

TTK Prestige

L I M I T E D

“TTK Prestige Limited 3QFY23 Earnings Conference Call”

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MODERATOR: **MR. DHRUV JAIN – AMBIT CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to TTK Prestige Limited 3QFY23 Earnings Conference Call, hosted by Ambit Capital. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Dhruv Jain from Ambit Capital. Thank you, and over to you.

Dhruv Jain: Thank you. Hello, everyone. Welcome to TTK Prestige 3QFY23 earnings call. In the management today, we have with us Mr. Chandru Kalro, Managing Director, Mr. K. Shankaran, Whole Time Director, and Mr. R. Saranyan, Chief Financial Officer. Thank you, and over to you, sir, for your opening remarks.

M. Chandru Kalro: Thank you, Dhruv, for that, and welcome, everybody, to the TTK Prestige's con-call. I just wanted to summarize the quarter. As we had expected, the quarter was going to be a little different from the previous year because, A, the festival itself, which shifted advanced itself, and therefore, there was some sale-in that happened the second quarter instead of the third quarter as last year. The second thing was that we had expected some movement of the share of wallet away from the kitchen appliance segment, and you know that travel and hospitality have taken a bigger share of wallet this time and we are really seeing a normalization in that sense between our category and the rest. That's what we saw.

We all know and have heard from various quarters about the flattening of discretionary consumption, which also we saw, thanks to the inflation and other things, and that also affected us. So the share of wallet, the discretionary consumption, etcetera have meant that the quarter 3 per se, has been a little less than what we would have liked it to be. But as we said in the beginning, please don't evaluate us from quarter-to-quarter. The nine months are still looking quite good, quite robust. We have still performed very well for the first nine months, and we're looking forward to things changing as quickly as possible as we go along.

I now hand over to you all for any questions that you might have.

Moderator: Our first question comes from the line of Prakash Kapadia from Anived Portfolio Managers Private Limited.

Prakash Kapadia: Couple of questions from my end. If I look at the current quarter sales of around INR 694 crores, and compare it to December '19, we were INR 587 crores, which is pre-lockdown. So in the context of a four-year period, doesn't that growth seems to be low because December 2021 had some patterns of lockdown I was trying to assess growth over a longer-term period. So if you can give us some sense from the longer-term perspective that will help.

Secondly, if I look at real estate sales, they are pretty buoyant. So what impact does it have on demand for our products in the coming quarters over the medium term? And lastly, what

trends are we seeing on input cost, and do we think this gross margin improvement, which we've seen on a quarter-on-quarter basis could trend upwards in the coming quarters?

M. Chandru Kalro: So three parts to your question. One is the three-year, you started from FY '20, is it?

Prakash Kapadia: '19, INR 587 crores to INR 694 crores.

M. Chandru Kalro: Okay. What I would request you to do is to look at the same period of nine months from FY '19 to now, and you will see that you are looking at something like INR 600 crores moving to INR 2,200 crores or INR 2,100 odd crores. So that's a very decent growth from there. So I wouldn't want us to see this as quarter-on-quarter because for the last eight quarters or 12 quarters, ever since COVID has hit, there is always some kind of a negative or positive base effect that we would like to even out over a longer period of time, rather than just look at it from this one-quarter perspective.

I think what we all must be concerned about is what is the standing of the brand and the company in the market, is the market share robust, are we growing or not in that sense, or are we gaining market share or not in that sense? And there, I think we are very confident. We are saying that we are extremely strong in the market, and our products and brand are very powerful, and that is why we are seeing growth. I mean even if you look at a very mature category like pressure cookers, we have grown 14% over the previous nine months. So that gives you an idea of where we are. All the appliances put together have almost did double digits in spite of everything. So I would look at this very positively.

The second part of your question I think was on the raw material cost, right?

Prakash Kapadia: Yes, raw material and that real estate buoyancy. So the demand of that real estate buoyancy on our medium-term sales.

M. Chandru Kalro: So the real-estate buoyancy definitely has a positive effect on us. But it is a lag for us because what happens is when the real estate is delivered and the occupying happens, then first the fixtures get done, the furniture, the hard furniture gets done, and then people move or upgrade into the smaller appliances. So we have a little bit of a lag effect in that sense. But yes, as real estate grows, it is definitely a positive for our company and our industry.

