

Transcript

Conference Call of Repro India Limited

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Presentation Session

Moderator: Good evening ladies and gentlemen. I am Dennis, moderator for this conference. Welcome to the conference call of Repro India Limited. We have with us today, Mr. Mukesh Dhruve, Executive Director of Repro India Limited. At this moment, all participants are in listen only mode. Later, we will conduct a question and answer session. At that time, if you have a question, please press * and 1 on your telephone keypad. Please note this conference is recorded. I would now like to hand over the conference to Mr. Mukesh Dhruve. Over to you, sir.

Mukesh Dhruve: Good evening all my friends. Welcome back to the Repro concall. This has been an exciting quarter and exciting nine months for Repro India Limited. As you know we have been growing quarter on quarter and year on year. And it has been a wonderful quarter for us, for Repro India. So, I'll give you a few highlights for what has happened in the quarter. There has been a 24% growth in revenue, from 65 crores to over 80 crores, 55% growth in the operating profits, from 9.68 crores to 14.98 crores, 75% growth in the PBT, from 5.28 crores to 9.22 crores and 56% growth in profit after tax, from 5.29 crores to 8.27 crores. Basically the EBITDA margins have grown from 15% to 19% and the profit after tax has grown from 8% to 10%. One of the key reasons for this is the cost of raw material has come down substantially. The staff cost also has come down. And all this is because of better buying power and better efficiencies that we have achieved in this quarter. In terms of comparison between domestic and exports, domestic business grew by almost 12% and exports grew by about 33%. Overall, the business has grown by about 24%. The Surat plant has done very well after the expansion which we have completed in the middle of last year, from 24 crores of top line, it has now achieved almost close to 36 crores of top line. New Mumbai, as you know we have just completed the expansion in December, so the increased results would start coming from the current year. It has remained more or less at 40 crores for both the quarters. Chennai plant which we just took over at the end of last year, somewhere in middle of August, has contributed 4.26 crores. So, the ratio between export and domestic has been 60 to 40, export being 60.

I will move to the nine months, basically the rest of the figures are there with you. There has been a 21% growth in revenues in the nine months, 190 crores have moved to 230 crores, 60% growth in operating profits, from 25.49 crores to 40.91 crores, 111% growth in PBT from 12.42 crores to 26.18 crores and 98% growth in PAT from 13.33 crores to 26.37 crores. In the nine months if you look at it, it's been a wonderful nine months for Repro. If you look at the overall position, in the last four years, Repro has achieved a profit margin of close to about 23 crores. We have already exceeded that in the first nine months, it is at 26.37 crores. EBITDA margins for the nine months have grown from 13% to 18% and PAT from 7% to 11%. It's been a wonderful quarter. And if you



compare nine months in terms of export and domestic, exports is at 60% and domestic at 40%. Growth in export has been 33% in nine months and domestic has been about 7%. Surat plant which I said with an expansion of capacity, if you take the nine months comparison, 68.93 crores has grown to almost 102 crores. Navi Mumbai, because there was no great expansion happened, 122 crores has grown to 123 crores. In Chennai, nine months has contributed to 5.22 crores.

In terms of the key financial ratio, return on net worth has grown from 16% to 21%. Return on capital employed, it has grown from 9% to 12%. EPS annualized from 21% to 33%, 33 Rupees sorry. Long term debt equity has remained more or less same, from 0.49 to 0.48. Raw material number of days has grown from 14 to 20 and number of finished goods, from 5 to 6.

This looks to be an interesting year for Repro India. What I said in the beginning, we are expecting anything between 25% to 30% growth. We are close to about 24%. In spite of all the parameters being what they are, it has been a good quarter. We have executed some huge contracts in India as well as in Africa. Especially, there are two contracts I was mentioning here, one was a contract with the Ethiopian Government, where we did close to about 5.2 million books in the previous quarter. In the last quarter we executed a large contract for the Nigerian Government of almost 22 million books worth about 12 million dollars. In India we have signed up some contracts with the publishers like Oxford, Britannica, Cambridge and so on and this has set us on a growth path. I welcome you back to this and I look forward to your questions.

