



Mazagon Dock Shipbuilders Limited

(Formerly known as: Mazagon Dock Limited)

CIN : U35100MH1934GOI002079

(Ministry of Defence, A Govt. of India Undertaking)

SHIP BUILDER TO THE NATION

**“Mazagon Dock Shipbuilders Limited
Q4 FY’23 Earnings Conference Call”**

June 02, 2023



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**MANAGEMENT: MR. SANJEEV SINGHAL – CHAIRMAN AND MANAGING
DIRECTOR, ADDITIONAL CHARGE, DIRECTOR
FINANCE – MAZAGON DOCK SHIPBUILDERS LIMITED
MR. BIJU GEORGE – DIRECTOR SHIPBUILDING –
MAZAGON DOCK SHIPBUILDERS LIMITED
MR. VASUDEV PURANIK – DIRECTOR CORPORATE
PLANNING AND PERSONNEL – MAZAGON DOCK
SHIPBUILDERS LIMITED**

MODERATOR: MR. AMIT DIXIT – ICICI SECURITIES LIMITED



Moderator: Ladies and gentlemen, good day and welcome to the Mazagon Dock Ship Builders Limited Q4 FY23 Earnings Conference Call hosted by ICICI Securities. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference, please signal an operator by pressing star then zero on your touchtone phone. I now hand the conference over to Mr. Amit Dixit from ICICI Securities. Thank you and over to you, sir.

Amit Dixit: Yes, thanks, Darwin. Good evening, everyone, and thanks for joining the call today. At the outset, I would like to thank the management for giving us an opportunity to host this call. From the management, we have Shri. Sanjeev Singhal, Chairman and Managing Director, Additional Charge, and Director Finance, Shri. Biju George, Director Shipbuilding, and Shri. Vasudev Puranik, Director Corporate Planning and Personnel. Without much ado, I would invite Mr. Singhal for opening remarks, post which we will open the floor for an interactive Q&A session. Over to you, sir.

Sanjeev Singhal: Good afternoon, everybody. This is Sanjeev Singhal, Director Finance and CMD, Mazagon Dock Shipbuilders Limited. I'll just inform everybody as far as Mazagon Dock Shipbuilders is concerned, we started with a small dry dock and this particular year, 2023-24, is a very special year for Mazagon Dock Shipbuilders, being the 250th year of Mazagon Dock Shipbuilders. This company was incorporated in 1934 and was taken over by the Government of India in 1960.

Very few corporates would be there across the world who have survived 250 years, it's a massive period. And that indicates the resilience as well as the adaptability of Mazagon Dock Shipbuilders. We are confident to survive many, many more years with the same strength and vigor. As far as the results of 22-23 are concerned, these results are already published on SEBI as well as on our website. The year has been excellent with a 37% growth in top-line, Revenue from Operations, as well as 83% growth in bottom-line, Profit After Tax.

We are executing orders, one is P-75 which is the conventional Scorpene submarines, six in numbers. We have a distinction of delivering five of these submarines between 2017-2022. Even though a substantial portion of this period was marked by COVID, it has not impacted our performance very significantly. One last submarine is still with us and we are targeting delivery either this financial year or early next financial year, depending upon certain equipments which have been taken by Navy on loan basis.

So as and when these equipments, we get back, we'll be installing these and we'll be completing the delivery. As far as Project 15 Bravo is concerned, it comprises of four number Destroyers. Out of these four number of Destroyers, we have already delivered two Destroyers, one in 2021 and another in 2022. We are targeting delivery of the third destroyer sometime this year and the fourth destroyer is targeted for 2024.

The unique feature of this particular project has been that both the earlier deliveries, delivery in 2021 and 2022, both have been within the contractual timelines. The third destroyer, which we believe will be delivered this year, would also be substantially ahead of the timeline. So there is



a significant improvement with respect to the delivery timelines. We have another project, Project 17 Alpha, comprising of four number of stealth Frigates. And the deliveries of these ships would be starting from FY25 onwards. One per year we are expecting.

We are a cash-rich company, a zero-debt company. Our working capital requirements are not there. It's practically zero or negative working capital. All the financial parameters are quite strong. With these opening remarks, I look forward to a fruitful interaction with the investors and are ready to take the question-answers or any clarifications which are required. I am accompanied by two of the directors of the company, Director of Shipbuilding, Mr. Biju George, and Director of Corporate Planning and Personnel, Commander Vasudev Puranik.

