders that we have submitted already will you be able to tell me that how many tenders we have already technically qualified and we are waiting for the financial bids to be open?

**N.G. Subramanian:** As I mentioned we have submitted for five tenders and we are qualified in all the five tenders, but it will be too early for us to give you the details on the same.

**Ketan S:** A follow up on this is what will be typical potential of the revenue of these, if you win all of these, what will be the potential revenue that we would be looking at?

**N.G. Subramanian:** It is still in design phase because they asked for letters for technology and everything so till the time the tender contours are confirmed it is very difficult to assign a number to that area because they right now wanted to know a list of players who are willing and who are executed similar projects, so in that line we have technically qualified because they have invited us to bid for the same so once they provide the details of the tender whether the entire city or part of the city is given only then we will be able to give you a clear picture to the question that you are asking.

**Ketan S:** What I meant to ask was for the tenders you have submitted our firm bids and there we had got technically qualified for those bids and you are awaiting financial bids, because I understand that once the firms tender documents are released we would be evaluating the tenders we will probably do due diligence on the city and things like that we will submit our tenders and then technical qualifications that will happen first and we will submit the clarifications after that they do the short listing of the companies who are technically qualified and they move onto the next stage of opening the financial bids on that technical qualifications so I am asking from that respect that is there wherever firm tenders have been submitted from our end and we technically qualified not expressing the letter of intention of participating from our end.

**N.G. Subramanian:** We got that thing. The issue is the numbers are too large for us to even consume internally so it is not that we will be going out with all the five tenders that we have bid for, it is a strike rate that we are looking at, but having said that each of them would be to the tune of around 1000 Crores to 1200 Crores over the project life.



*Antony Waste Handling Cell Limited  
May 27, 2022*

**Ketan S:** Understood. Thank you so much for answering my questions.

**Moderator:** Thank you very much. That was the last question for today. I now hand the conference over to Mr. Jose Jacob for closing comments.

**Jose Jacob:** I take this opportunity to thank everyone for joining the call. I hope we have been able to address all your queries. For any further information kindly contact me or Strategic Growth Advisors, our Investor Relation Advisors. Thank you once again.

**Moderator:** Thank you. On behalf of Antony Waste Handling Cell Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.