

Date: 5th September, 2018

To
The Department of Corporate services
Bombay Stock Exchange Limited
P.J Towers, Dalal Street
Mumbai-400001

To
National Stock Exchange of India Limited
5th Floor, Exchange Plaza
Bandra (E)
Mumbai-400051

Scrip Code: - 540425

Scrip Symbol- SHANKARA

Dear Sir /Madam,

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation,

We enclose herewith, a transcript of the Earnings Call of the Company with Analyst/Investors held on 16th August, 2018.

Kindly take the same on records.

Thanking You

Yours faithfully

For Shankara Building Products Limited

Ereena Vikram

Ereena Vikram

Company Secretary & Compliance Officer





“Shankara Building Products Limited Q1 FY2019 Earnings Conference Call”

August 16, 2018



MANAGEMENT:

**MR. SIDDHARTHA MUNDRA – CHIEF EXECUTIVE
OFFICER - SHANKARA BUILDING PRODUCTS LIMITED
MR. RAVI KUMAR – EXECUTIVE DIRECTOR -
SHANKARA BUILDING PRODUCTS LIMITED
MR. ALEX VARGHESE - CHIEF FINANCIAL
OFFICER - SHANKARA BUILDING PRODUCTS
LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Shankara Building Products Limited Q1 FY2019 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on 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 '*' and then '0' on your touchtone telephone. Please note that this conference is being recorded. I now hand the conference over to Mr. Siddhartha Mundra – CEO of Shankara Building Products Limited. Thank you and over to you, Sir!

Siddhartha Mundra: Good afternoon everyone and a very warm welcome to our Q1 FY2019 earnings call. Today I am joined by Mr. Ravi Kumar – Executive Director and Mr. Alex Varghese- Chief Financial Officer, as well as Strategic Growth Advisors, our Investor Relation Advisors. We have uploaded our updated presentation on the exchanges on Tuesday and I hope everyone had an opportunity to get through the same.

We have seen a healthy quarter on the back of strong growth across regions in the first quarter of FY2019. This has happened with strong growth coming through across all regions. Among segments the retail segment witnessed a growth of 49%. The enterprise segment 33% and the channel segment declined by around 1%.

Before getting into the quarterly performance let me take a few minutes to give a brief overview of the performance in Q1 FY2019.

The retail segment now contributes to 51% of our overall revenues. We added three new stores through our network taking the total number of stores to 132. We continue to focus on upgrading stores and additional 5 stores have been put on the upgrade path. Stores, which have been upgraded grew at a faster trajectory as compared to our older stores.

In continuation to our strategy, we plan to continue to expand our presence in South India apart from any inorganic opportunities coming our way.

Additionally, we are increasing our customer connect programs through a number of outreach initiatives; these includes organizing customer meet in our retail stores as well as in larger conference style settings. These meets help us to engage with customers better, we showcase the range of products that we now carry. We also have some of our principals participating in the events. We have also recently piloted our loyalty program scheme in some of the events.

Focusing on the quarterly performance of the company, Q1 was a good quarter for us the total revenue for Q1 FY2019 stood at 785 Crores as against 592 Crores for the same quarter last year a

growth of 32.7%. EBITDA for the quarter stood at 48.8 Crores up from 39.1 Crores a growth of almost 25%. EBITDA margin stood at around 6.2% for the quarter. PAT stood at 19.5 Crores up around 13% from the same quarter last year. PAT margins stood at 2.5%.

Look at the segmental performance of the company, the retail sales saw a robust growth for Q1FY19 with 49% growth recording revenues of 402 Crores versus 270 Crores for the same quarter last year. The growth were driven across regions and across product categories. All our key states have performed well. Q1 FY2019 segment EBITDA grew to 41.5 Crores up by 38.4% from Rs.30 Crores in the same quarter last year.

Retail EBITDA margin stood at 10.3% and contribution of retail to the overall revenues now stands at 51%. Average rental cost for leased outlets stood at Rs.18.6 per square feet per month as on date we have 132 stores of which for 114 stores are on leased basis. Total area of the stores is at around 5.5 lakh square feet with an average store size of 4,150 square feet. The total rental constitutes 0.8% of the total retail revenue. The sales split for the quarter is as follows: Tier I cities contributed 43%, Tier II 25% and Tier III constituted to 32% of the overall revenues in the retail segment.