Question and Answer Session

Moderator: Thank you sir. Ladies and gentlemen, we will now begin the question and answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask the question. If your question has been answered before your turn and you want to withdraw your request, you may do so by pressing * and 1 again.

The first question comes from, Mr. Chandran Kumar Shah an Individual Investor.

Chandran Kumar Shah: Hello.

Mukesh Dhruve: Yeah, good afternoon.

Chandran Kumar Shah: Good afternoon Mukesh bhai. At the outset, I am very happy that with you and your team effort, you being a leader I would say rather, the company has achieved a very, very significant growth over the years and I hope the same team will continue. I have only two questions to ask, that will you be able to maintain the paths of dividend rate? Number one. Number two; is there any plan to, say only one quarter is left, maybe interim dividend, declaration of making plans in interim dividend?

Mukesh Dhruve: Good evening Mr. Shah and thank you for calling me. Both the questions I think answer in the same way. One, as far as the dividend is concerned, we have a set policy set by the board. We would give payout of anything between 25% to 30% of what we will earn and that is what we will continue in the current year. So, let me repeat, you can expect a good dividend if the profits continue in the way we are



doing business right now. As far as the interim dividend is concerned, I don't think we will be announcing any interim dividend, we will be giving final dividend.

Chandran Kumar Shah: And sir, what about the contribution of the Chennai plant? You say about 5 crores to 6 crores, do you expect it to go up during the next quarter sir?

Mukesh Dhruve: Yes, it has contributed 5.22 crores. And you know Chennai plant is something which we took over after 15th of August and we actually started working on that from September onwards. This quarter as you can see, the contribution is 5.22 crores and that is the capacity of the Chennai plant and that kind of contribution will continue from the Chennai plant even in the current quarter.

Chandran Kumar Shah: Sir, I think these are the two and sir, more than enough for me. I have got a sore throat problem. So, I cannot continue. I will just think over, in between if I get any questions, if I think of any questions, sir I will revert back to you sir. All the best and please convey my congrats to all, particularly to you and to your whole team, the Repro team sir. Thank you sir. Thank you sir.

Mukesh Dhruve: Thank you Mr. Shah.

Moderator: Thank you sir. Next question comes from Mr. Nayan Mehta from 21st Century Shares and Securities.

Nayan Mehta: Hello.

Mukesh Dhruve: Yeah, good evening Mr. Mehta.

Nayan Mehta: Yeah, congratulations on very good set of numbers.

Mukesh Dhruve: Thank you.

Nayan Mehta: Yeah, just couple of questions, one is that earlier quarters we were availing the MAT credit, the tax and this time we have, for the first time in many quarters we have actually had a positive tax expense. So, can you just little bit elaborate on that? And by what period we will be continuing to get the benefits on the tax rebate and by what period we will be starting to pay higher tax?

Mukesh Dhruve: As far as the MAT debit is concerned for the current quarter, I mean the tax debit is concerned, it is primarily because in the past we had both, we had high depreciation of the mahape plant, where there was no tax applicable. In Surat, as you know it's a SEZ exempted from tax completely. However, the tax advantage of the mahape plant is coming to an end and as a result of that there is a deferred tax commenced which we have to debit to the profit and loss account this quarter, which was about 95 lakhs, which has been done. So, it's mainly because of the MAT applicability to Repro India now. As far as the exemption is concerned, the Surat plant which is exempted completely is valid till the next year, which is 2013-14. At the end of 2013-14, the 100% tax exemption in Surat will come to an end. However, the following five years, Repro will get 50% benefit on the profit that we will make in the Surat plant. And after five years, it will depend on the amount of investment we do that into Surat, that's the amount of benefits that we will keep on getting at the Surat office.