And the third thing that raw material cost that you're seeing is, it was largely on the down, going downwards until November, and then this China reopening obviously has had a different kind of effect on the commodity prices and suddenly, we saw a reversal and things going up again. But given that the demand per se is not that robust, we are not expecting any major surprises negatively on the raw materials that we are expecting that gross margins actually improve as we go along in the coming quarters.

Prakash Kapadia: And, sir, also, if you could give us some sense as we are aspiring to double our sales in the next five years, organic growth would be the biggest driver to this. So what kind of a volume mix can we look at over the medium term to achieve that aspiration? So 7%, 8% volume

growth, reasonable enough for us to have that direction of doubling our sales with a price and product mix. Is that a fair assessment?

M. Chandru Kalro: So first, you must understand that our business today has multiple categories in it. While we are operating in a single segment, we have multiple categories. Some are very mature like pressure cooker, some are very much underpenetrated, some where we have relatively lower market shares in some geographies, some where we have higher market share. So there are different strategies required for different category. At the overall level, we are looking at a 15% thereabouts value growth, which could be anywhere between 8% and 10% volume growth on a year-on-year basis for us to reach our objective.

Prakash Kapadia: Around 8%, 10% volume.

M. Chandru Kalro: So the thing is, here, we need a model mix, a channel mix, a geography mix, there are several variables in it, and we have to optimize those to achieve our objective.

Prakash Kapadia: And we seem pretty confident over the medium to long run to achieve that aspiration, right?

M. Chandru Kalro: Yes, certainly because the brand as you know is extremely powerful and very good, very well respected in the market.

Moderator: Our next question comes from the line of Achal Lohade from JM Financial.

Achal Lohade: My first question was in terms of the price increase in past 12 months, would it be fair that there is hardly any price increase in last four quarters? Just to see, in the Y-o-Y number, how much is the volume drop? Or is the volumes are flat?

M. Chandru Kalro: So first, let me give you a direct answer to your question. When you look at the nine months, all our key categories, we have a volume growth, some in low-double digit and some in high single-digit. So that, except for cookware and gas stove, where we had a very much higher growth in the past and the base effect is trying to catch up, these volume growths have been quite robust in most of our key categories.

And coming back to the price increase, in this financial year, we have not had any price increase because we have not required to take any price increase. And you know since commodity prices have been falling, actually, we are having what most other companies have as a problem, which is high-cost raw material inventory, lower actual spot inventory prices, and therefore, ability to take any price increase not being there.

In fact, where people are holding lower inventories, they are in a better competitive situation. Now we enjoyed this situation the previous year when the things were going up. Now on the way down, we are a little bit lagging in terms of those gross margins going back up. So that's where we stand.

Achal Lohade: Just to clarify, you're saying basically as compared to the peers, we had higher RM inventory, so that benefit accrued when the prices were rising, and it is working in a reverse fashion when the prices have kind of declined in 3Q. Have I got it right, sir?

M. Chandru Kalro: Absolutely right. Bang on.

Achal Lohade: Sir, if I look at nine months, like what you mentioned and one of the other company, your peer has reported number, if I look at their nine months three-year CAGR in terms of nine-months FY '20 comparing with nine months FY '23, it is 15%. While for us, it's about 10%. So just wanted to understand when you say the market share, can you help us understand some statistic with respect to categories where our market shares are correctly how it was, say, three years back?

M. Chandru Kalro: See, the other company which you are talking about has a very different category mix to our category mix. So for example, the kitchen appliance category segment in their mix will be smaller than ours. And therefore, we cannot really compare these two like-for-like. We have to look at these individual categories. Now in some of the key categories in their mix, as per retail audit data, we have now actually gone up two notches in the market share as we look at the last Q3 share, so it's difficult to say.

But there is one thing that you must know that given the inflation being where it is and there is a little bit element of down-trading, we are saying that the smaller brands are little bit nibbling away in some regions at some price points at some customer segments. So therefore, you will see that depending on where which brand is positioned and for which category, there might be differential growth. You can be rest assured that our market share situation is quite robust.

Achal Lohade: Sir, if I look at the past several years, kitchen appliances used to be the biggest driver compared to cooker, cookware. Now if you see last three, four quarters, we have seen that the appliances, if I look at last four, five quarters, the appliances is growing at a smaller rate than cooker, cookware combined. Is there anything to highlight there or what is driving this slight weakness in the appliances' growth particularly? And how do you plan to tackle the same?