The average ticket size per transaction was around Rs.30,000. Of the total retail sales construction materials constitute around 63%, interior, exterior product around 18%, the newer product categories around 14% and the irrigation and agricultural products around 5%. The comparable sales growth for the retail operation stood at 29.6% for the quarter. This is as per the new methodology that we have adopted which is in line with the international based practices for reporting of such numbers. This includes sales from stores that have been operational for at least 12 months and that is when they come into the same the comparable sales growth computation.

The equivalent growth number as per the earlier same store sales growth methodology stood at 32.9%. The detailed explanation of both these method have been disclosed in our uploaded investor presentation.

Moving to the enterprise and channel sales, enterprise sales for Q1 FY2019 stood at 254 Crores up by around 33% compared to same quarter last year. It contributed 32.4% of the consolidated revenue of the company. The channel sales stood at around 129 Crores down by 1.4% this segment now constitutes 16.5% of the overall revenues of the company. Overall margin in the channel and enterprise segment stood at 4.7%. We have been looking to reduce credit in this business which has impacted margins; we look to degrow this business in the coming quarters.

A few highlights on the processing side of the business. Company has 12 processing facilities and they recorded a capacity utilization of 94% for the quarter. Sales from our own product contributed 58.5% of the total sales. Processing margin stood at 4.9% for the quarter this decline has also impacted margins across the key reporting segments.

Moving on to the balance sheet. We are cognizant of the working capital and the interest cost. Growth in revenues like what we have witnessed in the last two quarters will entail certain investments. Our working capital days continues at level similar to the last three financial years. Reduced working capital intensity could entail reduction in margins, having said that we are working on measures on further improvement on all these metrics.

We are seeing strong growth momentum in our retail segment. We continue to work on deepening our presence across our retail verticals and expanding our range of offerings. In addition to the strong growth that we witnessed in Q1 FY2019 we would like to highlight that this growth has been achieved in a context of good growth that we have achieved in Q4 FY2018. However, the base effect of Q1 FY2018 as the pre-GST quarter could also have some bearing on the revenue growth percentages that have been witnessed in Q1 FY2019. Q2 is a seasonally weak quarter for us. Heavy rains in some of the states in South India will also have some bearing on the revenues in the next quarter. Reconstruction activity when it picks up should increase requirements of building material subsequently.

To conclude we believe there is a huge opportunity in front of us. The environment is tilted in favor of organized players. We believe we have a strong base to succeed in this environment in the long-term.

With this I open the floor for discussion.

Moderator: Thank you very much sir. Ladies and gentlemen we will now begin the question and answer session. Our first question is from the line of Shaleen Kumar from UBS Securities. Please go ahead.

Shaleen Kumar: Few questions, your impressive topline growth on a retail front even on the enterprise front. However counterintuitively your gross profit has not grown, I heard few remarks from you on that bit, but if can you elaborate a bit more on what has happened is there a inventory write-off?? or we are unable to pass on the prices?? or customer down trade?? what has happened?

Siddhartha Mundra: There is nothing to the context of any inventory write-offs in that sense. I think we have seen strong growth momentum across categories. I think there are two key things that are working out. One is that the margins in our own processing segments have come down and they have a bearing in terms of our overall reported margins across the key segments.

The second aspect is that we have been focusing a lot on the topline growth. We see that a lot of our stores now are getting upgraded, they are reaching a level of maturity where we can start offering other products. To start gaining trajectory in all these product categories we are looking to build in value proposition in addition to the other key USPs that we have, that will entail some element of a margin trade off in the interim and this is what possibly might have an actual impact on the margins.