Moderator: Thank you very much. The first question is from the line of Abhishek Chaurasiya from Voyager Capital. Please go ahead.

Abhishek Chaurasiya: Good evening, sir. My question is starting on the EBITDA margins. If you see, quarter on quarter we have seen a decline. Could you tell me what might be the reason and what will be our outlook for FY24 in terms of revenue and margin?

Sanjeev Singhal: Where did you see a decline?

Abhishek Chaurasiya: In quarter basis.

Sanjeev Singhal: On quarter basis?

Abhishek Chaurasiya: Yes.

Sanjeev Singhal: I think for the fourth quarter also the margins have been improving and we have EBITDA margin of 10.1% which is towards the higher side. So I am not sure whether there is a decline. On an overall annual basis also there is a significant improvement in the margins.

Abhishek Chaurasiya: But I can see here on December 22 the EBITDA margin was around 15 or 16% in the range of that.

Sanjeev Singhal: Yes, on a quarter to quarter, this is not an industry which should be compared on a quarter to quarter basis. These are very long gestation period projects which like the Submarine projects is almost close to 17-18 years. And the Ship building Project 15 Bravo is also awarded in 2011, will be completed by 2024, almost 13 years. So on a quarter to quarter basis this comparison is difficult. However, coming precisely to your query, this was on account of delivery of one destroyer which happened in the third quarter. When we deliver a vessel at that point of time all the costs are closed and reconciled. So that gives a clear picture where we are actually closing a project. So it is quite possible that whatever efficiencies have been there, they are finally captured during the closure of the project. So that has led to a higher margin during Q3. But I still maintain that we are not a company that should be compared on a quarter to quarter basis.

Abhishek Chaurasiya: Okay, and what will be our FY24 output in the terms of revenue and margin?

Sanjeev Singhal: For FY24 also we are targeting one delivery of one Destroyer. So I expect that cost structure should not be very significantly different. So on an annualized basis it should be similar. One



variation that was there in FY23 was we received a LD refund of INR174 crores on one of the Submarines of Project P75. And there are five deliveries which we have already made for Scorpene submarines.

For all these five deliveries we have submitted our Statement of Case for refund of LD. These LDs have been charged by Navy based on the contractual delivery. Although we maintain that the delay is not on account of MDL. And for Scorpene number, submarine number two, the case has been analyzed, firmed up, and Navy has accepted that the delay is not attributable to MDL fully.

A small portion of the delay is attributed to MDL and corresponding to that we have received a refund of INR174 crores. Going ahead, we believe that with respect to submarine number three, submarine number four, submarine number five, for which we have submitted the request for review of LD, these also would be examined by Navy and whatever processing time it takes at the Ministry and the Navy, these LD refunds should also be coming. In case we are getting these LD refunds during FY24, this would have a positive effect on the margins. In case these get shifted to FY25, then normal margin, excluding the LD refund which we have received this year.

Abhishek Chaurasiya: Okay. And another question is regarding on the export side. So I think we have submitted a bid for the Russian shipyard. So what would be the update for that? So we have submitted some Russian shipyard orders, right? So could you give the update?

Shri. Biju George: We have given a Techno-Commercial proposal to one of the shipyards in Russia for participating in their shipbuilding program. So there are two things with which we couldn't progress this further. One is the geopolitical scenario which we are all aware for depicting people, etcetera. Secondly, the nature of work which they wanted to execute from us is slightly different from what we were thinking that we would be able to execute. Because of this, too, it has not gained much traction. But still we have conveyed to them that we are open for the possibility of partnering with them.

Abhishek Chaurasiya: Okay. Thanks for that. That's it for me.

Moderator: Thank you. The next question is from the line of Vivek N. from Shanti Financial Services. Please go ahead.

Vivek N.: So my question is broadly about the history of Mazagon Docks. You spoke about a firm which has been in existence for...

Management: A bit louder, please.

Vivek N.: So my question broadly is about what differentiates Mazagon Docks from the other shipyards, given your history and the kind of work you do? What really differentiates you from other shipbuilding organizations in India and outside? Thank you.