M. Chandru Kalro: So as I said, it's about various segments. Now we in our gas stove segment, which is one of our very key segments I'd say, the gas stove category per se has not been growing very much as much as it used to grow. Now this is a very mature category. And normally, in an inflationary situation, people tend to postpone purchases. Cycle times reduce or replacement times reduce when things are very affluent and they normally elongate because people postpone purchases. So gas stove is a very important category in that sense.

But over there, if you look at our focus, we have launched the Swachh range of gas stove which is at the upper end of the price mix. So now, the contribution of this in the entire category would be a little limited, given the kind of customers we can attract, but the product has met with an extremely good response. We are looking at how do we expand that gas stove category across. Now induction cooktops have also come in the way of the expansion of gas stoves because over the last three years, induction has definitely got the fancy for most people

because electricity is available, LPG prices had gone up, and therefore induction has been going up. So it's a mix of various factors and I believe these are all temporary.

Unfortunately, as I keep saying, the last two or three years, the base effects of each quarter and each period, given COVID lockdowns and no lockdowns, have caused all this confusion to happen. Once we get out of these and there are normalcy returns, then we will have a period of clear runway. Also, with Ujjwala scheme going -- slowing down because they have almost given all the lower end of the society, that kind of robustness also is coming down. So you would have seen most of our peer groups have also reported gas stove being down, whereas mixer grinders, we have done extremely well. So these are some of the things that are happening.

Achal Lohade: Sir, if I may ask one more question with respect to the category like chimneys and hobs, we are seeing lot of excitement among the players. I just wanted to understand your thoughts on the same in terms of, A, the market size; B, what is our presence in terms of the range and in terms of the market share, if we can give any color on the same?

M. Chandru Kalro: So the color is that we are actually very marginal players in the chimneys, to be honest. And I believe it's an extremely exciting growth-generating category for us and it is definitely in our radar, and we have some extremely exciting products that we are coming out with in the near future.

Achal Lohade: Any market size and the growth, sir, for the industry?

M. Chandru Kalro: Market size is huge. I don't have off-hand numbers, but it's huge. And like your previous participant had said, with the real estate growing the way it is, especially at the upper end, this kind of market has good growth prospects and that is why we are going to focus on this in a very big way in the coming future.

Moderator: Our next question comes from the line of Aniruddha Joshi from ICICI Securities.

Aniruddha Joshi: Sir, in the presentation, the company has said that the peers are offering relatively higher discounts. So how is the situation now? Has the discounts in the market normalized or do you see that competition at the low end of the market still continues to be very steep? And obviously, will it continue to hurt the Q4 numbers as well?

And second question is, there's also comment that as a matter of prudence, provision was made for inventory considered unserviceable. So if you can please quantify this provision which has been made in Q3. And do you see any provision that needs to be made in Q4 as well?

M. Chandru Kalro: Yes, I'll answer the last one first. I mean, as a macro of good governance, as soon as the issue comes to light to the management, we like to provide it then and there irrespective of how the bottom line is looking. And in this case, the amount was about INR 2.5 crores or INR 3 crores thereabouts. And that is what we're talking about here in the -- so that's what has gone off the bottom line. And this has happened over the years of which is obsolete inventory, which had to

be written off, which is prudent accounting. Whenever we use some of it, it will come back, so that is how it is.

Coming back to your question on the lower end of the competitive intensity, it continues. Whenever volumes don't grow, the industry typically, not only our industry, any industry typically starts fighting hard for every volume that is there and that kind of discounting, we are seeing. And we are not going to do very tactical -- some of it we will do. It's not that we don't do anything at all, but we won't do anything that will hurt the long-term interest of the brand. And therefore, even at short-term losses, we are willing to take for the long-term interest of the brand, which is what we have said here.

How are we going to react to this in the future is to create products that will not affect us at the upper end, and the innovative end, while we continue to participate at the lower end and those strategies are being formulated continuously, product development is happening continuously, so that we can do that. We will not be -- part of this quarter we'll continue to be like that, but having said that, I'm sure we will be stronger at the end of this quarter, to face these challenges.

Moderator: Our next question comes from the line of Manish Poddar from Motilal Oswal.