- Shaleen Kumar:** You are trying to clam down or reduce your channel business is there any bearing of that on the gross profit?
- Siddhartha Mundra:** Yes, there will be some bearing of that as well because we are looking to see that we start doing more cash business there we are trying to reduce credit to that extent there will be some lower margin revenues that might be happening on that side of the business as well.
- Shaleen Kumar:** One more bit, on the other operating expense at the absolute level they are the lowest if I look at past eight quarters so I doubt they are sustainable but the question is like what would be the right range for the full year.
- Siddhartha Mundra:** When you mean operating expenses what you mean?
- Shaleen Kumar:** Your other expenses basically 29 Crores which is for this quarter which are like if I compare with the previous quarter it was around 40 Crores?
- Siddhartha Mundra:** So there is one interplay there actually Shaleen, see what has happened is that in the earlier quarter some of our and this is the feedback that we received as well, I think some of our direct operating cost were actually sitting in the other expenses so some of that has now moved into cost of materials. So that may have had an impact in terms of the reported numbers of these other expenses, but other than that I do not think that these numbers in any sense are lower for this quarter in any which manner.
- Shaleen Kumar:** Actually, that explains also your low gross profit?
- Siddhartha Mundra:** Some sense yes that would also explain.
- Shalin Kumar:** That is great and a last bit. Siddhartha about interest expenses how should we see it for the full year is there a possibility of it coming down are there any levers with you.
- Siddhartha Mundra:** See broadly what we are working on is as we mentioned on the call also we are cognizant of the interest cost. You would have seen the kind of growth that has happened in the last two quarters it is a very strong growth. Adjusted for the kind of the growth that we have seen in the networking capital cycle as we are currently operating at, I think we are broadly in line with the last three years but the revenue itself has been so strong that the attendant, working capital and the interest cost also look high. We are working on some of these levers but let us achieve that for the next couple of quarters. I think then there will be more appropriate time to discuss.
- Shalin Kumar:** Thank you so much. That is it from my side.
- Moderator:** Thank you. We will take our question from the line of Dhaval Shah from Girik Capital. Please go ahead.

- Dhaval Shah:** Siddhartha couple of questions. First is on the retail side how many stores are now upgraded out of 132?
- Siddhartha Mundra:** Around 65.
- Dhaval Shah:** Okay so these all carry the new product categories?
- Siddhartha Mundra:** So, this is what, we are saying is stores that have been put on the upgrade path, which carries a spectrum of products all of them would be not be carrying all the range of products.
- Dhaval Shah:** Depending on the location you would be doing it?
- Siddhartha Mundra:** Yes, correct.
- Dhaval Shah:**
- Dhaval Shah:** So for example like you will have tile, sanitary ware, lightings so these three will be there in all the 65 new stores correct?
- Siddhartha Mundra:** No, so what we are saying is that these are on a upgrade path, not all of these are still carrying all the products there is certain level of what we have designed as an intimated upgrade and a full upgrade. So stores are on that path. The way it works out is that when we open a store we start with base products and we keep adding the range of products subsequently over a period of time and so once we move on from our base products and once we start adding other construction material other base plumbing products, other base electrical products. We are eventually moving onto a full upgrade where we carry the entire end customer interface styling and decorative lighting range of products so that would be the kind of spectrum of the upgrades.
- Dhaval Shah:** So you are adopting a geographic approach that for example in a certain state you will first upgrade the store then one by one in the particular year you will introduce all new products at one go or how is that approach or increasing new product sales, what?
- Siddhartha Mundra:** Yes it will be a geographic centric thing.
- Dhaval Shah:** Sir now in this retail side see 49% growth in retail so from that 15 Crores is due to this new acquisition broadly correct. Now how much of growth have come because of selling, piping and roofing products, would you be able to share that data? So, what I am trying to understand is that since steel prices have gone up year-on-year so a large part of the steel-oriented products say for example piping we will have a large part of value growth and volume growth both even the value has gone up by 20%, 25% year-on-year. So, I am just trying to understand say that what will be the volume growth of steel related products like the pipes and the roofs which we may captive used plus third party sales.