Nayan Mehta: So, as far as Surat is concerned, the maximum benefit that you were getting was...

Mukesh Dhruve: This year and the following year there will be exemption, after that the 100% exemption will go away and we will get 50% exemption for the following five years.

Nayan Mehta: Okay, okay. And I think in Q3 you had mentioned some couple of names of customers you had acquired. And while you mentioned it in your earlier comments that the Ethiopian and Nigerian orders, is it possible for you to share any names, in case there are any customers acquired, publishers?

Mukesh Dhruve: I will put it like this that it is a continuous process. In India also we have acquired new customers, outside also we have acquired new customers, especially in the West African region, East African as well as the South African regions. We are penetrating new countries. We are looking at newer areas like the francophone country. We are looking at Central Africa with a difference. We have acquired new customers. I think it will be too premature to announce the name of the customers. This is something where a lot of research goes into, lot of traveling happens and after that we acquire customers. By giving out the names, we invite the competition to those customers at this stage. Once we are established, then maybe the names can be given. It is too early to give the names out at this stage, because why should we invite competition early and all our hard work which has gone in about almost, it almost takes about a year and a year a half to eighteen months to acquire new customers. So, I would suggest that it would not be advisable to give out the names at this stage. Once we are established, we can give the names out.

Nayan Mehta: Okay. Fair enough. Secondly, could you give us some guidance on the CAPEX plan and what has been the CAPEX incurred so far in this financial year and going ahead?

Mukesh Dhruve: See up to now, for the CAPEX has almost taken upto the amount of 70 crores and this would be almost the end of our main CAPEX plan, which I had explained last time also. In New Mumbai as well as the Surat plant, both the expansions have come to an end. New Mumbai, the installation of the new machine that we have planned has just got over. And from the current quarter, we will get a bit of benefits, but the whole benefits of the CAPEX in New Mumbai you can see happening in the following financial year, which will be 2012-13. Surat, the expansion has happened and as you can see the results are great to see, from the comparable period if you see, nine months against the turnover of 68 crores, Surat has shown a turnover of 102 crores. So, those benefits have started coming in. Next year we do not have any major CAPEX plans, except we may consider upgrading the Chennai plant, because that is something that we have just acquired. We may spend some CAPEX in the Chennai plant, which will be routine CAPEX in the region of 20-25 crores. But, of course it will be subject to study and what are the benefits and etc. going forward. But, what you are seeing here is the routine CAPEX happening now, which can be in the range of 10 to 20 crores, which is more for repairs, renovations, technological upgradation and other areas. But, the major CAPEX plan is getting over this year.

Nayan Mehta: Okay. And these CAPEX plans will be sufficient for you to get a turnover for 550 crores as mentioned earlier in the pervious quarter?



Mukesh Dhruve: Absolutely. This CAPEX what we have done will take us very comfortably to 530 crores.

Nayan Mehta: Okay. So, incremental turnover will come at a lesser asset addition.

Mukesh Dhruve: Absolutely, that's correct, that's correct.

Nayan Mehta: Okay. And one thing is that your interest cost are rising actually every quarter, so is it that you are using more working capital or is it that your cost is inching up every quarter?

Mukesh Dhruve: It is a combination of three factors. One is, as you rightly said we expand and then put in 70 crores, so we have taken some ECB loans, as a result of which the interest cost has started coming up in this quarter. Two, as you are already aware, the interest cost has started going up overall in all the spheres. So, there has been a bit of increase in the cost also and third, slight use of excess working capital, because of the growth of the top line. If you take the quarter on quarter comparison, from 65 crores this quarter to quarter, 65 has become almost 80 crores. So, increase of that has been a bit of more usage of working capital. But, the primary reasons are the ECB loans that we have taken plus the interest rate going up of course.

Nayan Mehta: Okay. So, what is the blended cost of funds, the ECB?

Mukesh Dhruve: Previously we were in the range of 4 to 4.5, now we would be roughly in the 5 to 5.5 range.