Manish Poddar: Just trying to understand, do we need to take incremental pricing given the recent RM pricing which you've started seeing and, what is the outlook for pricing in FY '24, given what competition is giving?

M. Chandru Kalro: As of now, we are taking it as it comes. We don't believe we need to take any price increase or do any major price reduction. So, we are looking at a period of stability for the next couple of quarters at least, unless things change dramatically, and these things can change very quickly, given the way things are. Luckily, I mean this morning for the first time after seven, eight trading sessions, we've seen raw material prices again cool off. So we don't know. I mean as of now, even at current prices, I don't think we need to do anything with our pricing.

Manish Poddar: And would you need to cut prices in FY'24 given how competition is stacking up?

M. Chandru Kalro: As of now, no. As I said, our response is that we might come up with some other strategic moves to help counter and compete well in those areas.

Moderator: Our next question comes from the line of Naveen Trivedi from HDFC Securities.

Naveen Trivedi: Sir, in your opening remarks, you mentioned about festive season also was one of the reason that Q3 was on a typical number. If you look at Q2, Q3 combined, this year versus last year, then also there is a 4% decline in the revenue side. So just wanted to check apart from festive demand, how has been the underlying trend, also talking about at the end of the time we are seeing normalization of the demand side. So two things I want to understand from your side.

M. Chandru Kalro: It's a good point you raise. Actually, if you see, again, just given the COVID situation, last year, if we are tracking our primaries and secondary's put together, last year, the propensity of the channel to stock up was much better than this year given the situation and the economic climate that we're in. So if I look at the secondary's of last year and the secondary's of this year, my volume growths are quite evident, but the primaries that happened last year with a view of increasing the stock given that we were coming out of a lockdown etcetera, that opportunity was not there this year and this year if you followed the secondary sales, and that is healthy because if I unnecessarily increase channel stocks, that will have other impacts

So if I look at the secondary level, the sale which has happened, there seems to be a growth if not a flat thing in most of the categories whether I think Q2 plus Q3 or whether I take only Q3. So that is why when we are looking at the retail audit of the market share, we are seeing that we are absolutely stable, if not, we have grown few basis points here and there.

Naveen Trivedi: Thereby you are expecting that there's been a normalization of the demand?

M. Chandru Kalro: Yes. So we are saying that the demand per se has not collapsed or anything, but the growth rates definitely of the previous year, given the higher share of wallet that was coming to this, and now that the share of wallet is normalizing, it's kind of stabilizing. So, give it these one or two quarters, then we are getting back to normalcy. Even this year if you'd see, the first quarter was 68% over the previous year because the base effect of the previous year was there.

Now if you look at the first half as a half, we have outperformed most of our peers in the industry. So it's all these primary, secondary, this COVID, non-COVID, all of these things which are creating these confusions.

Naveen Trivedi: And when you talked about a specific channel, isn't the e-com side where the propensity has gone down?

M. Chandru Kalro: So obviously when the lockdowns were there, e-com had a higher share and relevance. I'm not saying that e-com has stopped growing, but I'm saying that e-com has definitely grown much this year like it used to in the previous years. And in fact, if you had looked at the e-com channels, that is where the discounting started very badly during the season, and we said that it will hurt the long-term interest of the brand, which is why we stayed away.

Now e-com for us will be as I already said even in the previous quarter, between 14% and 18% is the band in which we are seeing e-com stay, and that's where we want it also.

Moderator: Our next question comes from the line of Sameer Gupta from India Infoline.

Sameer Gupta: On your 15% value growth aspiration, now, when I look at years even before COVID, we were trending right about at 10% or below 10%. Even our nine-month year CAGR is around 10%, so just wanted to understand what is the bridge here from this 10% to 15%? What exactly differently are we doing, what has changed for this acceleration to happen, especially,

considering the slowdown in discretionary environment, how confident are you of achieving this 15% kind of growth?

M. Chandru Kalro: Look, I can answer you this in a little more detailed fashion probably next quarter once we've had our budget for this year prepared because that's where our strategic issues are raised. But coming back, yes, you're absolutely right. Even pre-COVID our CAGR has not been near that 15%, and again if you go back in time, we've had several ups and downs given the channel, the way things were turning. We had some one or two customers who changed strategy and therefore they were quite big in our scene.