- Siddhartha Mundra:** Yes, volume growth is around 30% for the steel related products.
- Dhaval Shah:** And that would be how much of our total sales.
- Siddhartha Mundra:** That would be 80%, 85% of our overall sales.
- Dhaval Shah:** 80%, 85% of our retail sales.
- Siddhartha Mundra:** Yes.
- Dhaval Shah:** Can you repeat that in your opening remarks you shared some breakup that 63% is construction and 18% is so what was that can you just repeat those data?
- Siddhartha Mundra:** 63% is construction materials, 18% is interior and exterior products, the new product category is around 14% and the agri product is around 5%.
- Dhaval Shah:** In our enterprise also a large part again would be related to roofing and piping right?
- Siddhartha Mundra:** Yes it will be largely and let us say regular steel products also the structural products as we call it.
- Dhaval Shah:** Siddhartha thank you very much.
- Moderator:** Thank you. We will take our question from the line of Moulik Patel from Equirus Securities. Please go ahead.
- Moulik Patel:** Couple of questions; first the growth in the two acquisitions, the two chain we acquired, how has been the growth what kind of turnaround we have achieved and what kind of a synergy we have achieved so far and what we are looking at?
- Siddhartha Mundra:** for the quarter we have achieved around 28 Crores of overall topline from these two acquisitions. These have stabilized there, where a certain element of backend moves that we have to do in terms of our warehousing integration of moving the warehousing around. So that also led to some doubling of cost in the interim, but all of that is getting stabilized. We have also relocated one of the locations in the Vaigai context as well. So things are looking to stabilize now I think from a synergy perspective there is a huge synergy that comes to us. One is from the perspective of getting the customer base which otherwise would have taken time. We are now looking to start cross sell our other range of products to these existing customers. It is still at a very slow level, because our new team members from these two acquisitions also need to understand these new product categories to be able to sell them to their customers but that is something as an opportunity that has started happening. It is possibly slightly more accelerated in the Bengaluru context it will take a little bit of time in the Chennai context. In terms of supplier relationships again it is a huge synergy because I think the kind of traction or a kind of level at which we are

able to talk to them now has increase manifold so that is a huge synergy which we can carry across multiple locations. People itself is a huge benefit in terms of building our own understanding of these products in terms of operations etc. Merchandize becomes very important aspect which comes in very handy with this experienced team.

Moulik Patel: How long we are going to continue with the thier brands there and in terms of any progression from this Vaigai to the Shankara and the JP to Shankara and are we going to add more stores under the Vaigai brand let us assume the JPs in bengaluru where you have won already significant presence but adding the new store in Chennai will be under Vaigai?

Siddhartha Mundra: See Vaigai is a very strong brand in Chennai so in a Vaigai context we will definitely want to continue with Vaigai for some period of time having said that the store already carry our brand logo as well and whenever we talk of Vaigai we also talk of Shankara as it being a unit of Shankara builpro. The new store that we have launched in KK Nagar is the standalone Shankara brand it does not carry the Vaigai branding. So we are looking to leverage on top of that. In the case of JP in Bengaluru again it is a dual branding that we are doing but I think the phase out in the case of JP can be much more faster as compared to Vaigai.

Moulik Patel: Couple of bookkeeping question how much of the processing revenue we have gone to the retail this quarter.

Siddhartha Mundra: 43% of retail sales were our own products.

Moulik Patel: Is it possible to give the processing volume how much of the volume we have processed at subsidiary level?

Alex Varghese: We did a production of approximately around 78,500 tonnes in the first quarter that is capacity utilization of around 94%.

Moulik Patel: And what was this number a year back is it possible?

Alex Varghese: Moulik we will get back to you with the quarter numbers.

Moulik Patel: Sure that is fine. The last question when we discussed in the past that you wanted to grow inorganic and there are two acquisitions we did the first one is November and second in the February what has been the progress after that because we have and there was in a talk about that there is most of the opportunities available any update on that side that could be helpful?

Siddhartha Mundra: So we are looking at some opportunities right now one of them is looking promising but let us see how that progresses.

Moulik Patel: But Sir we are seriously looking to that core more probably is it more from the geographic perspective or is it probably is an existing areas of operation particularly let us talk about the

Karnataka, Kerala, AP and now the Tamil Nadu are we looking into that geography or we are looking outside that?

Siddhartha Mundra: No we are looking outside that actually and just sorry just your quarterly question on that last year was around 73,000 tonnes and in terms of the way possibly we are looking at it is we have done one in Tamil Nadu, we have done one in Karnataka. We have broadly got an exposure to some of these new product categories so any other state in which some opportunity comes through will be something more interesting to look at and possibly something outside the current categories as well.

Moulik Patel: Okay great, thanks wish you all the best.

Moderator: Thank you. Our next question is from the line of Kunal Shah from IIFL. Please go ahead.