Sanjeev Singhal: I would say that we have a USP and the USP is that we are the only yard who have demonstrated repeatedly the capability with respect to manufacturing of conventional submarines. We have



manufactured Submarines on two different platforms, German technology as well as French technology.

The last five Submarines under Project P75, Scorpene Submarines, last five submarines we have delivered between 2017 to 2022, which would be a record by itself across, globally. So this sets us apart from any other shipyard. Similarly, we are the only builder of Destroyer class of ships in India. Nobody else has ever constructed a Destroyer class ship. Destroyer class ships are the front line ships which the Navy has.

And today majority of the Destroyers which the Indian Navy is having and constitute the cutting edge of the war platform of Indian Navy have been built, supplied, manufactured by Mazagon Docks Shipbuilders Limited. So this makes us stand apart. Apart from this whatever smaller vessels are there, we are capable of manufacturing them, we have manufactured them. But other shipyards are also there. But these two areas are there where only Mazagon Docks Shipbuilders have proven, demonstrated capabilities.

- Vivek N.:** Thank you sir.
- Moderator:** Thank you. The next question is from the line of Dixit Doshi from Whitestone Financial Advisors. Please go ahead.
- Dixit Doshi:** Yes, first question is regarding, you mentioned that we have conveyed our message for LD reversal for third, fourth and fifth Scorpene. So for these three, how much LD we must have provided earlier?
- Sanjeev Singhal:** This would be roughly in the range of INR600 crores. But at the same time, we will not be able to commit with respect to what kind of refund is finally accepted by Navy. What kind of delays they accept are not attributable to MDL. So this is a matter of discussion. We have submitted our case. As and when the things get finalized, it will be known and taken into books of accounts.
- Dixit Doshi:** Okay. Now in FY23, how much was the repairs and maintenance revenue and what kind of order book we have there?
- Sanjeev Singhal:** Repair and maintenance revenue for FY23 has been pretty small because our major contract with respect to medium refit and life certification, that is almost coming to a close. We expect the MRLC of the submarine to be completed and submarine delivered in August 23. Going ahead, I can say that FY24, we are expecting an order for the second MRLC, medium refit and life certification of another German Submarine, which has already been in operation for almost 36 years. And as far as the boat is concerned, the Submarine is concerned, this has already been delivered to MDL for carrying out the refit and life certification. The formal order we are expecting should be with us in another maybe 45 to 60 days. So there could be a significant rise in the repair revenue for FY24 compared to FY23.
- Dixit Doshi:** Okay. How much it was FY23? I know it is small but if you can...
- Sanjeev Singhal:** FY23 would be around 3% of the total revenues.



- Dixit Doshi:** Okay. Now as you mentioned that the submarine is going to be delivered one in this year and one in next year and also Destroyer would be delivered third in this year. And I guess the frigates have also reached a stage where the equipments will be installed. So considering that cycle, what kind of revenue growth we can expect over next couple of years, FY24 and FY25?
- Sanjeev Singhal:** We will be able to predict more of FY24. We are considering that the growth for FY23 has been very significant over FY22. It is almost 37%. As of now, we are a bit early in the year but a very refined guidance would be difficult. Right now we can say that we would be growing by around 8% to 10% in FY24.
- Dixit Doshi:** Okay. And last question in terms of order pipeline, what kind of orders we are expecting let us say in next 12 to 18 months and any update on... There was one order where only I think about destroyer where only we and L&T would be the participants. So any update on those orders?
- Sanjeev Singhal:** The order about which you are talking where MDL and L&T are the only shortlisted players is with respect to Conventional Submarines fitted with Air Independent Propulsion System, six in numbers, that is project P75 India, P75I. As far as this particular tender is concerned, right now the date of submission of bid is 1st of August, 2023.
- As far as MDL is concerned, MDL has tied up with TKMS Germany and we have entered into a mutually exclusive agreement that we will be moving ahead in this project together. The discussions and the refinement and firming up of the bid is currently in progress. So both the sides are in discussion and we are trying to stitch up the things so that we are in a position to submit the bid by 1st of August, 2023.
- Dixit Doshi:** And the size of this order was?
- Sanjeev Singhal:** Size of this order as far as the published figures are concerned based on the Navy's AON, it is INR43,000 crores. However, because this is a dated figure, so we expect by the time we actually submit the bid, this would be a substantially higher value.
- Dixit Doshi:** Okay. And any other projects in the pipeline?
- Biju George:** Apart from this, we have approximately INR3,000 crores worth of vessels we have submitted our bids for the Indian Coast Guard and another INR1,000 crores we are in discussion with some foreign clients. So these are the two sets of low hanging fruits which are there. But it is too premature to tell whether these orders would be making it live.
- Dixit Doshi:** Okay. And this P75I, do you expect that the order finalization will happen in this financial year FY24 or it may take time?
- Sanjeev Singhal:** P75I would take certain time for evaluation because there are certain field evaluation tests involved once the bids are submitted. So it would be a process which would be taking around 18 months post submission of the bids.
- Dixit Doshi:** Okay. Okay. Fine. That's it from my side.