So what we want to do largely, let me give you two or three themes what we want to do largely, is actually look at specific geographies, specific categories, which can be large and where we are not large, and then build those categories for ourselves by investing in those categories. That's what we want to do and expand our footprint in those categories. That is going to be largely the strategy. I can't give you more information than that, but we are confident that we will come up with a way to get those numbers kicking in as we go forward into the next few years.

Moderator: Our next question comes from the line of Lokesh Maru from Nippon India Mutual Funds.

Lokesh Maru: Sir, my first question is on the current demand environment, given that a lot of our sales are also related to wedding season, which has been quite upbeat in last November and December. So, getting into January and given that, like you have said that secondary sales have been quite good, what is the kind of momentum that we are seeing on primary side in this month of January, and what kind of target are we setting for a channel as such?

M. Chandru Kalro: See, our approach to this is very simple. Our primary must follow the secondary and the secondary as I've said, while it is not growing dramatically, it is also not dropping dramatically. I believe that some level of stability will come through in this quarter and we will continue our policy of following primary with the secondary.

The wedding season is something that happens every year. I mean this year was a little more robust, but then this year, there were lot of weddings which were destination weddings, which were travel destination weddings, and all of the other things, and a lot of new variables that have come in. I do believe that these things are all normalized over a period of time and the demand of discretionary spends, like, not just in our category, but even in all categories is going to come back. When you have an economy that is growing at 6.5%, 7%, it is going to come back somewhere to us finally.

Lokesh Maru: Sir, my next question is on the margin side. So one is that we are going to benefit from the raw material, the high-cost inventory being flushed out. Other is just because of intense competition, some part of these margin gains could also be passed on, and pass-through, so what kind of gross and EBITDA margins are we targeting in near term?

M. Chandru Kalro: Look, on the EBITDA front, we've always said that we want to be between 14.5% and 16%, and I think that is something we should be able to achieve, in that band. Coming back to the gross margins, we are trying to say that we will be almost at the same level as the previous year, I think.

Lokesh Maru: It's 42%.

M. Chandru Kalro: Yes. Almost there, I mean, give or take, 50 basis points, 60 basis points here or there. I think that's where we want to be, and that's where I think we are likely to be.

Lokesh Maru: Sir, last question on Ultra fresh, given the topline and the number of stores, basic math basically comes out somewhere around INR 3 lakh to INR 3.5 lakh per month per store of Ultrafresh. So what is the kind of magnitude we want to ramp it up per-store basis sales per month or per year targets that we may have? Anything that you want to put a light on?

M. Chandru Kalro: It's a little early on that. I mean I think after the acquisition or the association of the Prestige brand on that board every studio, definitely one thing that we are seeing as a trend is that the average price realization per kitchen has definitely gone up. Now, each studio ideally should give me at least two to three kitchens on a month. I believe that since these are new studios and the business development team is doing everything to make sure that the studio gets enough traction in the nearby trading area, in the next six, eight months, we are likely to see this being realized.

So what we are doing is, we are acquiring new stores, making sure they stabilize, and then go for the next round of acquisition. This year, almost 35 net store acquisitions have happened on a base of 80, 85, which I think is extremely robust. So this is going to be a high-growth category, but it is also going to be something that we would scale up carefully because we need customer satisfaction because it's a highly referral-oriented business.

Moderator: Our next question comes from the line of Senthilkumar from Joindre Capital Services Ltd.

Senthilkumar: I have a couple of questions. First one is, from the investor presentation, I can understand that sales were impacted on account of inflation and thus the demand for low-priced competitive products. But we have a Judge brand exactly to compete with the low-priced product category, I mean, mass category. My query is whether the Judge brand has got -- has not got market acceptance and is thus unable to compete with low-priced product, low-priced competitors. Your thoughts on this, please?

M. Chandru Kalro: Mr. Senthilkumar, you have asked a very-very pertinent question, indeed. The Judge brand was precisely for that to operate at the lower end. But you must remember that in the previous year, when we were having so much demand, we actually underplayed Judge because we would rather produce for Prestige brand rather than produced for the Judge brand. So these things are -- to be fair, we have been a little tentative on the Judge brand because we are forever trying to protect Prestige from any kind of cannibalization.