Nayan Mehta: Okay, 5 to 5.5 for the ECB.

Mukesh Dhruve: For both, because your working capital, we take many packing credit finance loan, because export being the largest chunk of the business. So, we take packing credit finance loans, which are again leading to the LIBOR.

Nayan Mehta: Okay. And you said about the deferred tax, so this will continue in the next quarter also, right, I mean in the current quarter also?

Mukesh Dhruve: That's correct, that will continue.

Nayan Mehta: Right. And this 550 crores, is it achievable in FY13 or it will still have to wait?

Mukesh Dhruve: Because, after we finish this year, as I said we will be disappointed if we don't do 20%-25% growth. But if you can see, nine months fiscal we have grown at about 21%, last quarter as you know it was 24%. If you take 25% year on year growth, it is difficult to predict that those numbers can come in the next year. But yes, I would say 20%-25% is the growth that we expect year on year.

Nayan Mehta: Okay. And lastly how would you, see this quarter has been fabulous at the operating level and your margins have shot up dramatically owing to



lower raw material prices. Now, how do you see going forward, whether this raw material trend, how will it impact going forward?

Mukesh Dhruve: I think we should be able to retain more or less this, except you know there can be an aberration if raw material prices go up suddenly. But, we should be able to maintain in the range of this 17%-18% EBITDA margins. That's what we are working for.

Nayan Mehta: This will be the average for FY12?

Mukesh Dhruve: That's correct.

Nayan Mehta: And for FY13 would be how much?

Mukesh Dhruve: It will be difficult to predict at this stage Nayan. We are yet in the budgeting exercise and all that, after that is done maybe next AGM time we can give some information. It's too early to announce, still '12-'13 has not started, I am saying because financial year ends 31st March, our budgeting exercise has only started internally and once we have completed the budgeting exercise, so maybe we can throw some light on this.

Nayan Mehta: Fine, fine. And the export of 60% of your turnover is basically from primarily from Africa, right?

Mukesh Dhruve: Yes, major portion comes from Africa, but there is a mix of business from UK, Europe. We have a few customers in Australia, some customers in Singapore, some customers in Russia also. It is scattered across the globe I would say, but yes, the major portion comes from, I will not call it Africa, because it's 22 countries in Africa, because Africa is a continent. So, there are 22 different countries with whom we are dealing in Africa and the business is coming from those countries.

Nayan Mehta: Okay. So, is it like 80% of your exports from total.

Mukesh Dhruve: Almost 80% to 85% is coming from Africa.

Nayan Mehta: Okay, okay. Thank you Mukesh bhai, thank you and wish you all the best.

Mukesh Dhruve: Thank you.

Moderator: Thank you sir. Next question comes from Mr. Jigar Shah from Kim Eng Securities.

Jigar Shah: Good evening Mukesh bhai. Congratulations all of you.

Mukesh Dhruve: Thank you Jigar bhai.

Jigar Shah: My question is that we have seen a very good margin expansion and whatever I could understand from the presentation that you have sent, the margin expansion is more due to the savings in raw material cost. So, is it correct to say that?



Mukesh Dhruve: Yeah, that's correct, quite correct.

Jigar Shah: So, do you think this is something which is sustainable in the next year as well?

Mukesh Dhruve: More or less yes Jigar bhai, that is the task that we are working for. It's a combination of two-three factors. One is of course the raw material cost, which because of the buying power we have been able to achieve better results. Second thing would be the operating efficiencies that we have achieved. Third, I would say that we have understood our publishing is well and we have been able to expand our business with our existing customers quite well. If you notice quarter on quarter, this was a tough quarter for most of the industry, we have grown. And in fact we have got some quite good contracts in this last quarter. So, it's a combination of three-four factors. Going forward it is difficult to predict so early that whether we can retain, but our internal task this thing is, how we can remain in the range of between 15% to 17% to 18% EBITDA levels.