Kunal Shah: Just two questions, clarifications in the start of the call you indicated that there is going to be some impact on margins because of balance sheet if you could clarify what you mean by that and also specify what kind of impact are you talking about?

Siddhartha Mundra: I think what happens is especially in certain parts of our business there is a certain credit that we have to give for the revenues. Now if we stop giving that credit, the cash price versus the credit price there will be a gap between a cash bill versus the credit bill for the channel and enterprise part of the business. So that is what I was trying to possibly highlight that if we start moving to a more cash based kind of a business which improves balance sheet it would have an corresponding impact on margins.

Kunal Shah: Would it be fair to assume that this would be largely in the enterprise and channel segment or would there be likely part even in the retail segment?

Siddhartha Mundra: There could now enter on the retail side also, because some credit sales that happen on the retail side as well.

Kunal Shah: The second part was would you have any update on the quality of receivables or more than a 180 days break or so?? would you be able to share some data over there?

Siddhartha Mundra: So the greater than 180 day receivables net of provisions stood at 19.7 Crores as of 30th of June.

Kunal Shah: From a number of almost about 300, 400 some credit right?

Siddhartha Mundra: That was a gross number and I am saying the net number.

Kunal Shah: So net number how much would that be FY2018.

Siddhartha Mundra: As of FY2018 that was a 25 odd Crores kind of a number.

- Kunal Shah:** So you kind of reduced it from 25 to almost about 19 Crores that is 20 Crores roughly. And this trajectory that we are seeing do you expect that to continue with the products. Is that going to be this – would that be a fair understanding?
- Siddhartha Mundra:** Yes that is a fair understanding.
- Kunal Shah:** Lastly Siddhartha just on the capex, you did indicate about opportunities being available since we not in a space to highlight at the upgradation products kind of giving us growth. So the investment that is required for it could you be able to share any likely capex number for this year.
- Siddhartha Mundra:** Overall capex number so broadly we are looking at a 50, 55 Crores kind of a capex number for the year.
- Kunal Shah:** Is split available between the segments?
- Alex Varghese:** Yes, in Shankara, it will be approximately around 25 Crores to 30 Crores will be the total capex we are expecting and around 20 Crores will be in the processing side.
- Kunal Shah:** When you say Shankara you mean only retail?
- Alex Varghese:** This is mainly for retail as well as there will be some warehousing also will be there.
- Kunal Shah:**
- Kunal Shah:** Okay I will come back in the queue for any questions. Thank you very much Sir.
- Moderator:** Thank you. The next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.
- Deepak Poddar:** Sir based on the comments that you have made there are two three strategic changes that I find basically we are focusing more on topline growth and giving basically more as a value proposition to the customer which means a lower margin and second as you are moving towards more cash prices that will also impact the margin so are we looking for a different kind of trajectory for our margin I think earlier we were talking about 11%, 12% kind of retail business margin right. So, some thoughts on that would be helpful actually?
- Siddhartha Mundra:** I think when we are looking at higher revenue trajectory there will be certain impacts on margins and we feel that it is a good opportunity for us to gain scale. We have a huge opportunity in front of us. The overall environment is also in some sense favoring organized players so I think this is an opportunity for us to take and yes this will entail some element of reduction in margins going forward.

- Deepak Poddar:** So what is the new normal we are looking at like earlier we use to talk about 12% range the retail level?
- Siddhartha Mundra:** See we have largely maintained the 10% kind of a number. Last quarter we have maintained a 10.3%. We have also recently launched a loyalty program, it is not that it had a lot of impact on the margins but going forward there may be certain elements of a loyalty scheme related benefits that we would be looking to pass on to our customers. So I think possibly have one or two quarters pass I think then we will have a better sense of where this stabilizes.
- Deepak Poddar:** Now my second question pertains to your revenue side, since our focus now is more on the topline growth so on the retail segment basically a 40% kind of a growth is that a growth we might be looking at over the sustainable basis. I understand 49% growth this quarter was maybe because of base effect right but on a little sustainable basis 40% kind of growth is what we might be looking at the retail sales which is sustainable?
- Siddhartha Mundra:** No, we do not want to guide it that way because as we mentioned earlier the Q1 FY2018 possibly was also a low-base effect in some sense. So we do not want to peg it at a 40% kind of a growth rate. Having said that we are seeing good revenue growth opportunities on the retail side but 40% is something that we would not want to take it ahead. Also as we mentioned Q2 is a seasonally weak quarter for us and rains have played havoc in South India so there will be some impact in Q2 revenues as well. Ravi you want to add some.
- Ravi Kumar:** Yes, Q2 like you said definitely there will be an issue but I am sure subsequent quarters as regards volume growth should not be a problem but definitely there will be some strain in margins.
- Deepak Poddar:** And how much percentage of the revenue is from the Southern region maybe you might have given in the presentation?
- Siddhartha Mundra:** It is broadly around 85% comes from South India.
- Deepak Poddar:** That is it from my side. All the very best.
- Moderator:** Thank you. Our next question is from the line of Dhaval Shah from Girik Capital. Please go ahead.
- Dhaval Shah:** Just one follow up question see on the retail working capital side you mentioned our cycle is 30 days right?
- Siddhartha Mundra:** Yes.
- Dhaval Shah:** So in terms of receivable days a large part of the business would be on a one-month credit?