- Moderator:** Thank you. The next question is from the line of Vivek N. from Shanti Financial Services. Please go ahead.
- Vivek N.:** Yes. The order book of INR38,000 odd crores, this will get executed in what time frame so that we know the trajectory of the top line? Thank you.
- Sanjeev Singhal:** This would be sometime FY26 or could be 26- 27.
- Vivek N.:** Another 3 years.
- Sanjeev Singhal:** 3 to 4 years.
- Vivek N.:** So just these orders if executed will mean an average of around INR12,000 crores of top lines for the next 3 years.
- Sanjeev Singhal:** Yes, if you simply divide it.
- Vivek N.:** Yes, if I simply divide it. So we are at 7,800 odd. So trajectory is at least 30% on average. 20% to 30% growth.
- Sanjeev Singhal:** We would not put that because this shipbuilding is not a very linear kind of a process. It follows the S curve and it would depend. We are expecting the peak revenues sometime in 24- 25. Even post delivery we have certain obligations. Warranty obligations are there which goes even beyond the delivery of the projects.
- Vivek N.:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Amit Dixit from ICICI Securities. Please go ahead.
- Amit Dixit:** Yes, hi. I have a few questions. The first one is that, you know, while you mentioned that the order took up INR38,500 crores.
- Management:** Can you be a bit loud, Amit?
- Amit Dixit:** So, while you mentioned in the answer that the current order took up INR38,500 crores is expected to be FY27, FY26. Is it possible to mention that what would be the peak cash generation case given that we are at an advanced stage of the process?
- Moderator:** Sorry to interrupt, sir, but the line for you seems to be breaking up, Breaking?
- Management:** Not able to get you.
- Moderator:** Sir, we are not able to hear you still.
- Amit Dixit:** Hello?
- Sanjeev Singhal:** No, Mr. Amit, you are not audible. Can we move to the next question? We can come back to the gentleman again.



- Moderator:** The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.
- Vignesh Iyer:** Congratulations, sir, on a good set of numbers. My question is on this MRLC of the submarine that you have taken the order, right? What is the usual timeline for the execution of this?
- Sanjeev Singhal:** The execution timelines are 33 months.
- Vignesh Iyer:** For the MRLC, right?
- Sanjeev Singhal:** Yes, for the MRLC, which is likely to come in another 45 to 60 days. So, we have received the submarine, the formal order is expected in another 45 to 60 days.
- Vignesh Iyer:** Okay. And if I am not wrong, a few quarters back, you had guided that for any maintenance or related work other than the shipbuilding, the margin profile is more on the lines of 15, 16, or 10. Does it stand at the same levels now?
- Sanjeev Singhal:** What we had mentioned was there are two categories of orders. One is where it is on nomination basis, and another is where we get the orders on competitive basis. Now, this order is also on nomination basis. So, on the nomination basis orders, the margins are broadly pegged, 7.5% to 8%. Where the orders are based on competitive basis, it again has two components. One is the new builds and another is the repair and maintenance. And here I indicated that in case of competitive orders, repair and maintenance segment is one segment where comparatively better margins are expected.
- Vignesh Iyer:** Okay. Okay. If I am not wrong, I mean, a few quarters back, you did say about this 18 in numbers corvette of INR33,000 crores, we were expecting some RFP to come out. Is it still on or there has been some change to it?
- Biju George:** No, I don't think the numbers are 18. There was Next Generation Corvettes which are expected. They are on six numbers, but that RFP is not in the horizon right now.
- Vignesh Iyer:** Okay. I mean, there is some significant delay or I mean like it's just a normal delay.
- Biju George:** No, it goes to the approval process known as the approval of necessity, etc. So, since the election year is coming, we do not know which are the projects which will gain traction initially. So, as of now, we don't have much information about that.
- Vignesh Iyer:** Fair enough. Just one request on my side would be one of your peer companies which is listed. They usually, I mean, if asked for, they do give at what percentage progression that a ship or a submarine or a frigate is, you know, at the end of a specific quarter. I mean, it would be really helpful for us to understand if you could integrate that part of the data in your presentation from the next quarter just to get us more understanding on what percentage of the execution it stands at the end of the quarter, if possible.
- Sanjeev Singhal:** We will examine that and if feasible, we will incorporate this information.
- Vignesh Iyer:** Okay. Thank you. That was my side. All the best, sir.