Jigar Shah: I would again ask the question because, let's say if in the past our normal margin has been around 14%-15% and if this 18% has to be achieved, then is there any variable factor? For example, operational efficiency, let's say as long as you have orders and you are already talking of good amount of orders plus your CAPEX is mainly complete, so both the plants are set, and scalability benefit has also come. So, what is the range that you would say is more likely in the coming years?

Mukesh Dhruve: I would say on the lower side 15% and on the higher side, it can be as high as 20% sir. Range wise can be between 15% to 20%. Right now if you see, it is in the range of 18%. But, that's what our target is. And yes, the question which you have asked, I mean you have answered the question by saying the operating efficiencies will come, you can increase capacity, so with the enhancement of the capacity, the fixed cost will remain more or less at the same levels of what we were. And though our capacities have almost doubled, between the two plants our main plant is for doubling, our overheads are not doubling. So, to that extent we will get the advantage of those benefits. And definitely I think that could contribute to the EBITDA margins. See, it's too early to predict what can happen early next year, but that's what our internal targets are. Range wise I can say, anything can happen to raw material. Suddenly like year before last, if you recollect, there was a port strike in Finland, there was an earthquake in Chile, because of which the paper pulp prices went up so suddenly, and nobody could predict that. So, if any unknown factors comes in, it's difficult, but range wise I can say, on the lower side we should be in the range of 15% and on the upper side our target is definitely 20% or 20% plus.

Jigar Shah: Can you tell me what was the average collection period for Q3?
Q3?

Mukesh Dhruve: The average collection for Q3 was in the range of 170 days. However, on the 31st of January, it is down to 140 days.

Jigar Shah: I remember that we had brought it down to below 100 days.

Mukesh Dhruve: So, we had brought it down to 102 days, that's correct.



Jigar Shah: Right. So, why is it gone up again?

Mukesh Dhruve: There were two specific reasons. One was we executed a large contract with the Nigerian Government and they were all backed by the LC's. However, Nigeria had a fuel strike in the country, for which the whole country was almost closed for two weeks. I don't know how many of you are aware, but in Nigeria the fuel price which was, the local currency there is known as naira, it was in the range of about 45 naira, it became 135 naira overnight. So, the whole country went on strike for almost two weeks, including banks, all consumers were closed for two weeks. As a result our payments which were due, could not come through in that month of December. Now, those monies have all come in January and the number of debtor days have come down to 140. So, the other area was, Ethiopia there was a funding by the World Bank and we had executed a contract and we are expecting those money. Again, it was LC backed, but I think the World Bank delayed it by about a couple of days or weeks. As a result of which those payments also had come in January.

Jigar Shah: Okay. Do you think by March we are again back to 100 days of debtors?

Mukesh Dhruve: See, we are targeting 100 days. It should be anything close to 100 to 110 days max. You know in this industry the general credit days is 120 days going up to 130 days. We are trying to bring it below, because our internal target is, how we can bring it down to close to between 90 to 100 days.

Jigar Shah: Right. And the next thing is like what is your growth plan for FY13?

Mukesh Dhruve: FY13, we want to concentrate on our expanded capacities and trying to see that how we can now utilize our capacities to the fullest extent. We can see a good amount of growth coming from the two major markets that we are operating into. One is of course the India market, where we can see a good amount of growth happening in the education segment. Second area is of course the exports market, where Africa has been a dominant factor. And we can see that that is something where we can really capitalize. We were previously into just three regions, now we are into four regions. We are into West, East and Ethiopia and now we have moved into Southern Africa. We are looking in that region. We are trying to focus and move towards the fifth region, which is the francophone countries, where a lot of work has happened, lot of teams have travelled. We are trying to set up some businesses there. So, we see a good amount of growth happening in the next year. And education is something where I don't think downturn is happening in the coming years. And the last thing we really focus is on our e-books and e-pubs, where we have done a lot of work again. As you know we have all the publisher's titles with us. We have relationship with almost 500 publishers outside India and close to about 400 to 450 in India. These publisher's titles and the PDF files are lying with us. We will be in the best position to convert them into e-books. And as and when the e-books take off, we are ready for that market and we should be there at that time. So, in the virtual books or e-books, digital books, we are going to be there. And we can see expansion in both the segments happening simultaneously.