Siddhartha Mundra: Yes receivable will be on one month basis level.

Dhaval Shah:

Dhaval Shah: so if a contractor gets this credit even for a small volume ,if a fabricator comes to you for a pipe or roofing or some part of the products even he gets a 30 days credit regardless of the volume?

Ravi Kumar: Yes the credit as regards fabricator there will be some of them like they are customers for long time they need some small credit, in a week or two, and mostly contractors basically they take little more credit where it will be little more 30 to 45 days kind of a thing fabricator because the volumes are small, they take 15, 20 days or 20 to 30 days whereas the contractor would be expecting 30 to 45 days because the cycle runs on 30 days. See what happens most of the contractors they work for small time IHB this IHBs would be applying for loan they would be weekly paying and would be taking the material like the times it will be 10, 15 days or it may set up to 45 days like that.

Dhaval Shah: So if you are dividing the products further say for example on the electric and on the sanitary and tiles part there would not be a credit because say for example like I went to buy tiles or something for my house but I had to pay immediately so as the share of that revenue increases in your business the receivable day should correct right?

Ravi Kumar: Yes what happens as regards to IHB, any one who constructs for somebody comes and buy. See what happens in Bengaluru kind of a city people build two, three floors house for renting there they would be giving it to a contractor to complete the whole project in such cases only contractor would be taking a line of credit otherwise it would be on cash.

Siddhartha Mundra: And just to add to that earlier question that you had Dhaval, the way to work is this is the market reality in some sense. The competition that we have or the standalone competitors that exists they offer at this basis so for us to compete in a market we also have to adopt some of these measures to continue to be relevant.

Dhaval Shah: So for example if you are dealing in the third party products say for example pipe now the listed peers have receivable days of roughly around say 45 days to around two months kind of thing and then so this is what we will be enjoying if you are dealing in the third party product?

Siddhartha Mundra: Yes so it is a mix actually, it will depend, sometimes we purchase directly from third party and sometimes directly from principals, sometimes we purchase from their first line distributors as well. So it depends on the revenue trajectories that we have achieved in those product categories. Also what happens is that many times there are interesting discounts that are available in terms of cash purchases versus credit purchases so that is a trade off that we keep making.

Dhaval Shah: Thank you very much and good luck.

- Moderator:** Thank you. We will take the next question from the line of Prithvi Raj from Unifi Capital. Please go ahead.
- Prithvi Raj:** Sir just couple of questions from my side. If you break up your retail sales how much of that if would be cash and how much of that is to credit?
- Ravi Kumar:** 50/50 so 50% cash, 50% credit.
- Prithvi Raj:** Sir during this quarter, what are the margins for Vaigai and JP Sanitation?
- Alex Varghese:** Almost 6% to 8%.
- Prithvi Raj:** Thank you.
- Moderator:** Thank you. As there are no further questions from the participants. I now hand the floor back to the management for closing comments. Over to you Sir!
- Siddhartha Mundra:** Thank you everyone for joining us. I hope we have been able to answer all your queries. In case you require any further details you may please contact us or our Investor Relation Advisors. Thank you everyone.
- Moderator:** Thank you. Ladies and gentlemen, on behalf of Shankara Building Products Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.