- Sanjeev Singhal:** However, still I would like to clarify as far as the industry is concerned, this physical progress in terms of percentage may not give a fair idea with respect to the progress on ground or the financial progress.
- Vignesh Iyer:** That is true. I mean, just to, I mean, as in this industry as a whole is very new to the, I mean, you know, people who are analyzing the company or overall, but we do get the understanding that a certain percentage of, I mean, the execution in the early execution of the ship, it takes, you know, lower range of revenue gets recognized. And as the ship builds over the period of time, more revenue is recognized. But then we'll have a better idea as to, for our internal estimates to be made. And I mean, not just to, I mean, you know, just to get an idea, fair idea so that we can have our internal estimates made. Nothing else. I mean, it is just. Thank you, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Amit Dixit from ICICI Securities. Please go ahead.
- Amit Dixit:** Yes. Hi. Thanks for giving me opportunity again. So my first question is that, you know, you indicated that the current order book of 38,500 crores is expected to be executed by FY26 to FY27. So based on your current plan of delivery, when will we see the peak cash generation of peak revenue? Will it be in FY25 or 26 or 27?
- Sanjeev Singhal:** As per the projections available right now, we are expecting FY25. But at the same time, in case a couple of major equipments delivery is delayed, that it may shift to early 26. But we are hopeful of achieving the peak in FY25.
- Amit Dixit:** Okay. So the second question is that we were expecting actually that there would be, there could be a repeat order of destroyer. However, if we look at the standing committee of defense report and they have indicated the orders by platform for till FY25, well, there is no mention of either submarine or destroyer. So what is your take on that, given that our peak cash generation or revenue will be in FY25? And these are typically long gestation projects. Do you see a possibility of our profitability taking a serious step?
- Sanjeev Singhal:** I would put it that as per your statement itself, as far as the defense report is concerned, there is no mention of further submarines. But at the same time, the RFP is already in place. Quite substantial water has already flown. And currently the date of submission of the bid is 1st of August, 2023. So I don't see much of an alignment between these. As far as the repeat order of project 17, Alpha Frigates is concerned, this also is in discussion. We will not be able to time it right now, by what time this can be expected. But at the same time, there is a serious discussion going on. And these decisions are always dynamic, depending upon the geopolitical situation, which everyone of us is aware of. So there is a definite requirement as far as the Indian Navy is concerned. And the government is also fully aware of this requirement. So I don't, being in the line of the business, we don't see any kind of a holdback or restrictions. So the equipments would be required, these platforms are required. Something or other would definitely be cropping up.
- Amit Dixit:** Another question is that over a period of time, those who have looked at the company have seen that your EBITDA margin has improved progressively. If you talk about last 7-8 years back, it used to be 3.5%, 5%. Now it is almost 10% in Q4 FY23. So I understand there are some



sustainable cost drivers for the same, such as efficiency, or because we have been able to deliver well in time. So if you could just highlight two or three drivers for the same that we can keep a track on while projecting our numbers.

Sanjeev Singhal:

I think you have already captured the major one, that the deliveries have been in time. Whenever the deliveries are in time, it definitely has a significant positive effect on the margins. Because as far as the contract value is concerned, contract value remains fixed. So we don't get anything more, but my costs definitely go up in maintaining the platform and other facilities in case there are delays in the delivery.