Jigar Shah: Okay. What kind of CAPEX is there for FY13?



Mukesh Dhruve: It will be in the normal range. We are just planning the Surat CAPEX, sorry the Chennai CAPEX, because in Surat and New Mumbai we finished our CAPEX completely. The major expansion is over, so we don't need any new CAPEX for enhancement of capacity in these two plants. However, Chennai is something where we want to expand. And we are looking if we need to put in about in the range of 20 to 25 crores to upgrade this plant, that is where we might focus in the coming year and to enhance the capacity in Chennai plant. Existing capacity as you know is in the range of say 20 crores, because they only shifted places there. We are thinking how we can take 20 to 100 by putting in some CAPEX there.

Jigar Shah: Okay. And anything on the digital side, any CAPEX?

Mukesh Dhruve: We have planned; we have started the investment there. But, it will not be a major investment. Right now it will be in the range of about 3 to 4 million dollars, which is what we are investing in the digital side. But, as we move on and as the business expands, we will be ready for that.

Jigar Shah: Okay. So, this 3 to 4 million dollars, you are putting in this year?

Mukesh Dhruve: Yes, that will be in this year itself.

Jigar Shah: FY12?

Mukesh Dhruve: That's correct, FY12.

Jigar Shah: Okay. And what is now our debt equity?

Mukesh Dhruve: Debt equity is 0.49. Sorry, it was 0.49 in the last quarter, now it has come down to 0.48.

Jigar Shah: Okay. And you intend to keep it the same way for next year as well?

Mukesh Dhruve: Yes, it should be more or less in the same range. Because, all ECB's we are keeping on repaying now, so the ratio even if we take any new loans, I don't think it will go beyond this.

Jigar Shah: Okay. That sounds good. Wish you all the good luck for the next quarter.

Mukesh Dhruve: Thank you so much Jigar bhai, thanks so much.

Jigar Shah: Thank you, bye.

Moderator: Thank you sir. The next question comes from Mr. Eshi Sheth from Anvil Share and Stock Broking.

Eshi Sheth: Good evening sir. I just wanted to know a couple of things on the exports side. What is the average dollar rate for this quarter for Repro India?



Mukesh Dhruve: Our average receivables were in the range of 49 to 49.50.

Eshi Sheth: 49 to 49.50. Okay. And what I wanted to know was, in terms of if you see the top line, basically it has grown say 25% year on year. But, if you see quarter on quarter, it has been just 4½%. But, how much will that be in terms of volume growth?

Mukesh Dhruve: In terms of volume growth I would say, it would be roughly like what you said, if you just compare the quarter with the previous sequential quarter, it will be in the range of 4.5% and even the volume growth would be more or less in the same range of about 5% only. The volume growth is not impacted between the two quarters, but yes, if you take quarter over quarter, the previous quarter, there is a growth of almost about 25%.

Eshi Sheth: No, if the volume growth has been the same, then your realization should have been better, because the average dollar rate would have been lesser in the previous quarter, right?

Mukesh Dhruve: Not really, if you see the previous quarter and this quarter, you know we do a simple forward and whatever we are going to add, I have explained this, I don't know if you know it, but we have a simple hedging policy. Whatever, whenever we sign up the business and whenever we are going to collect our money, we do a simple forward cover. But, though the dollar would have been at say 52-53 in this last quarter, our forwards were in the range of 49-49.50. Now, whenever we will get, whatever forward covers we have done at about 52-53, in those quarters definitely we will get the money in those ranges. But, dollar rates have not changed much and we are almost you can say, 75% to 80% hedged against the dollar.