But I do believe that in the next few months and quarters, you are going to see a proper strong strategy for Judge. We are in a position to certainly compete well in those price segment, but we will never be the cheapest in that, because remember that any customer who's buying a Judge product is supported by the same aftersales service system that Prestige has. So that reassurance of TTK Prestige we would like to maintain, that at a certain cost, so we will never be the cheapest. But we will definitely be a good value alternative to Prestige for a customer who doesn't want to pay Prestige price.

Senthilkumar: And my second question is, on what basis the sales was classified into primary and secondary? Because I could see this primaries this year was appeared subdued in the presentation. I just want to know how the management is classifying the primary and secondary in sales.

M. Chandru Kalro: If what -- supposing I'm having distributor, I sell to the distributor that is called primary sales, that is the sale that you are seeing as my sale. What the distributor sells to the market is called secondary sale. That, we track through our secondary sales distributor management software. It is that sales that I'm talking about as a comparison with the previous year where I'm telling you that the table has not grown.

Moderator: Our next question comes from the line of Pavan Kumar from RatnaTraya Capital.

Pavan Kumar: Sir, what should be the normalized EBITDA margin bad debt we should assume going forward?

M. Chandru Kalro: 14.5% to 16%.

Pavan Kumar: And going forward, should we -- so one thing, if my -- please let me know if my understanding is right that this quarter you are saying is a normalized based quarter and from here on, we should be looking at maybe we are targeting 8% to 9% volume growth and 10% revenue growth, right?

M. Chandru Kalro: I talked about the 8% to 9% volume growth from next financial year onwards. I told you that this second half of this year is likely to be a little difficult given the overall economic situation. And hopefully, we will see normalization happen through this quarter. And we go into next year with a lot more optimism than what we see today.

Pavan Kumar: And further inventory losses expected in Q4, sir?

M. Chandru Kalro: I don't know about it yet. I don't think so. But if it is there, we will take the prudent method of recognizing it as we have always been doing. See, every year, we have these audits at the end and whatever those figures throw us, we tend to do whatever is necessary in prudent accounting.

Pavan Kumar: And these inventory losses which we have taken on our P&L, are they pertaining to something related to the raw material prices falling or is it due to the finished goods getting obsolete?

M. Chandru Kalro: It would be various things, finished goods beings obsolete or some damages or some work in progress, which could not be converted into finished goods, or some raw materials which has become obsolete because those models are no longer being sold. Those are some of the reasons that is there.

Pavan Kumar: So basically, you are saying it is a mix?

M. Chandru Kalro: It is a mix and it is not that significant. While INR 3 crores in the quarter can look significant, it is still better to do the right thing by writing it off, and if there is any realization from it later, we write it back.

Pavan Kumar: So it was INR 3 crores for the quarter, sir?

M. Chandru Kalro: That is correct.

Moderator: Our next question comes from the line of Lokesh Maru from Nippon India Mutual Fund.

Lokesh Maru: Just one more question from my side, was on inorganic growth acquisitions which we had stated of around about INR 1,000 crores. So if you can shed any light on the same of which categories we are looking to expand into or open to acquisitions within the same kitchenware category? Anything on that would be helpful.

M. Chandru Kalro: So there are -- we have always stated that we are looking at adjacencies. We are looking at anything that is of a strategic value to our existing business and we are largely looking within the country and not outside the country. I think these are some of the things that we are looking at. Not that we are not looking at anything outside the country, but we would prefer to stay within the country because management bandwidth is easier to manage.

The kinds of product categories is not, we will not definitely take something that we already have in this company because that offers us of no strategic value. So anything that helps us expand our footprint with the trade, expand our customer base, get newer customers, those are the kind of product lines and companies that we are looking at. There's always something or the other under consideration, but valuations and strategic fits are always something that are difficult to come by. And as and when we get that, we will take that decision. We don't want to buy something because we have the cash. We want to make sure that we buy something that we can use.

Moderator: Thank you. Since there are no questions, sir, I will now hand the conference over to the management for closing remarks.

M. Chandru Kalro: Well, thank you, ladies and gentlemen, for that. I think the questions were very-very pertinent. I would only like to end by saying that TTK Prestige is on a firm footing and we are looking with optimism in the coming financial year. Thank you for always coming back.

Dhruv Jain: Thank you.

Moderator: Thank you. On behalf of Ambit Capital, that concludes this conference. Thank you for joining us and have a lovely day.

M. Chandru Kalro: Thank you, guys.

Moderator: You may now disconnect your lines, please.