Secondly, what I would say is that this industry operates on the cost to completion principle, whereby the cost of completion of the platform is assessed on an annual basis. And till the time the entire equipment, services orders have not been placed, there is some kind of conservatism or uncertainties do prevail. So as we move towards the completion of the project, these clarities are better.

Third point is that, particularly in case of shipbuilding contract, there is a variable component of around 50%, and equal balance 50% is a fixed component. As far as the variable component is concerned, on the nomination-based orders, we get a fixed margin of 7.5% to 8%. Whereas in case of fixed component, the scope and the price is fixed. So in case there are any efficiencies, the yard definitely gains, but this visibility also emerges when the ship is more matured towards delivery.

In case there are any inefficiencies or delays, the margins get adversely impacted. So as we progress towards the execution of the project, these issues are much more clear. And we can, like I said, in case of the deliveries are being made, this year also a higher profit was booked at the time of delivery, because we know now the costs, we are in a position to close them. So these kind of variations can be there.

Amit Dixit:

So basically what I hear from you is that this EBITDA margin, what we are looking at, it is sustainable, and EBITDA margin can go up further, because there would be some learning from your past experiences that you will apply going ahead?

Sanjeev Singhal:

Apart from other factors which I mentioned, like refund of LD, which would not be dependent on the production directly, but if inflows are there on account of refund of LD, they will have a positive impact on the margins.

Amit Dixit:

And on this LD, do you expect some decision in this year or how it is expected to be?

Sanjeev Singhal:

We are positive at least for one or two submarines it should be within this year, 2023-2024, because the statement of case has already been submitted. Now I believe that, considering that Navy has already agreed and approved for the second submarine, the template is available and well established. So we also know what kind of queries are there and to the best of our knowledge, we have already catered for them while submitting the statement of case. So there should not be a significant delay.



- Amit Dixit:** Okay. Sir, one of your peers indicated during the con call that they are participating in upcoming RFPs of next generation corvettes, interceptor boats, patrol vessels, etc. Would you also be interested in any of these?
- Biju George:** Yes, we are. As I said to answer to another question, we are submitting bids, we are participating in tenders and we are open for all kinds of ships which we have capability to build. So we are bidding for those projects.
- In addition, I would like to just, for the benefit of the audience, we have currently we have a capacity of building 11 submarines simultaneously and 10 warships simultaneously. So as far as the capacity is concerned, there is no constraints with respect to capacity. Post delivery of the third destroyer this year, we will be left with five ships. So five more can be accommodated at any point of time, any order which is materializing now, by the time it actually starts occupying my facilities, it would be another two to three years down the line.
- By which time we would have delivered some of the current ships further. And similar is the status for submarines. Right now we are having one submarine which is a new build and one submarine which is repair and life certification. So we have capacity for another nine submarines which can be accommodated. So even if we get an order for six Project 75I, there is enough scope for any kind of a follow on order or any kind of an additional order.
- Amit Dixit:** Okay, sir. This bidding will be done through you directly or it will be through Goa Shipyards?
- Sanjeev Singhal:** No, directly MDL.
- Amit Dixit:** Okay. Okay. Okay. So the last question I have is, is it possible to split the cash balance between the advances and your own cash in the book?
- Sanjeev Singhal:** Our own cash would be around INR1800 crores.
- Amit Dixit:** Okay. Fair enough. Okay, sir. Great. That's it from my side. Thank you.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Amit Dixit. Over to you, sir.
- Amit Dixit:** Yes. So good evening, everyone. And again, thanks for participating in the call. And thanks, sir, for answering the questions very patiently. I would like to pass it on to you for any closing remarks that you might have.
- Sanjeev Singhal:** Yes, we always look forward to these kind of interactions with the investors. And we believe that the investors have a significant degree of confidence in the Mazagon Dock Shipbuilders Limited and its fundamentals. We believe that we are the strongest shipyard in India, capable of delivering any kind of platforms which the country is capable of making. These conferences also lead to a lot of learning on our side and what are the investors' expectations. And we believe and the endeavor would be that we continue to deliver as per the investors' expectations. Thank you.
- Moderator:** Thank you. And on behalf of ICICI Securities, that concludes this conference. Thank you for joining us. You may now disconnect your lines.