Eshi Sheth: 75% to 80% hedged?

Mukesh Dhruve: 75%-80% we are hedged of our receivables.

Eshi Sheth: Okay. So, basically the margin improvement has basically come in because of better operational efficiency and drop in your raw material cost.

Mukesh Dhruve: That's correct. That's correct.

Eshi Sheth: It is not due to the dollar appreciation.

Mukesh Dhruve: No, not really, not really. We want to be protected whether the dollar becomes 55 or dollar becomes 45, so we should get what we have quoted to the customers.

Eshi Sheth: Okay. But it improves your competitiveness?

Mukesh Dhruve: Of course, of course it does. So, the contracts which I would have signed in the current year, if the dollar was 53, I would have become very, very competitive. And yes, it gives us a competitive edge in the outside world.

Eshi Sheth: Okay. And sir, in terms of your CAPEX for this year, I think I missed out; the figure would be around 70 crores for this year?



- Mukesh Dhruve:** That's correct, 70 crores for the current year.
- Eshi Sheth:** 70 crores for the current year. Okay sir, that's it from my side. Thank you.
- Mukesh Dhruve:** Pleasure.
- Eshi Sheth:** Thank you sir. Next question comes from Ms. Varshali Gaykar from Prodigy Investment.
- Varshali Gaykar:** Yeah, Mukesh bhai, my questions have been answered. Thank you and good show.
- Mukesh Dhruve:** Thank you so much.
- Moderator:** Thank you sir. Next question comes from Mr. Sanjay Shah from KSA Shares and Securities.
- Sanjay Shah:** Mukesh bhai, thank you my questions have been answered and wish you a good luck sir.
- Mukesh Dhruve:** Thank you so much and have a lovely evening.
- Moderator:** Thank you sir. Next question comes from Mr. Vivek Tolat from B&K Securities
- Vivek Tolat:** Hi sir. Thanks for taking my question. I actually had just one question. Your other expenditure has gone up quite disproportionately from the September to December quarter in 2010, from about 11 crores to 17½ crores this time around. So, can you just throw a bit more light on that?
- Mukesh Dhruve:** Just come again, I didn't get your question.
- Vivek Tolat:** Sir, the other expenditure item in our P&L, that has gone up from 11 crores for the same quarter last year to about 17½ crores this year.
- Mukesh Dhruve:** Yes. That would be mainly the, in this case it would be mainly the difference in the forex basically. Because, the previous quarter the dollar closing would have been at about 49-50, the current quarter the dollar closing would have been about 52 or 53. The difference between that, the debtors, we need to set it off, the notional entry that we need to debit to profit and loss account. That is one of the key reasons that has been debited there.
- Vivek Tolat:** Okay, so this is not actual, this is mostly notional entry and not a cash expenditure which has gone up.
- Mukesh Dhruve:** That's correct, that's correct. But, we need to debit that.
- Vivek Tolat:** Okay, okay fine. Thanks a lot.



Moderator:
your questions.

Thank you sir. Dear participants, please press * and 1 for

I request the participants to press * and 1 for their questions.

There are no further questions. Now, I hand over the floor to Mr. Mukesh Dhruve for closing comments.

Mukesh Dhruve:

Good evening ladies and gentlemen. Thank you so much for coming back on this concall and it was a pleasure to have you back. As I mentioned, I would like to conclude Repro is on a terrific wicket and there seems to be a good growth prospect going forward. Nobody asked, but I would like to tell everybody that the last quarter order book has been very good and we seem to be on the right track and in the right direction. There is a good order book happening for the Q4 and we can see going forward in the couple of months, we will start getting good order book for the new year also. And I see a good amount of growth prospect happening in Repro. Thank you so much for being with us and I appreciate all your questions. Look forward to seeing you all again next quarter.

Moderator:

Thank you. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you and have a pleasant day.

